

**IMPORTANT NOTICE: You must read the following before continuing.**

THE PROSPECTUS ATTACHED TO THIS DISCLAIMER IS AVAILABLE ONLY TO INVESTORS WHO ARE LOCATED OUTSIDE THE UNITED STATES AND EITHER (A) "QUALIFIED INVESTORS" AS DEFINED IN REGULATION (EU) 2017/1129 (THE "**PROSPECTUS REGULATION**"), REPEALING DIRECTIVE 2003/71/EC ("**QUALIFIED INVESTORS**") IN THE EUROPEAN ECONOMIC AREA (THE "EEA") OR (B) OUTSIDE THE EEA, IN EACH CASE IN RELIANCE ON REGULATIONS UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND AS OTHERWISE PERMITTED UNDER APPLICABLE SECURITIES LAWS.

**IMPORTANT:** You must read the following before continuing. The following disclaimer applies to the attached prospectus (the "**Prospectus**"), which has been accessed via internet or otherwise received and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, any time you receive any information, as the case may be, as a result of such access. Capitalised terms used but not defined in this notice have the meanings assigned to such terms in the Prospectus.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL 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 (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT), EXCEPT AFTER THE INITIAL DISTRIBUTION OF SUCH SECURITIES AND PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE TRANSACTION DESCRIBED IN THIS PROSPECTUS IS NOT INTENDED TO INVOLVE RETENTION BY A SPONSOR OF AT LEAST 5 PER CENT. OF THE CREDIT RISK OF THE NOTES FOR PURPOSES OF THE U.S. RISK RETENTION RULES (AS DEFINED BELOW), BUT RATHER INTENDS TO RELY ON AN EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES REGARDING NON-U.S. TRANSACTIONS. NO OTHER STEPS HAVE BEEN TAKEN BY THE ISSUER, THE SELLER, THE ARRANGER OR THE JOINT LEAD MANAGERS OR ANY OF THEIR AFFILIATES OR ANY OTHER PARTY TO OTHERWISE COMPLY WITH THE U.S. RISK RETENTION RULES. SEE "*RISK FACTORS – CERTAIN REGULATORY CONSIDERATIONS – U.S. RISK RETENTION REQUIREMENTS*".

THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**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 THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES BY ITS ACQUISITION OF THE NOTES OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED 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 THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES.

"U.S. person" under the U.S. Risk Retention Rules means (i) any of the following: (A) any natural person resident in the United States; (B) any partnership, corporation, limited liability company, or other organization or entity organized or incorporated under the laws of any State or of the United States; (C) any estate of which any executor or administrator is a U.S. person; (as defined under any other clause of this definition); (D) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition); (E) any agency or branch of a foreign

entity located in the United States; (F) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition); (G) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (H) any partnership, corporation, limited liability company, or other organization or entity if (1) organized or incorporated under the laws of any foreign jurisdiction; and (2) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act; and (ii) "U.S. person(s)" under the U.S. Risk Retention Rules does not include: (A) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a person not constituting a U.S. person (as defined in paragraph (i)) by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States; (B) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person (as defined in paragraph (i)) if (1) an executor or administrator of the estate who is not a U.S. person (as defined in paragraph (i)) has sole or shared investment discretion with respect to the assets of the estate; and (2) the estate is governed by foreign law; (C) any trust of which any professional fiduciary acting as trustee is a U.S. person (as defined in paragraph (i)), if a trustee who is not a U.S. person (as defined in paragraph (i)) has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (as defined in paragraph (i)); (D) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (E) any agency or branch of a U.S. person (as defined in paragraph (i)) located outside the United States if (i) the agency or branch operates for valid business reasons; and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; (F) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

NONE OF THE ISSUER, THE SELLER, THE SERVICER, THE JOINT LEAD MANAGERS OR THE ARRANGER UNDERTAKE TO TAKE ANY ACTION WHICH MAY BE REQUIRED BY ANY INVESTOR FOR THE PURPOSES OF ITS COMPLIANCE WITH ANY REQUIREMENT OF EU REGULATION 2017/2402 (THE "**SECURITISATION REGULATION**"). IN ADDITION, THE ARRANGEMENTS HAVE NOT BEEN STRUCTURED WITH THE OBJECTIVE OF ENSURING COMPLIANCE BY ANY PERSON WITH ANY REQUIREMENT OF THE SECURITISATION REGULATION. CONSEQUENTLY, THE NOTES MAY NOT BE A SUITABLE INVESTMENT FOR INVESTORS WHO ARE SUBJECT TO THE SECURITISATION REGULATION.

IN ADDITION, CERTAIN JURISDICTIONS MAY REQUIRE THAT THIS DISCLAIMER AND THE PROSPECTUS BE DISTRIBUTED BY AND/OR THE OFFERING OR SALE OF THE SECURITIES DESCRIBED IN THE PROSPECTUS BE MADE BY A LICENSED BROKER OR DEALER. IN JURISDICTIONS WHERE SUCH RESTRICTION APPLIES AND A BANK INVOLVED IN THE OFFERING OR ANY AFFILIATE OF SUCH BANK IS A LICENSED BROKER OR DEALER IN THAT JURISDICTION, THE OFFERING SHALL BE DEEMED TO BE MADE BY SUCH LICENSED BROKER OR DEALER ON BEHALF OF THE ISSUER IN SUCH JURISDICTION.

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A "RETAIL INVESTOR" MEANS A PERSON WHO IS ONE (OR MORE) OF: (A) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4 (1) OF DIRECTIVE 2014/65/EU ("**MIFID II**"); (B) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC ("**INSURANCE MEDIATION 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) A PERSON WHO IS NOT A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS REGULATION. ACCORDINGLY, NONE OF THE ISSUER, THE JOINT LEAD MANAGERS OR THE ARRANGER EXPECTS TO BE REQUIRED TO PREPARE, AND NONE OF THEM HAS PREPARED, OR WILL PREPARE, A "KEY INFORMATION DOCUMENT" IN RESPECT OF THE NOTES FOR THE PURPOSES OF REGULATION (EU) NO 1286/2014 OF 26 NOVEMBER 2014 ON KEY INFORMATION DOCUMENTS FOR PACKAGED RETAIL AND INSURANCE-BASED INVESTMENT PRODUCTS (THE "**PRIIPS REGULATION**"). SEE "*SUBSCRIPTION AND SALE – SELLING RESTRICTIONS*".

NO KEY INFORMATION DOCUMENT ACCORDING TO THE SWISS FINANCIAL SERVICES ACT (THE "**FINSA**") OR ANY OTHER EQUIVALENT DOCUMENT UNDER THE FINSA HAS BEEN PREPARED IN RELATION TO THE NOTES.

THIS PROSPECTUS WILL NOT BE UPDATED FOR ANY DEVELOPMENTS THAT OCCUR AFTER ITS DATE. IN PARTICULAR, THIS PROSPECTUS IS NOT REQUIRED TO BE UPDATED AND HAS NOT BEEN UPDATED AS PER THE DATE OF APPROVAL BY THE SWISS REVIEW BODY PURSUANT TO ARTICLE 52 OF THE FINSA. CONSEQUENTLY, NEITHER THE DELIVERY OF THIS PROSPECTUS NOR THE OFFERING, SALE, OR DELIVERY OF ANY NOTES SHALL IN ANY CIRCUMSTANCES IMPLY THAT THE INFORMATION CONTAINED HEREIN CONCERNING THE ISSUER IS CORRECT AT ANY TIME SUBSEQUENT TO THE DATE HEREOF OR THAT ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE ISSUE OF THE NOTES IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE INDICATED IN THE DOCUMENT.

An investment in the Notes is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such investment and who have sufficient resources to be able to bear any losses which may result from such investment. It should be remembered that the price of securities and the income from them can go down as well as up.

The Prospectus is being provided to you on a confidential basis for informational use solely in connection with your consideration of the purchase of the securities referred to therein. Its use for any other purpose is not authorised, and you may not, nor are you authorised to, copy or reproduce the Prospectus in whole or in part in any manner whatsoever or deliver, distribute or forward the Prospectus or disclose any of its contents to any other person. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. If you are not the intended recipient of the Prospectus, you are hereby notified that any dissemination, distribution or copying of the Prospectus is strictly prohibited.

**Confirmation of your representation:** In order to be eligible to view the Prospectus or make an investment decision with respect to the securities described therein, potential investors must be located outside the United States and either (a) Qualified Investors or (b) outside the EEA. By accessing the attached Prospectus, you shall be deemed to have confirmed and represented to the relevant parties that (i) you are not a Risk Retention U.S. Person and you and any customers that you represent are not U.S. Persons (within the meaning of Regulation S under the Securities Act) and are either (A) a "Qualified Investor" (as defined in the Prospectus Regulation) or (B) outside the EEA, (ii) the electronic mail (or e-mail) address to which it has been delivered is not located in the United States, its territories and possessions, any State of the United States or the District of Columbia (where "possessions" include Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), (iii) you consent to delivery by electronic transmission, and (iv) if you are a person in the United Kingdom, then you are a person who (i) is an investment professional within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**FPO**") or (ii) is a high net worth entity falling under Article 49(2)(a) to (d) of the FPO.

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

The Prospectus has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of the involved parties in the offering, or their respective affiliates, directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and any hard copy version that may have been delivered to you by third parties.

You are responsible for protecting against viruses and other destructive items. Your receipt of the Prospectus via electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

## Auto lease-now 2023-1 AG

(a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-243.864.317)

### CHF 215,000,000 2.9775 per cent. Class A Asset-Backed Notes due 2032

The asset-backed notes to be issued by Auto lease-now 2023-1 AG, a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-243.864.317 (the "**Issuer**"), will comprise CHF 215,000,000 fixed rate asset-backed notes (the "**Notes**") due on the Monthly Payment Date falling in February 2032 (the "**Final Maturity Date**"). The Notes will be issued on or about 23 May 2023 or such other date as may be agreed between the Issuer and the Sole Arranger and Lead Manager. The Notes will rank *pari passu* and *pro rata* among themselves.

Principal Amount	Issue Price	Interest Rate	Step-Up Date / Optional Redemption Date	Final Maturity Date	Ratings (Fitch/Moody's/DBRS)
CHF 215,000,000	100 per cent.	Prior to the Step-Up Date 2.9775 per cent. and from and including the Step-Up Date 3.1775 per cent. per annum	23 February 2026	23 February 2032	"AAAsf" / "Aaa (sf)" / "AAA (sf)"

The ultimate source of funds for the payment of interest and repayment of principal on the Notes will be the Issuer's right to receive the collections and proceeds of the Lease Assets (and other assets as specified herein) acquired by the Issuer from the Seller during the Revolving Period. No principal will be paid on the Notes during the Revolving Period. Instead, on each Payment Date during the Revolving Period, the Issuer will purchase additional Lease Assets from the Seller (provided certain conditions are satisfied). On each Payment Date following the termination of the Revolving Period, the Issuer will apply Available Distribution Amounts in an amount up to the Note Principal Required Amount in redemption of the Notes in accordance with the applicable Priority of Payments.

**Given the complexity of the terms and conditions of the Notes, an investment in the Notes is suitable only for experienced and financially sophisticated investors who understand and are in a position to evaluate the merits and risks inherent therein and who have sufficient resources to be able to bear any losses which may result from such investment.**

**For a discussion of certain significant factors affecting investments in the Notes, see the section headed "*RISK FACTORS*" starting on page 28.**

The Notes have been provisionally admitted to trading on the SIX Swiss Exchange with effect from 17 May 2023 and application will be made for the Notes to be listed in compliance with the standard for bonds on the SIX Swiss Exchange. The last day of trading on the SIX Swiss Exchange for the Notes will be the second trading day prior to the date on which the Notes will be fully redeemed or prior to the Final Maturity Date.

The Notes will be the obligations of the Issuer only and will not be the obligations or responsibilities of, or guaranteed by, any of the other parties to the Transaction described in this Prospectus and any suggestion otherwise, express or implied, is expressly excluded.

The Notes will be issued as simple uncertificated securities (*einfache Wertrechte*) in accordance with art. 973c CO and entered into the main register (*Hauptregister*) with SIX SIS AG or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (SIX SIS AG or any such other intermediary, the "**Intermediary**"). Once the uncertificated securities are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Notes will constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) ("**FISA**") ("**Intermediated Securities**"). No individually certificated Notes (*Wertpapiere*) will be printed or delivered. None of the Issuer, the Trustee, the Bondholders' Representative, the Principal Paying Agent or any other party will at any time have the right to effect or demand the conversion of such Notes into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*). No physical delivery of individually certificated Notes will be made.

**For the purposes of the offer and the provisional admission to trading of the Notes on the SIX Swiss Exchange, the Issuer relied on the exemption pursuant to article 51, para. 2 FinSA.**

**This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated and has not been updated as per the date of approval by the Swiss Review Body pursuant to article 52 of the FinSA. Consequently, neither the delivery of this Prospectus nor the offering, sale, or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuer is correct at any time subsequent to the date hereof or that any other information supplied in connection with the issue of the Notes is correct as of any time subsequent the date indicated in the document.**

The Notes are expected to receive a rating of "AAAsf" by Fitch Ratings Limited ("**Fitch**"), "Aaa (sf)" by Moody's Investors Service, Inc. ("**Moody's**") and "AAA (sf)" by DBRS Ratings Limited ("**DBRS**"). **The assignment of ratings to the Notes is not a recommendation to buy, sell or hold any Notes. Any rating assigned to the Notes may be revised, suspended or withdrawn at any time by the assigning rating organisation.**

Sole Arranger and Lead Manager  
**CREDIT SUISSE AG**

The date of this Prospectus is 15 May 2023  
(the "**Prospectus**")

This Prospectus has been approved by SIX Exchange Regulation AG in its capacity as review body pursuant to article 52 of the Swiss Financial Services Act on 25 May 2023.

## RESPONSIBILITY

The Notes and interest thereon will be obligations solely of the Issuer and will not be guaranteed by, or be the responsibility of, any other entity referred to in this Prospectus.

AN INVESTMENT IN THE NOTES INVOLVES A HIGH DEGREE OF RISK. THE "RISK FACTORS" SECTION CONTAINS DETAILS OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE GIVEN PARTICULAR CONSIDERATION BEFORE INVESTING IN THE NOTES. PROSPECTIVE INVESTORS SHOULD BE AWARE OF THE ISSUES SUMMARISED WITHIN THAT SECTION. The risks and uncertainties discussed in the "Risk Factors" section are not the only ones facing the Issuer and the other transaction parties. Additional risks and uncertainties not presently known, or that are not currently believed to be material, may also affect the Notes, the Issuer and the other transaction parties. If any of these risks occur, you could lose part or all of your investment.

Save for the information contained in the sections entitled "*OVERVIEW OF SWISS VEHICLE LEASE MARKET*", "*CHARACTERISTICS OF THE LEASE ASSETS AND BANK-NOW'S LEASING BUSINESS*", "*ESTIMATED WEIGHTED AVERAGE LIFE OF NOTES, REDEMPTION PROFILE AND ASSUMPTIONS*", "*THE CORPORATE SERVICER AND THE SERVICING FACILITATOR*", "*THE SELLER, SERVICER AND SUBORDINATED LOAN PROVIDER*", "*SUBSCRIPTION AND SALE*", "*THE TRUSTEE AND BONDHOLDERS' REPRESENTATIVE*", "*THE PRINCIPAL PAYING AGENT AND THE ACCOUNT BANK*" and "*THE CASH MANAGER*", the Issuer accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything which is likely to affect the import of such information or which would make misleading any statement (whether it is a statement of fact or of opinion) in this Prospectus.

No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Sole Arranger and Lead Manager, the Trustee and Bondholders' Representative, the Servicing Facilitator, the Account Bank, the Cash Manager or the Principal Paying Agent as to the accuracy or completeness of any information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution except to the extent set out below. None of the Issuer, the Sole Arranger and Lead Manager, the Trustee and Bondholders' Representative, the Servicing Facilitator, the Account Bank, the Cash Manager or the Principal Paying Agent makes any representation to any prospective investor or purchaser of the Notes regarding the legality of investment therein by such prospective investor or purchaser under applicable legal investment or similar laws or regulations.

BANK-now AG ("**BANK-now**") as Seller, Servicer and Subordinated Loan Provider accepts responsibility for the information contained in the sections entitled "*OVERVIEW OF SWISS VEHICLE LEASE MARKET*", "*CHARACTERISTICS OF THE LEASE ASSETS AND BANK-NOW'S LEASING BUSINESS*", "*ESTIMATED WEIGHTED AVERAGE LIFE OF NOTES, REDEMPTION PROFILE AND ASSUMPTIONS*", "*THE SELLER, SERVICER AND SUBORDINATED LOAN PROVIDER*" and "*SUBSCRIPTION AND SALE*" (the "**BANK-now Information**"). To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such BANK-now Information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Seller and Servicer as to the accuracy or completeness of any information contained in this Prospectus (other than the BANK-now Information) or any other information supplied in connection with the Notes or their distribution.

Amicorp Switzerland AG as the Cash Manager accepts responsibility for the information contained in the section entitled "*THE CASH MANAGER*". To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Cash Manager as to the accuracy or completeness of any information contained in this Prospectus (other than the information in the section entitled "*THE CASH MANAGER*") or any other information supplied in connection with the Notes or their distribution.

Amicorp Switzerland AG as the Corporate Servicer and the Servicing Facilitator accepts responsibility for the information contained in the section entitled "*THE CORPORATE SERVICER AND THE SERVICING FACILITATOR*". To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Corporate Servicer as to the accuracy or completeness of any other

information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

ProServices Trustees (Switzerland) AG as Trustee and Bondholders' Representative accepts responsibility for the information contained in the section entitled "*THE TRUSTEE AND BONDHOLDERS' REPRESENTATIVE*". To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Trustee and Bondholders' Representative as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

Credit Suisse (Schweiz) AG as the Account Bank accepts responsibility for the information contained in the section entitled "*THE ACCOUNT BANK*". To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and does not omit anything likely to affect the import of such information. No representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Account Bank as to the accuracy or completeness of any other information contained in this Prospectus or any other information supplied in connection with the Notes or their distribution.

The Sole Arranger and Lead Manager has not independently verified the information contained in this Prospectus. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by or on behalf of the Sole Arranger and Lead Manager as to the accuracy, reasonableness or completeness of the information contained in this Prospectus or any other information provided by the Issuer or BANK-now in connection with the Notes. The Sole Arranger and Lead Manager does not accept any liability in relation to the information contained in this Prospectus or any other information provided by the Issuer or BANK-now in connection with the Notes. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. The contents of this Prospectus should not be construed as providing legal, business, accounting or tax advice. None of the Sole Arranger and Lead Manager, the Cash Manager, the Corporate Servicer, the Servicing Facilitator, the Trustee and Bondholders' Representative, the Account Bank or the Principal Paying Agent undertakes or shall undertake to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Sole Arranger and Lead Manager, the Cash Manager, the Corporate Servicer, the Servicing Facilitator, the Trustee and Bondholders' Representative, the Account Bank or the Principal Paying Agent. The Noteholders will not have any right to proceed directly against any transaction party in respect of their respective obligations under any of the agreements to which they are a part.

Each prospective investor should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the Notes. Investment in the Notes may be not suitable for all recipients of this Prospectus. An investment in the Notes is only suitable for financially sophisticated investors who are capable of evaluating the merits and risk of such investment. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

No person has been authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Prospectus. Nevertheless, if any such information is given by any broker, seller or any other person, it must not be relied upon as having been authorised by the Issuer, the Sole Arranger and Lead Manager or any other entity referred to in this Prospectus. Neither the delivery of this Prospectus nor any offer, sale or solicitation made in connection herewith will, in any circumstances, imply that the information contained herein is correct at any time subsequent to the date of this Prospectus or that there has been no change in the information contained in this Prospectus since the date of this Prospectus.

Payments of interest and principal in respect of the Notes will be subject to any applicable withholding taxes. The Issuer will not be obliged to pay additional amounts in respect thereof.

#### **OFFER/INVITATION/DISTRIBUTION RESTRICTIONS**

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 thereof as set forth therein and described in this Prospectus and, in connection therewith, may be required to provide confirmation of its compliance with such resale and other transfer restrictions in certain cases (see "*SUBSCRIPTION AND SALE*").

This Prospectus does not constitute, and is not intended to be, an offer of, or an invitation by or on behalf of, the Issuer, the Sole Arranger and Lead Manager or any other Transaction Party to subscribe for or purchase any of

the Notes including without limitation the sale or purchase of the Notes in any jurisdiction to any person to whom it is unlawful to make any offer or limitation in such jurisdiction. No action has been, nor will be taken to permit a public offering of the Notes or the distribution of this Prospectus in any jurisdiction other than Switzerland. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published, in any jurisdiction, except under circumstances that will result in compliance with all applicable laws and regulations. Persons into whose possession this Prospectus comes are required by the Issuer and the Sole Arranger and Lead Manager to inform themselves about and to observe such restrictions.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OF AMERICA OR ANY OTHER RELEVANT JURISDICTION. SUBJECT TO CERTAIN EXCEPTIONS, THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO U.S. PERSONS.

THE TRANSACTION DESCRIBED IN THIS PROSPECTUS IS NOT INTENDED TO INVOLVE RETENTION BY A SPONSOR OF AT LEAST 5 PER CENT. OF THE CREDIT RISK OF THE NOTES FOR PURPOSES OF THE U.S. RISK RETENTION RULES (AS DEFINED BELOW), BUT RATHER INTENDS TO RELY ON AN EXEMPTION PROVIDED FOR IN SECTION 20 OF THE U.S. RISK RETENTION RULES REGARDING NON-U.S. TRANSACTIONS. NO OTHER STEPS HAVE BEEN TAKEN BY THE ISSUER, THE SELLER, THE SOLE ARRANGER AND LEAD MANAGER OR ANY OF THEIR AFFILIATES OR ANY OTHER PARTY TO OTHERWISE COMPLY WITH THE U.S. RISK RETENTION RULES. SEE "*RISK FACTORS—CERTAIN REGULATORY CONSIDERATIONS—U.S. RISK RETENTION REQUIREMENTS*".

THE NOTES OFFERED AND SOLD BY THE ISSUER MAY NOT BE PURCHASED BY, OR FOR THE ACCOUNT OR BENEFIT OF, ANY "U.S. PERSON" AS DEFINED IN THE U.S. RISK RETENTION RULES ("**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 THE DEFINITION OF "U.S. PERSON" IN THE U.S. RISK RETENTION RULES IS SUBSTANTIALLY SIMILAR TO, BUT NOT IDENTICAL TO, THE DEFINITION OF "U.S. PERSON" IN REGULATION S. EACH PURCHASER OF THE NOTES OR A BENEFICIAL INTEREST THEREIN ACQUIRED IN THE INITIAL SYNDICATION OF THE NOTES BY ITS ACQUISITION OF THE NOTES OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED 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 THEREIN FOR ITS OWN ACCOUNT AND NOT WITH A VIEW TO DISTRIBUTE SUCH NOTE, AND (3) IS NOT ACQUIRING SUCH NOTE OR A BENEFICIAL INTEREST THEREIN AS PART OF A SCHEME TO EVADE THE REQUIREMENTS OF THE U.S. RISK RETENTION RULES.

"**U.S. person**" under the U.S. Risk Retention Rules means (i) any of the following: (A) any natural person resident in the United States; (B) any partnership, corporation, limited liability company, or other organization or entity organized or incorporated under the laws of any State or of the United States; (C) any estate of which any executor or administrator is a U.S. person; (as defined under any other clause of this definition); (D) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition); (E) any agency or branch of a foreign entity located in the United States; (F) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition); (G) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (H) any partnership, corporation, limited liability company, or other organization or entity if (1) organized or incorporated under the laws of any foreign jurisdiction; and (2) formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act; and (ii) "U.S. person(s)" under the U.S. Risk Retention Rules does not include: (A) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a person not constituting a U.S. person (as defined in paragraph (i)) by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States; (B) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person (as defined in paragraph (i)) if (1) an executor or administrator of the estate who is not a U.S. person (as defined in paragraph (i)) has sole or shared investment discretion with respect to the assets of the estate; and (2) the estate is governed by foreign law; (C) any trust of which any professional fiduciary acting as trustee is a U.S. person (as defined in paragraph (i)), if a trustee who is not a U.S. person (as defined in paragraph (i)) has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor

if the trust is revocable) is a U.S. person; (as defined in paragraph (i)); (D) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (E) any agency or branch of a U.S. person (as defined in paragraph (i)) located outside the United States if (i) the agency or branch operates for valid business reasons; and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; (F) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

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 ("EEA"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); (ii) a customer within the meaning of Directive 2002/92/EC, 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 Directive 2003/71/EC (as amended). Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**For a description of certain further restrictions on offers and sales of the Notes and distribution of this Prospectus, see the section entitled "*SUBSCRIPTION AND SALE*".**

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by any person in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Notes or the distribution of this Prospectus in any jurisdiction where such action is required.

#### **FORWARD-LOOKING STATEMENTS AND STATISTICAL INFORMATION**

Certain matters contained herein are forward-looking statements. Such statements appear in a number of places in this Prospectus, including with respect to assumptions on prepayment and certain other characteristics of the Lease Assets, and reflect significant assumptions and subjective judgments by the Issuer that may not prove to be correct. Such statements may be identified by reference to a future period or periods and the use of forward-looking terminology such as "may", "might", "will", "could", "believes", "expects", "anticipates", "continues", "intends", "plans" or similar terms. Consequently, future results may differ from the Issuer's expectations due to a variety of factors, including (but not limited to) the economic environment and regulatory changes in or affecting the vehicle financing industry in Switzerland as well as the factors discussed under "*RISK FACTORS*". Moreover, past financial performance should not be considered a reliable indicator of future performance and prospective purchasers of the Notes are cautioned that any such statements are not guarantees of performance and involve risks and uncertainties, many of which are beyond the control of the Issuer. This Prospectus also contains certain tables and other statistical analyses (the "**Statistical Information**"). Numerous assumptions have been used in preparing the Statistical Information, which may or may not be reflected in the material. As such, no assurance can be given as to the accuracy, appropriateness or completeness of the Statistical Information in any particular context, or as to whether the Statistical Information and/or the assumptions upon which they are based reflect present market conditions or future market performance. The Statistical Information should not be construed as either projections or predictions or as legal, tax, financial or accounting advice. The average life of or the potential yields on any security cannot be predicted, because the actual rate of repayment on the underlying assets, as well as a number of other relevant factors, cannot be determined. No assurance can be given that the assumptions on which the possible average lives of or yields on the securities are made will prove to be realistic. None of the Sole Arranger and Lead Manager, the Trustee and Bondholders' Representative, the Servicing Facilitator or any other entity referred to in this Prospectus have attempted to verify any such statements or Statistical Information, nor do they make any representations, express or implied, with respect thereto. Prospective purchasers should therefore not place undue reliance on any of these forward-looking statements or Statistical Information. None of the Issuer, BANK-now, the Sole Arranger and Lead Manager, the Trustee and Bondholders' Representative, the Servicing Facilitator or any other entity referred to in this Prospectus assumes any obligation to update these forward-looking statements or Statistical Information or to update the reasons for which actual results could differ materially from those anticipated in the forward-looking statements or Statistical Information.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note will in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or BANK-now since the date of this Prospectus.



## INTERPRETATION AND DEFINITIONS

All references in this document to "Swiss francs" and "CHF" are to the lawful currency of Switzerland.

Capitalised terms used and not otherwise defined herein will have the meanings ascribed to them in the "GLOSSARY OF DEFINED TERMS".

## ROUNDING

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly, and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

## PRIIPS REGULATION

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 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 MiFID II; or (ii) a customer within the meaning of 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 the Prospectus Regulation. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

## UK FINANCIAL PROMOTION

The communication of this Prospectus and any other document in connection with the offering and issuance of the Notes is directed only to persons who are outside of the UK, save for any person who (i) is an investment professional within the meaning of Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FPO") or (ii) is a high net worth entity falling under Article 49(2)(a) to (d) of the FPO.

## SWISS KEY INFORMATION DOCUMENT

No key information document according to the FinSA or any equivalent document under the FinSA has been prepared in relation to the Notes.

## EEA

In relation to each Member State of the European Economic Area which has implemented the Prospectus Regulation (each, a "**Relevant Member State**") and the Sole Arranger and Lead Manager has represented and agreed, and each subscriber of Notes will be required to represent and agree, that with effect from and including the date on which the Prospectus Regulation is implemented in that Relevant Member State, (the "**Relevant Implementation Date**") it has not made and will not make an offer of the Notes which are the subject of the offering contemplated by the Prospectus in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such in that Relevant Member State:

- (1) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (2) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Sole Arranger and Lead Manager for any such offer; or
- (3) at any time in any other circumstances falling within Article 3(2) of the Prospectus Regulation,

**provided that** no such offer of the Notes referred to in paragraphs 1 to 3 above shall require the Issuer or the Sole Arranger and Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 16 of the Prospectus Regulation.

For the purposes of this provision, the expression an offer of Notes to the public in relation to any Notes in any Relevant Member State means 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 the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Regulation in that Member State; the expression Prospectus Regulation means Regulation (EU) 2017/1129/EC (and

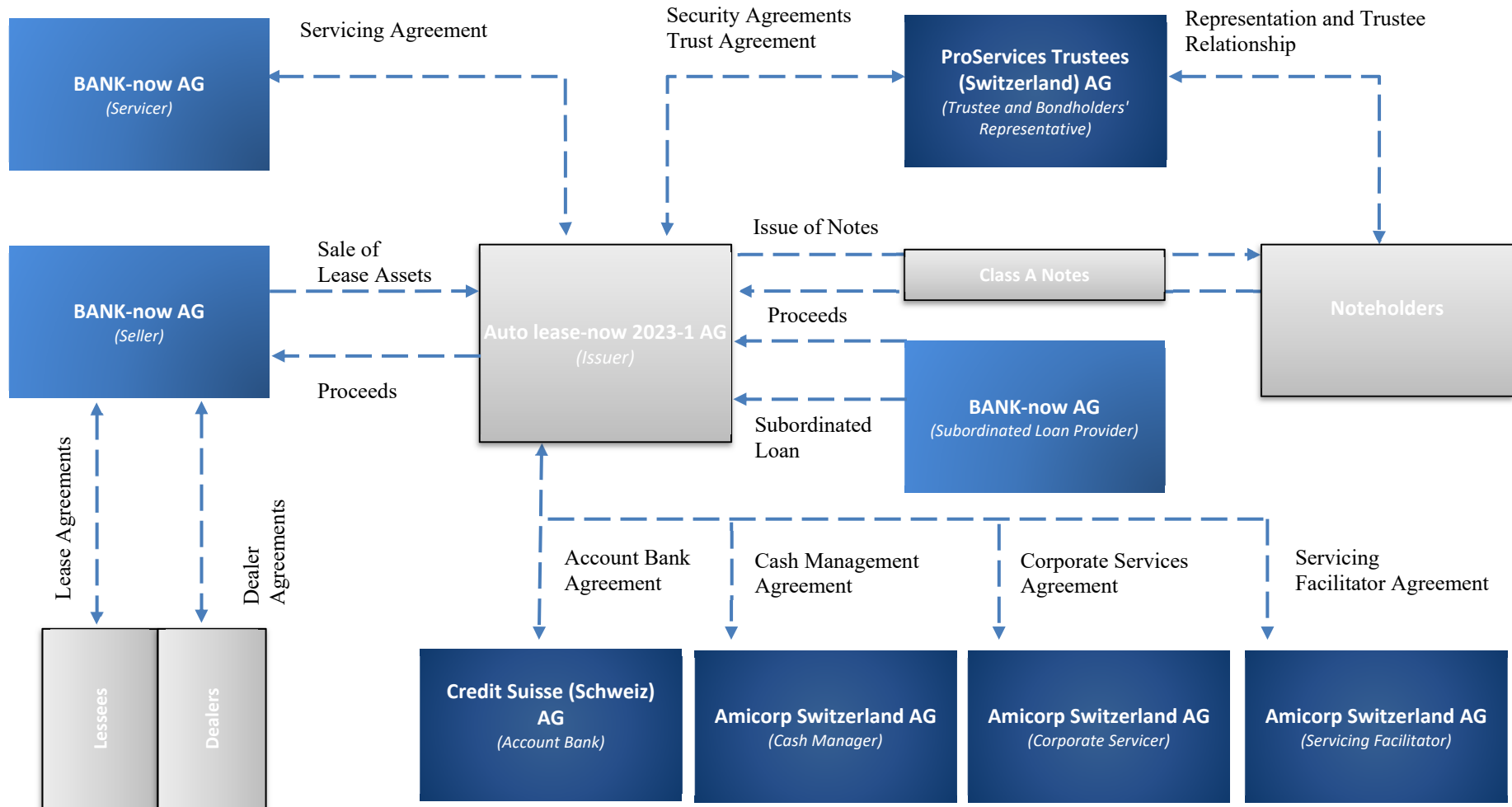
amendments thereto from time to time, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State.

## TABLE OF CONTENTS

TRANSACTION DIAGRAM .....	1
TRANSACTION SUMMARY .....	2
TRANSACTION OVERVIEW TRANSACTION PARTIES ON THE CLOSING DATE.....	7
OVERVIEW OF THE LEASE ASSETS AND SERVICING.....	8
OVERVIEW OF THE NOTES .....	14
OVERVIEW OF THE CASHFLOWS AND CREDIT ENHANCEMENT .....	19
TRIGGER TABLES.....	25
RISK FACTORS .....	28
CERTAIN REGULATORY DISCLOSURES .....	51
CHARACTERISTICS OF THE LEASE ASSETS AND BANK-NOW'S LEASING BUSINESS.....	52
CERTAIN DATA RELATING TO THE LEASE ASSETS AND HISTORICAL PERFORMANCE.....	59
CERTAIN HISTORICAL PERFORMANCE: STATIC DEFAULTED LEASE ASSETS AND STATIC RECOVERY ON DEFAULTED LEASE ASSETS .....	66
CERTAIN HISTORICAL PERFORMANCE: DYNAMIC DELINQUENCIES .....	74
ESTIMATED WEIGHTED AVERAGE LIFE OF NOTES, REDEMPTION PROFILE AND ASSUMPTIONS .....	78
THE SELLER, SERVICER AND SUBORDINATED LOAN PROVIDER .....	81
THE ISSUER.....	83
THE TRUSTEE AND BONDHOLDERS' REPRESENTATIVE.....	87
THE CASH MANAGER.....	88
THE ACCOUNT BANK.....	89
THE CORPORATE SERVICER AND THE SERVICING FACILITATOR.....	90
TERMS AND CONDITIONS OF THE NOTES .....	91
MATERIAL TERMS OF THE CLAIMS PLEDGE AGREEMENT.....	116
DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS .....	132
CERTAIN MATTERS OF SWISS LAW .....	162
SWISS LAW BONDHOLDER PROVISIONS.....	171
TAXATION IN SWITZERLAND .....	173
SUBSCRIPTION AND SALE .....	174
USE OF PROCEEDS .....	176
RATING OF THE NOTES .....	177
GENERAL INFORMATION.....	178
GLOSSARY OF DEFINED TERMS.....	179
INDEX OF DEFINED TERMS .....	198
ANNEX – ISSUER'S OPENING BALANCE SHEET .....	202

**TRANSACTION DIAGRAM**

Below is a transaction structure diagram. This transaction structure diagram is qualified in its entirety by the detailed information appearing elsewhere in this Prospectus. If there is any inconsistency between this transaction structure diagram and the information provided elsewhere in this Prospectus, such information will prevail.



## TRANSACTION SUMMARY

*The following paragraphs (in this section "TRANSACTION SUMMARY" and the following section "TRANSACTION OVERVIEW") contain a brief summary and overview of the structure of the Transaction. This summary and overview must be read as an introduction to the Prospectus and constitutes a summary within the meaning of article 40 para. 3 and article 43 FinSA. This summary and overview is necessarily incomplete and prospective investors are urged to read the entire Prospectus carefully for more detailed information thereto. Any decision to invest in the Bonds described herein should be based on an examination of the Prospectus as a whole. This summary and overview is qualified in its entirety by references to the detailed information presented in this Prospectus.*

*Prospective investors should be aware that liability under article 69 FinSA for any false or misleading information contained in this summary and overview is limited to information which is false or misleading when read in conjunction with the other parts of the Prospectus or which is inconsistent with the information in other parts of the Prospectus.*

*Capitalized terms used but not defined herein have the meanings assigned to them elsewhere in this Prospectus.*

### **The Issuer**

Auto lease-now 2023-1 AG (the "**Issuer**"), a stock corporation (*Aktiengesellschaft*) incorporated in Switzerland under register number CHE-243.864.317 having its registered office at c/o BANK-now AG, Neugasse 18, 8810 Horgen, Switzerland. The Issuer is a special purpose entity with limited permitted activities including, amongst other things, issuing the Notes and purchasing the Lease Assets on the Initial Purchase Date and on each Additional Purchase Date during the Revolving Period.

The shares of the Issuer are held by BANK-now AG (98% of voting rights) and two Independent Shareholders (as defined below) (each holding 1% of voting rights).

The Issuer will be liquidated after the final payment to the holders of the last outstanding Note.

### **The Issuer's Auditor**

The auditor appointed by the Issuer is PricewaterhouseCoopers AG, a stock corporation (*Aktiengesellschaft*) incorporated in Switzerland under register number CHE-106.839.438 having its registered office at Birchstrasse 160, 8050 Zürich, Switzerland ("**PwC**"). PwC is supervised by and registered with the Swiss Federal Audit Oversight Authority (FAOA) under the register number 500003.

### **The Notes**

CHF 215,000,000 Class A Fixed Rate Asset Backed Notes (the "**Notes**") to be issued on the Initial Purchase Date and due on the Final Maturity Date (being the Monthly Payment Date falling in February 2032). The issue price of the Notes will be 100 per cent. The placement price of the Notes will be fixed in accordance with supply and demand. The Initial Purchase Date will be on or about 23 May 2023 or such other date as may be agreed between the Issuer and the Sole Arranger and Lead Manager.

The Notes constitute direct and unconditional limited recourse obligations of the Issuer. All Notes rank *pari passu* among themselves. The Notes benefit from the Security granted by the Issuer to the Bondholders' Representative acting as direct representative (*direkter Stellvertreter*) of the Noteholders and the other Secured Creditors pursuant to the Claims Pledge Agreement and any other Security Agreement.

**The Notes constitute limited recourse obligations of the Issuer. The payment of principal of, and interest on, the Notes is conditional upon the performance of the Purchased Lease Assets, as set out herein.**

Subject to and in accordance with the Applicable Priority of Payments, certain debts of the Issuer rank in priority to the Notes. For a description of (i) the Pre-Enforcement Priority of Payments and (ii) the Post-Enforcement Priority of Payments, see "*TERMS AND CONDITIONS OF THE NOTES*".

The Notes are governed by Swiss law. The Notes shall be subject to the jurisdiction of the courts of the City of Zurich (Zurich 1).

Swiss Security No. / ISIN / Common Code: 125592448 / CH1255924487 / 262448886

### **Form of the Notes**

The Notes will be issued as simple uncertificated securities (*einfache Wertrechte*) in accordance with art. 973c CO and entered into the main register (*Hauptregister*) with SIX SIS AG or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (SIX SIS AG or any such other intermediary, the "**Intermediary**"). Once the uncertificated securities are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Notes will constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) ("**FISA**") ("**Intermediated Securities**"). No individually certificated Notes (*Wertpapiere*) will be printed or delivered. None of the Issuer, the Trustee, the Bondholders' Representative, the Principal Paying Agent or any other party will at any time have the right to effect or demand the conversion of such Notes into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*). The Notes will be issued in denominations of CHF 5,000 and integral multiples thereof. See "**TERMS AND CONDITIONS OF THE NOTES**".

### **Interest on the Notes**

Prior to the Step-Up Date 2.9775 per cent. and from and including the Step-Up Date 3.1775 per cent. per annum.

The Issuer shall (or shall cause the Cash Manager to) calculate the amount of interest payable on the Notes for the relevant Interest Period by applying the relevant Rate of Interest to the Note Principal Amount Outstanding.

### **Limited Recourse; Non-Petition; Enforcement**

Pursuant to Condition 3.2 (*Limited recourse; extinguishment of claims*), recourse of the Noteholders in respect of any representation and warranty, covenant, agreement or other obligation of the Issuer contained in the Conditions shall be limited to the Issuer's Assets available to meet such obligations from time to time and as applied pursuant to the relevant Priority of Payments.

Upon distribution all Available Post-Enforcement Funds in accordance with the Post-Enforcement Priority of Payments, the Noteholders shall have no further claims and neither the Bondholders' Representative nor the Noteholders shall take any further steps against the Issuer to recover any sum still unpaid and any remaining obligations to pay such amount shall be extinguished.

The enforcement of the payment obligations under the Notes shall be effected solely by the Bondholders' Representative or, following the occurrence of an Enforcement Event, the enforcement of the Security shall be effected solely by the Bondholders' Representative acting in its own name as Secured Creditor and as direct representative (*direkter Stellvertreter*) of the Noteholders and the other Secured Creditors.

None of the Noteholders shall be entitled to file or join in a filing of a petition with respect to any insolvency proceedings which constitute an Insolvency Event relating to the Issuer, or cooperate or encourage others to file such a petition, in each case unless the Requisite Percentage of Noteholders has consented thereto in writing; provided that the foregoing shall not in any way limit the Noteholders' rights to pursue any other creditor rights or remedies that the Noteholders may have for claims against the Issuer in respect of the Notes.

Pursuant to Condition 4.1(b) (*Events of Default relating to the Issuer*), if any Issuer Event of Default occurs (other than the occurrence of an Insolvency Event with respect to the Issuer), the Bondholders' Representative may in its absolute discretion, and if so directed in writing by the holders of at least 25 per cent. of the Note Principal Amount Outstanding then outstanding or if so directed by an Extraordinary Resolution of the Noteholders shall (subject, in each case, to being first indemnified, prefunded and/or secured to its satisfaction in respect of all Liabilities to which it may render itself liable and which it may incur by so doing) deliver an Acceleration Notice. Upon the occurrence of an Insolvency Event with respect to the Issuer, the Notes shall be automatically declared to be due and payable (without any requirement to deliver an Acceleration Notice).

### **Use of Proceeds**

The proceeds of the Notes (together with the funding under the Subordinated Loan not allocated to the Cash Reserve Account) will be used on the Initial Purchase Date by the Issuer to pay the Purchase Price for the Lease Assets sold and assigned by the Seller to the Issuer on the Initial Purchase Date pursuant to the terms of the Lease Asset Sale Agreement and to pay certain expenses.

## The Transaction

On any Offer Date during the Revolving Period, the Seller may offer to sell, transfer and assign certain Eligible Lease Assets and on the Initial Purchase Date (but with economic effect from the first Economic Effective Date) or the applicable Additional Purchase Date (but with economic effect from the immediately preceding Economic Effective Date), as the case may be, the Issuer will, subject to the conditions (including the Eligibility Criteria, Replenishment Criteria and Purchase Conditions) set out in the Lease Asset Sale Agreement and the availability of sufficient funds for that purpose, accept such offer and purchase a portfolio of Eligible Lease Assets. The purchase price payable in relation to a Lease Asset will be the Outstanding Balance as of the relevant Cut Off Date.

Pursuant to the Lease Asset Sale Agreement, the Seller will be required to repurchase the Purchased Lease Assets in certain circumstances. On repurchase of the Purchased Lease Assets, the Seller will pay to the Issuer the Repurchase Price.

The Issuer will cause the Cash Manager to apply the Available Distribution Amount, which includes amongst other things receipts of principal and interest in respect of the Purchased Lease Assets, towards the satisfaction of payments of, among other things, principal and interest due on the Notes. During the Revolving Period, the Available Distribution Amount will not be applied in redemption of the Notes but will be applied to acquire additional Lease Assets from the Seller if and to the extent available. During the Revolving Period, interest accrued on the Notes will be credited to the Note Interest Account to be paid on the following Interest Payment Date subject to the applicable Priority of Payments.

The Issuer will appoint BANK-now pursuant to the terms of the Servicing Agreement to (a) provide services to the Issuer in relation to the Purchased Lease Assets, (b) collect payments in respect of the Purchased Lease Assets and, (c) otherwise administer all the Purchased Lease Assets (at any time) and all related contracts and perform certain other administrative services (including, but not limited to, the provision of certain cash administration, recovery and repossession services) and (d) provide reports on the performance of the Purchased Lease Assets. Also, pursuant to the Servicing Agreement, the Servicer will be under an obligation to sell the Leased Vehicles for which the related Lease Agreement (a) has reached the end of its term, (b) is subject to an early termination by the Lessee, (c) has been terminated by the Servicer due to non-payment by the Lessee, in each case the Leased Vehicle may be sold to the relevant Dealer under the terms of the related Dealer Agreement, the Lessee or any other third-party.

Credit enhancement for the Notes will be provided by overcollateralisation funded by the Subordinated Loan made by the Subordinated Loan Provider to the Issuer in an amount equal to the sum of (i) the Required Stated Amount and (ii) the Cash Reserve Required Amount. The rights of the Subordinated Loan Provider will be unsecured and subordinated to the rights of the Noteholders.

For more detailed information on the Transaction, see the relevant sections in the Prospectus.

## The Security

Pursuant to a Swiss law governed Claims Pledge Agreement and as security for its obligations under (among other things) the Notes, the Issuer will pledge, or create security pursuant to art. 25, para. 2(b) FISA (as applicable) in the form of a pledge, to the Bondholders' Representative (acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) of the Noteholders and the other Secured Creditors) over all of its right, title and interest to: (a) all assets, including any intermediate securities held in, and all monies standing from time to time to the credit of, the Cash Accounts and the Securities Account; (b) the Lease Receivables together with related Ancillary Rights; (c) the Dealer Receivables together with related Ancillary Rights; (d) all existing and future rights and claims of the Issuer in connection with the Residual Value Proceeds together with related Ancillary Rights; (e) all existing and future rights and claims of, and proceeds accruing to, the Issuer under or in connection with the Transaction Documents (other than the Claims Pledge Agreement). For a more detailed description of the Claims Pledge Agreement, see "*MATERIAL TERMS OF THE CLAIMS PLEDGE AGREEMENT*" and for the other Transaction Documents, see section "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS*".

## Redemption of the Notes

Unless previously redeemed and cancelled, the Notes will be redeemed in full at their Note Principal Amount Outstanding together with accrued (and unpaid) interest up to but excluding the Final Maturity Date subject to the applicable Priorities of Payment.

On each Payment Date following the end of the Revolving Period but prior to the occurrence of an Enforcement Event or the occurrence of the Optional Redemption Date, the Issuer will apply the Available Distribution Amount in redemption of the Notes in an amount up to the Note Principal Required Amount for that Payment Date in accordance with the Pre-Enforcement Priority of Payments. If an Issuer Event of Default occurs (other than the occurrence of an Insolvency Event with respect to the Issuer which constitutes an automatic Enforcement Event) and is continuing, the Bondholders' Representative may, at its discretion, after being notified of the occurrence of such event by the Issuer, or if so directed by the holders of at least 25 per cent. of the Note Principal Amount Outstanding or if so directed by an Extraordinary Resolution of the Noteholders, deliver an Acceleration Notice and institute such proceedings as may be required in order to enforce the Security pursuant to the Claims Pledge Agreement (subject, in each case to being indemnified and/or pre-funded and/or secured to its satisfaction). Upon the delivery of an Acceleration Notice, the Notes shall become immediately due and payable, without further action or formality, at their Note Principal Amount Outstanding together with any accrued interest. The giving of an Acceleration Notice by the Bondholders' Representative or the occurrence of an Insolvency Event with respect to the Issuer shall constitute an "**Enforcement Event**". Upon the occurrence of an Enforcement Event, the Security will become enforceable in accordance with the Claims Pledge Agreement and any other Security Agreement and the Cash Manager shall apply the amount standing to the credit of the Payment Account in or towards the satisfaction of the payments, transfer and provisions as set out in, and in the order set out in the Post-Enforcement Priority of Payments.

On the Optional Redemption Date all but not part of the Notes may, at the option of the Issuer, be redeemed at an amount equal to the Aggregate Note Principal Amount Outstanding including interest accrued and not paid on the Aggregate Note Principal Amount Outstanding up to but excluding the Optional Redemption Date plus the sum required to discharge in full all amounts ranking in priority to or *pari passu* with the Notes on such Optional Redemption Date in accordance with the Pre-Enforcement Priority of Payments (see Condition 8.2 (*Optional early redemption on the Optional Redemption Date*)).

Following the end of the Revolving Period and upon giving not less than 30 (thirty) calendar days' notice to the Noteholders in accordance with Condition 19 (*Form of Notices*), and the Bondholders' Representative, and provided that (a) on or prior to the Interest Payment Date on which such notice expires, no Enforcement Event has occurred and (b) the Issuer has, immediately prior to giving such notice, provided to the Bondholders' Representative a certificate signed by two (2) Board Members to the effect that the Issuer will have the necessary funds to pay the Aggregate Note Principal Amount Outstanding and interest due in respect of the Notes to be redeemed on the relevant Monthly Payment Date and to discharge all other amounts required to be paid in priority to or *pari passu* with the Notes on such Monthly Payment Date in accordance with the Pre-Enforcement Priority of Payment, and (c) the Early Redemption Date will be an Interest Payment Date, the Issuer may, at its option, redeem all (but not part) of the Notes on the first Monthly Payment Date falling after the date the Issuer elects (at its absolute discretion) to accept an offer from the Seller under the Lease Asset Sale Agreement to repurchase all (but not part) of the Purchased Lease Assets (see Condition 8.3 (*Optional early redemption following the end of the Revolving Period*) and "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Lease Asset Sale Agreement—Repurchase of Purchased Lease Assets—Repurchase Option in relation to the entire pool of Purchased Lease Assets*").

Any Note redeemed as described in the preceding paragraph will be redeemed at an amount equal to the Note Principal Amount Outstanding, together with accrued (and unpaid) interest on the Note Principal Amount Outstanding up to but excluding the date of redemption (see Condition 8.3 (*Optional early redemption following the end of the Revolving Period*) and "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Lease Asset Sale Agreement—Repurchase of Purchased Lease Assets—Repurchase option in relation to the entire pool of Purchased Lease Assets*").

## Listing

The Notes have been admitted to provisional trading on the SIX Swiss Exchange with effect as from 17 May 2023 and application will be made for the Notes to be listed in compliance with the standard for bonds on the SIX Swiss Exchange. The last day of trading for the Notes will be the second Business Day prior to the date on which the Notes will be fully redeemed or the Final Maturity Date.



The placement price of the Notes will be fixed in accordance with supply and demand.

### Rating

It is expected that the Notes will, when issued, be assigned a credit rating of "AAAsf" by Fitch, "Aaa (sf)" by Moody's and "AAA (sf)" by DBRS.

### Selling Restrictions

The Notes are subject to restrictions on their offering, sale, delivery and transfer both generally and specifically in the United States of America, with respect to U.S Persons, in the United Kingdom and with respect to EEA Investors. These restrictions are described under "*SUBSCRIPTION AND SALE*".

### Certain Risks

Prospective investors in the Notes should consider, among other things, certain risks that may arise in connection with the purchase of the Notes (see "*RISK FACTORS*") including, *inter alia*, risks associated to the Transaction (including third party risks) (see "*RISK FACTORS*"—*RISK FACTORS RELATING TO THE NOTES* and *RISKS RELATING TO CERTAIN TRANSACTION PARTIES*), legal risks (see "*RISK FACTORS*"—*CERTAIN REGULATORY CONSIDERATIONS*, *CERTAIN SWISS LAW CONSIDERATIONS* and *CERTAIN TAX CONSIDERATIONS*) and other significant risks associated with the structure and assets serving as collateral (see "*RISK FACTORS*"—*RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS*). Such risk factors together with other legal considerations described in this Prospectus may influence the ability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes.

### Information on approval of Prospectus

Swiss Review Body: SIX Exchange Regulation AG, Hardturmstrasse 201, 8005 Zurich, Switzerland (the "**Swiss Review Body**").

Date of Prospectus and Approval: This Prospectus is dated 15 May 2023, and has been approved by the Swiss Review Body on the date appearing on the cover page of this Prospectus.

**This Prospectus will not be updated for any developments that occur after its date. In particular, this Prospectus is not required to be updated and has not been updated as per the date of approval by the Swiss Review Body.**

## TRANSACTION OVERVIEW

## TRANSACTION PARTIES ON THE CLOSING DATE

<b>Party</b>	<b>Name</b>	<b>Address</b>	<b>Document under which appointed/ Further Information</b>
<b>Issuer</b>	Auto lease-now 2023-1 AG	c/o BANK-now AG Neugasse 18 8810 Horgen Switzerland	See further the section entitled " <i>The Issuer</i> "
<b>Seller</b>	BANK-now AG	Neugasse 18 8810 Horgen Switzerland	Lease Asset Sale Agreement  See further the section entitled " <i>The Seller, Servicer and Subordinated Loan Provider</i> "
<b>Servicer</b>	BANK-now AG	Neugasse 18 8810 Horgen Switzerland	Servicing Agreement  See further the section entitled " <i>The Seller, Servicer and Subordinated Loan Provider</i> "
<b>Servicing Facilitator</b>	Amicorp Switzerland AG	Mühlebachstrasse 54 8008 Zurich Switzerland	Servicing Facilitator Agreement  See further the section entitled " <i>The Corporate Servicer and the Servicing Facilitator</i> "
<b>Subordinated Loan Provider</b>	BANK-now AG	Neugasse 18 8810 Horgen Switzerland	Subordinated Loan Agreement  See further the section entitled " <i>The Seller, Servicer and Subordinated Loan Provider</i> "
<b>Account Bank</b>	Credit Suisse (Schweiz) AG	Paradeplatz 8 8001 Zurich Switzerland	Account Bank Agreement  See further the section entitled " <i>The Account Bank</i> "
<b>Trustee and Bondholders' Representative</b>	ProServices Trustees (Switzerland) AG	Mühlebachstrasse 54 8008 Zurich Switzerland	Conditions, Claims Pledge Agreement and Trust Agreement  See further the section entitled " <i>The Trustee and Bondholders' Representative</i> "
<b>Cash Manager</b>	Amicorp Switzerland AG	Mühlebachstrasse 54 8008 Zurich Switzerland	Cash Management Agreement  See further the section entitled " <i>The Cash Manager</i> "
<b>Principal Paying Agent</b>	Credit Suisse AG	Paradeplatz 8 CH-8001 Zurich Switzerland	Principal Paying Agency Agreement
<b>Corporate Servicer</b>	Amicorp Switzerland AG	Mühlebachstrasse 54 8008 Zurich Switzerland	Corporate Services Agreement  See further the section entitled " <i>The Corporate Servicer and the Servicing Facilitator</i> "
<b>Listing Agent</b>	Credit Suisse AG	Paradeplatz 8 CH-8001 Zurich Switzerland	n/a
<b>Issuer Auditor</b>	PricewaterhouseCoopers AG	Birchstrasse 160 8050 Zürich Switzerland	n/a

**OVERVIEW OF THE LEASE ASSETS AND SERVICING**

<b>Lease Assets</b> .....	<p>The lease assets consist of (a) the Lease Agreements (including, for the avoidance of doubt, any Lease Receivables), (b) the Dealer Agreements (including, for the avoidance of doubt, any Dealer Receivables), (c) the Leased Vehicles and (d) the Ancillary Rights and (e) the Security Deposits (if any) (collectively, the "<b>Lease Assets</b>") and a "<b>Lease Asset</b>" means a package consisting of a Leased Vehicle, the Lease Agreement pursuant to which such Leased Vehicle is leased to the Lessee (including, for the avoidance of doubt, any Lease Receivable), the Dealer Agreement (including, for the avoidance of doubt, any Dealer Receivables) and all related Ancillary Rights that have been purchased by the Seller, and the Security Deposits (if any). Information for the previous three (3) years on the performance of the Lease Assets, the degree of collateralisation in relation to the lease obligations and the default rates for the portfolio as a whole and per asset class can be found in section "<i>CERTAIN DATA RELATING TO THE LEASE ASSETS AND HISTORICAL PERFORMANCE</i>".</p> <p>Please see also "<i>Risk Factors—Risk Factors relating to the Purchased Lease Assets</i>".</p>
<b>Lease Agreement</b> .....	<p>A lease agreement (a "<b>Lease Agreement</b>") substantially in the form of the Seller's Standard Contracts (originally) entered into between the Seller as lessor and a Lessee as lessee under which a Leased Vehicle is leased to the Lessee. The Seller will sell and transfer (by way of transfer and assumption of contract (<i>Vertragsübernahme</i>)) to the Issuer all Purchased Lease Agreements.</p>
<b>Lease Receivables</b> .....	<p>Any and all rights and claims of the lessor under a Lease Agreement existing now or in the future. Please see "<i>Risk Factors—Certain Swiss Law Considerations — Future receivables</i>".</p>
<b>Leased Vehicle</b> .....	<p>Each vehicle that is leased to a Lessee under a Lease Agreement. The Seller will sell and transfer to the Issuer all of its right, title and interest to all Leased Vehicles (i.e. ownership and indirect possession of such Leased Vehicle) relating to Purchased Lease Agreements, however such Leased Vehicles will not form part of the Security created pursuant to the Security Agreements.</p>
<b>Dealer Agreements</b> .....	<p>A vehicle sale and purchase agreement substantially in the form of the Seller's Standard Contracts (originally entered into) between the Seller as purchaser and a Dealer as seller relating to the sale of a Leased Vehicle to the Seller that will be the subject of a Lease Agreement and which includes a Dealer Repurchase Obligation (a "<b>Dealer Agreement</b>"). The Seller will sell and transfer (by way of transfer of contract (<i>Vertragsübernahme</i>)) to the Issuer all Dealer Agreements.</p>
<b>Dealer Receivables</b> .....	<p>Any rights, claims, receivables and obligations existing now or in the future under a Dealer Agreement.</p>
<b>Ancillary Rights</b> .....	<p>(a) any and all rights (including for the avoidance of doubt any accessory rights (<i>Nebenrechte</i>)) arising pursuant to the relevant Lease Agreement and Dealer Agreement, as applicable, including (i) all rights to receive and obtain payment under the Lease Agreements for the Lease Receivables arising thereunder including rights of enforcement under that document against the</p>

relevant Lessee and (ii) any and all rights and claims under any insurance policies entered into by a Lessee (which have been assigned by the Lessee to the Seller) covering the related Leased Vehicle, to the extent still unpaid as of the relevant Cut Off Date or arising after the relevant Cut Off Date;

- (b) any and all rights and claims arising under any Security Interest relating to a Lease Asset including, without limitation, the Deposit;
- (c) any and all rights in relation to any claim made by the Seller under an insurance policy held by the Seller;
- (d) any and all rights to the Residual Value Proceeds, to the extent still unpaid as of the relevant Cut Off Date or arising after the relevant Cut Off Date; and
- (e) all Records related to such Lease Assets.

**Lease Asset Sale Agreement** ..... Under the Lease Asset Sale Agreement, the Seller will sell and transfer Eligible Lease Assets to the Issuer.

On any Offer Date during the Revolving Period, the Seller may offer to sell Eligible Lease Assets, and on the following Purchase Date, the Issuer will, subject to the conditions (including the Replenishment Criteria) set out in the Lease Asset Sale Agreement, accept such offer and purchase such Eligible Lease Assets.

In relation to a Lease Asset, the purchase price (the "**Purchase Price**") will be the Outstanding Balance of such Lease Asset as of the relevant Cut Off Date. The Purchase Price will be payable on each Purchase Date from the Replenishment Ledger to the extent funded in accordance with the Pre-Enforcement Priority of Payments.

The initial purchase price as calculated on the Initial Cut Off Date (the "**Initial Purchase Price**") will be paid by the Issuer to the Seller on the Initial Purchase Date and the Lease Assets will be transferred on the Initial Purchase Date with economic effect from the immediately preceding Economic Effective Date.

The purchase price for additional Lease Assets will be calculated as of the relevant Additional Cut Off Date immediately preceding the applicable Additional Purchase Date. The Issuer will pay the Purchase Price to the Seller for such additional Lease Assets on the relevant Additional Purchase Date and the Lease Assets will be transferred on the relevant Additional Purchase Date with economic effect from the immediately preceding Economic Effective Date.

**Initial Purchased Lease Assets** ..... The portfolio of Lease Assets to be purchased by the Issuer from the Seller and paid by the Issuer to the Seller on the Initial Purchase Date (such Lease Assets to be randomly selected by the Seller or any of its agents in accordance with the Eligibility Criteria and Replenishment Criteria).

**Additional Purchased Lease Assets**..... The portfolio of Lease Assets to be purchased by the Issuer from the Seller and paid by the Issuer to the Seller on the Additional Purchase Date (such Lease Assets to be randomly selected by the Seller or any of its agents in accordance with the Eligibility Criteria and Replenishment Criteria).

<b>Purchase Conditions</b> .....	<p>It shall be a condition precedent to the purchase of Initial Purchased Lease Assets and Additional Purchased Lease Assets that:</p> <ul style="list-style-type: none"> <li>(a) the Seller Representations and Warranties and the Issuer Representations and Warranties are true and correct in all material respects according to the facts and circumstances then existing;</li> <li>(b) no Early Amortisation Event, no Servicer Termination Event and no Enforcement Event has occurred;</li> <li>(c) following the purchase of such Additional Purchased Lease Assets, the Replenishment Criteria would not be breached as of the immediately preceding Cut Off Date;</li> <li>(d) following application of the Pre-Enforcement Priority of Payments on the related Payment Date, the Issuer would have sufficient funds available to it, and designated for such purpose, to pay the Purchase Price of such Additional Purchased Lease Assets; and</li> <li>(e) the Seller has delivered to the Issuer an Offer Letter attaching the Initial Listing or the Additional Listing (as applicable),</li> </ul> <p>the "<b>Purchase Conditions</b>".</p>
<b>Eligibility Criteria</b> .....	<p>Each Lease Asset to be purchased from the Seller on any Purchase Date must satisfy certain criteria (the "<b>Eligibility Criteria</b>") as of the Cut Off Date immediately preceding the relevant Purchase Date and the Seller will be required to represent and warrant with respect thereto on such Purchase Date.</p> <p>See further the section entitled "<i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS — Lease Asset Sale Agreement</i>".</p>
<b>Replenishment Criteria</b> .....	<p>The Purchased Lease Assets must also satisfy certain replenishment criteria (the "<b>Replenishment Criteria</b>") calculated on the basis of the aggregate Outstanding Balance of all Purchased Lease Assets as of each Cut Off Date and, for the avoidance of doubt, calculated by taking into account the Lease Assets to be purchased on the relevant Purchase Date as identified in the Additional Listing.</p> <p>See further the section entitled "<i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS — Lease Asset Sale Agreement</i>".</p>
<b>Representations and Warranties</b> .....	<p>In the Lease Asset Sale Agreement, the Seller will make on the Initial Offer Date and the Initial Purchase Date and, in respect of an Additional Listing on each relevant Additional Offer Date and Additional Purchase Date certain representations and warranties with respect to itself (the "<b>Seller Representations and Warranties</b>") and the Purchased Lease Assets (as of the preceding Cut Off Date) (the "<b>Lease Asset Representations and Warranties</b>").</p> <p>See further the section entitled "<i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS — Lease Asset Sale Agreement</i>".</p>
<b>Initial Cut Off Date</b> .....	30 April 2023.
<b>Servicing of Purchased Lease Assets</b> .....	The Servicer will service the Purchased Lease Assets on an ongoing basis pursuant to the Servicing Agreement.

On the Signing Date, the Issuer will enter into a Servicing Facilitator Agreement to appoint Amicorp Switzerland AG as Servicing Facilitator. Upon the occurrence of certain events, the Servicing Facilitator will assist the Issuer in, amongst other things, the appointment of a Successor Servicer as set out herein. Any Successor Servicer so appointed will assume the role as servicer upon the termination of the appointment of the Servicer by the Issuer following the occurrence of a Servicer Termination Event, upon the resignation of the Servicer or upon the termination by notice by the Issuer.

**Revolving Period:** ..... The period from the Initial Purchase Date until the earlier of (i) the Early Amortisation Date and (ii) the Optional Redemption Date, provided that, in each case, if such day is not a Business Day, the next following Business Day, unless that day falls in the next calendar month in which case the day will be the immediately preceding day that is a Business Day.

**Portfolio Repurchase Option** ..... On either the Business Day immediately preceding the Optional Redemption Date or (after the Optional Redemption Date) the Business Day immediately preceding any Payment Date (each a "**Portfolio Repurchase Date**"), or on any Tax Event Redemption Date, the Seller will have the option to purchase all, but not some, of the Purchased Lease Assets comprised in the portfolio (the "**Repurchase Portfolio**") from the Issuer (a "**Portfolio Repurchase Option**") by giving the Issuer notice of its intention to exercise such option at least 40 calendar days prior to such Portfolio Repurchase Date. The purchase price for the Repurchase Portfolio will be payable on the Portfolio Repurchase Date in an amount equal to the Outstanding Balance of all Purchased Lease Assets comprising the Repurchase Portfolio as of the Cut Off Date immediately preceding such Additional Offer Date.

**Optional Repurchase of Fraud Lease Assets** ..... If a Purchased Lease Asset becomes, after the relevant Cut Off Date as of which the Seller made the Lease Asset Representations and Warranties in relation to such Purchased Lease Asset, subject to fraud (i.e. in the event the relevant Lessee does not return the Leased Vehicle when a Lessee moves country or either the relevant Dealer or the relevant Lessee committed fraud by forging an application to have the Seller's name removed from section "Code 178" of the Leased Vehicle's registration documents (*Halterwechsel verboten*) or the Lessee has committed identity theft to fraudulently secure a lease) (a "**Fraud Lease Asset**"), the Seller will have the option (but not the obligation) to repurchase such Fraud Lease Asset in accordance with the terms of the Lease Asset Sale Agreement.

**Mandatory Repurchase by the Seller**..... Pursuant to the Lease Asset Sale Agreement, the Seller will be required to repurchase a Purchased Lease Asset if:

- (a) (i) contrary to the relevant Lease Asset Representation and Warranty, a Purchased Lease Asset did not meet the Eligibility Criteria as of the relevant Cut Off Date as of which the relevant Lease Asset Representation and Warranty in relation to Eligibility Criteria was given by the Seller to the Issuer or (ii) the sale and purchase of any Purchased Lease Asset results in a breach of the Replenishment Criteria (an "**Ineligible Lease Asset**");
- (b) a Lessee, in respect of a Purchased Lease Asset, has added Payment Protection Insurance (PPI) to the Purchased Lease

Agreement (by making respective amendments to the Purchased Lease Agreement (a "**PPI Lease Asset**" or an "**Affected Lease Asset**"),

(subject to certain other conditions described in the Section entitled "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS — Lease Asset Sale Agreement*").

**Optional Retransfer of**

**Written Off Lease Assets.....**

If a Purchased Lease Asset becomes a Written Off Lease Asset following the recovery and sale of the Leased Vehicle, the Seller will have the option (but not the obligation) to request a retransfer of the Written Off Lease Assets from the Issuer (the "**Written Off Retransfer**"). The proceeds (if any) resulting from a subsequent realisation of the Written Off Lease Assets shall be retained by the Seller. The Repurchase Price will be the outstanding balance after write off (i.e. zero).

Where the Lease Vehicle has not been recovered prior to becoming a Written Off Lease Asset, it will be considered a Fraud Lease Asset and any repurchase shall be made in reference to the repurchase option in relation to Purchased Lease Assets subject to fraud.

See Section entitled "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS — Lease Asset Sale Agreement*".

**Repurchase Price of a**

**Repurchased Lease Asset .....**

On repurchase of any Ineligible Lease Asset, Affected Lease Asset, or Fraud Lease Asset (together, the "**Repurchased Lease Assets**" and each a "**Repurchased Lease Asset**"), the Seller will pay to the Issuer the Repurchase Price which will be calculated as follows:

- (a) in the case of a Repurchased Lease Asset that is not a Defaulted Lease Asset, the sum of (A) its Outstanding Balance as of the Cut Off Date immediately preceding the relevant Repurchased Lease Asset Repurchase Date and (B) any costs or other damages incurred by the Issuer as a consequence of (i) the purchase and the repurchase of such Repurchased Lease Asset and (ii) in the case of an Ineligible Lease Asset, such Ineligible Lease Asset being ineligible; or
- (b) in the case of a Repurchased Lease Asset that is a Defaulted Lease Asset, the sum of (A) its Outstanding Balance as of the Cut Off Date immediately preceding the date on which the Lease Asset was recorded as a Defaulted Lease Asset, minus (B) any recoveries received between the Cut Off Date on which the Outstanding Balance has been calculated for such Defaulted Lease Asset (as per (A) above) and the Cut Off Date immediately preceding the Repurchased Lease Asset Repurchase Date plus (C) any costs or other damages incurred by the Issuer as a consequence of (i) the purchase and the repurchase of such Repurchased Lease Asset and (ii) in the case of an Ineligible Lease Asset, such Ineligible Lease Asset being ineligible.

**Historical performance .....**

For information on the previous performance of the Lease Assets, please see the sections of this Prospectus headed "*CERTAIN DATA RELATING TO THE LEASE ASSETS AND HISTORICAL PERFORMANCE*", "*CERTAIN HISTORICAL PERFORMANCE: STATIC DEFAULTED LEASE ASSETS AND STATIC RECOVERY*"

*ON DEFAULTED LEASE ASSETS" AND "CERTAIN HISTORICAL PERFORMANCE: DYNAMIC DELINQUENCIES".*



## OVERVIEW OF THE NOTES

<b>The Notes</b> .....	CHF 215,000,000 Class A Fixed Rate Asset Backed Notes
<b>Minimum Denomination</b> .....	CHF 5,000
<b>Use of Proceeds</b> .....	The proceeds of the Notes (together with the funding under the Subordinated Loan not allocated to the Cash Reserve Account) will be used on the Initial Purchase Date by the Issuer to pay the Purchase Price for the Lease Assets sold and assigned by the Seller to the Issuer on the Initial Purchase Date pursuant to the terms of the Lease Asset Sale Agreement and to pay certain expenses.
<b>Form</b> .....	The Notes will be issued as simple uncertificated securities ( <i>einfache Wertrechte</i> ) in accordance with art. 973c CO and entered into the main register ( <i>Hauptregister</i> ) with SIX SIS AG or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (SIX SIS AG or any such other intermediary, the " <b>Intermediary</b> "). Once the uncertificated securities are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Notes will constitute intermediated securities ( <i>Bucheffekten</i> ) within the meaning of the Swiss Federal Intermediated Securities Act ( <i>Bucheffektengesetz</i> ) (" <b>FISA</b> ") (" <b>Intermediated Securities</b> "). No individually certificated Notes ( <i>Wertpapiere</i> ) will be printed or delivered. None of the Issuer, the Trustee, the Bondholders' Representative, the Principal Paying Agent or any other party will at any time have the right to effect or demand the conversion of such Notes into, or the delivery of, a permanent global certificate ( <i>Globalurkunde</i> ) or individually certificated securities ( <i>Wertpapiere</i> ).
<b>Status of the Notes</b> .....	<p>The Notes constitute direct and unconditional limited recourse obligations of the Issuer.</p> <p>The Notes and certain other Transaction Parties benefit from the Security granted by the Issuer to the Bondholders' Representative as direct representative (<i>direkter Stellvertreter</i>) of the Noteholders and the other Secured Creditors pursuant to the Claims Pledge Agreement and any other Security Agreements (if any).</p> <p>Notes rank <i>pari passu</i> and <i>pro rata</i> among themselves. Certain debts of the Issuer will rank in priority to the Notes. All payments under the Notes, including payment of principal and interest will be payable only from amounts available for such purpose from the Available Distribution Amount in accordance with the Applicable Priority of Payment. For a description of (i) the Pre-Enforcement Priority of Payments and (ii) the Post-Enforcement Priority of Payments, see "<b>TERMS AND CONDITIONS OF THE NOTES</b>".</p> <p>The payment of principal of, and interest on, the Notes is conditional upon the performance of the Purchased Lease Assets, as set out herein. With respect to payments of interest and principal, particular attention should be paid to the risk factor descriptions as set forth in "<b>RISK FACTORS</b>".</p>
<b>Interest</b> .....	Interest will be due on the Notes on each Interest Payment Date at the rate of 2.9775 per cent. per annum up to (but excluding) the Step-Up Date and at the rate of 3.1775 per cent. per annum from and including the Step-Up Date on the Note Principal Amount Outstanding for the related Interest Period.

<b>Interest Payment Dates</b> .....	Interest will be payable (a) 23 February of each year during the Revolving Period (provided no Early Amortisation Event has occurred) and (b) on and following the end of the Revolving Period, the Optional Redemption Date and each Monthly Payment Date thereafter, or in each case, in the event that such day is not a Business Day, the next following Business Day unless that day falls in the next calendar month in which case the day will be the first preceding day that is a Business Day. The first Interest Payment Date shall be 23 February 2024.
<b>Final Maturity Date</b> .....	23 February 2032
<b>Mandatory Redemption to amortise the Notes</b> .....	Following the end of the Revolving Period, on each Payment Date (that is not the Optional Redemption Date and is prior to the occurrence of an Enforcement Event) the Issuer will apply the Available Distribution Amount in redemption of the Notes in an amount up to the Note Principal Required Amount for that Payment Date in accordance with the Pre-Enforcement Priority of Payments.
<b>Optional redemption in full on the Optional Redemption Date</b> .....	On the Optional Redemption Date, all but not part of the Notes may, at the option of the Issuer, be redeemed at an amount equal to the Aggregate Note Principal Amount Outstanding including interest accrued and not paid on the Aggregate Note Principal Amount Outstanding up to but excluding the Optional Redemption Date (see Condition 8.2 ( <i>Optional early redemption on the Optional Redemption Date</i> )).
<b>Optional redemption in full following the end of the Revolving Period</b> .....	Following the end of the Revolving Period (provided that no Early Amortisation Event has occurred and is continuing) and upon giving not less than thirty (30) calendar days' notice to the Noteholders in accordance with Condition 19 ( <i>Form of Notices</i> ), the Trustee and Bondholders' Representative, and provided that (a) on or prior to the Interest Payment Date on which such notice expires, no Enforcement Event has occurred, (b) the Issuer has, immediately prior to giving such notice, provided to the Trustee and Bondholders' Representative a certificate signed by two (2) Board Members to the effect that the Issuer will have the necessary funds to pay the Aggregate Note Principal Amount Outstanding and interest due in respect of the Notes to be redeemed on the relevant Monthly Payment Date and to discharge all other amounts required to be paid in priority to or <i>pari passu</i> with the Notes on such Monthly Payment Date in accordance with the Pre-Enforcement Priority of Payment, and (c) the Early Redemption Date will be an Interest Payment Date, the Issuer may at its option redeem all (but not part) of the Notes on the first Monthly Payment Date falling after the date the Issuer elects (at its absolute discretion) to accept an offer from the Seller under the Lease Asset Sale Agreement to repurchase all (but not part) of the Purchased Lease Assets (see Condition 8.3 ( <i>Optional early redemption following the end of the Revolving Period</i> ) and " <i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Lease Asset Sale Agreement—Repurchase of Purchased Lease Assets—Repurchase option in relation to the entire pool of Purchased Lease Assets</i> ").
	Any Note redeemed as described in the preceding paragraph will be redeemed at an amount equal to the Note Principal Amount

<p><b>Optional redemption for taxation reasons</b> .....</p>	<p>Outstanding, together with accrued (and unpaid) interest on the Note Principal Amount Outstanding up to but excluding the date of redemption (see Condition 8.3 (<i>Optional early redemption following the end of the Revolving Period</i>) and "<i>DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Lease Asset Sale Agreement—Repurchase of Purchased Lease Assets—Portfolio Repurchase Option</i>").</p>
<p><b>Final redemption on the Final Maturity Date</b>.....</p>	<p>Following the occurrence of a Tax Event that is continuing, the Notes may, at the option of the Issuer and subject to certain conditions, be redeemed in full at their then Note Principal Amount Outstanding together with accrued (and unpaid) interest on the Note Principal Amount Outstanding of such Notes up to but excluding the date of such redemption. See Condition 8.4 (<i>Optional redemption for taxation reasons</i>).</p>
<p><b>Limited recourse</b> .....</p>	<p>Unless previously redeemed in full, the Issuer will be required to redeem the Notes at the Aggregate Note Principal Amount Outstanding on the Final Maturity Date together with accrued (and unpaid) interest on the Note Principal Amount Outstanding of such Notes up to but excluding the Final Maturity Date. See "<i>TERMS AND CONDITIONS OF THE NOTES—Condition 8.5 (Final Maturity Date)</i>". It will be an Issuer Event of Default if the Issuer fails to redeem the Notes in full on the Final Maturity Date.</p>
<p><b>Non-petition</b>.....</p>	<p>The Notes will be limited recourse obligations of the Issuer. All payments under the Notes shall be limited to the amount of the Secured Assets available to meet such obligations from time to time and as applied pursuant to the relevant Priority of Payments. Upon distribution of all Available Post-Enforcement Funds in accordance with the Post-Enforcement Priority of Payments, the Noteholders shall have no further claims and neither the Trustee and Bondholders' Representative nor the Noteholders or any other Transaction Party shall take any further steps against the Issuer to recover any sum still unpaid and any remaining obligations to pay such amount shall be extinguished. See "<i>TERMS AND CONDITIONS OF THE NOTES—Condition 3.2 (Limited recourse; extinguishment of claims)</i>".</p>
<p><b>Non-petition</b>.....</p>	<p>With respect to the Transaction Parties (other than the Issuer, the Bondholders' Representative and the Trustee), none of those parties are entitled, until the expiry of a period ending 366 days after the Final Discharge Date, to (i) take any legal steps or legal proceedings against the Issuer or its assets or corporate bodies for the purpose of asserting or enforcing any rights or claims against the Issuer; (ii) take any steps nor institute any proceedings against the Issuer to procure or initiate the bankruptcy, winding up, liquidation, restructuring, administration or any similar procedure in respect of the Issuer, and, in particular, it will not initiate or support any Insolvency Proceedings against the Issuer; and (iii) other than by virtue of filing any of its claims in an insolvency of the Issuer, it will not claim, rank, prove or vote as a creditor of the Issuer or its estate in competition with any prior ranking creditors in the relevant Priority of Payments until all amounts then due and payable to creditors who rank higher in the relevant Priority of Payments have been paid in full, provided, however, that the paragraphs (i), (ii) and (iii) shall become inapplicable if the Issuer is adjudicated bankrupt by a competent Swiss court. In such case, the Bondholders' Representative, acting for itself and as direct representative (<i>direkter</i></p>

	<p><i>Stellvertreter</i>) of the Noteholders and each Noteholder shall submit its claims against the Issuer with the bankruptcy administrator of the Issuer and clarify that the claims are subject to rights of higher ranking creditors pursuant to the Post-Enforcement Priority of Payments. See "<i>TERMS AND CONDITIONS OF THE NOTES—Condition 3.3 (Non-petition)</i>"</p>
<b>Enforcement Event</b> .....	<p>Pursuant to Condition 4.1(b) (<i>Events of Default relating to the Issuer</i>), if any Issuer Event of Default occurs (other than the occurrence of an Insolvency Event with respect to the Issuer), the Bondholders' Representative may in its absolute discretion, and if so directed in writing by the holders of at least 25 per cent. of the Note Principal Amount Outstanding then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject, in each case, to being first indemnified, prefunded and/or secured to its satisfaction in respect of all Liabilities to which it may render itself liable and which it may incur by so doing) deliver an Acceleration Notice. Upon the occurrence of an Insolvency Event with respect to the Issuer, the Notes shall be automatically declared to be immediately due and payable (without any requirement to deliver an Acceleration Notice).</p> <p>The delivery of an Acceleration Notice or the occurrence of an Insolvency Event shall constitute an Enforcement Event. Upon the occurrence of an Enforcement Event, the Notes shall become due and payable at their at their then current Note Principal Amount Outstanding together with accrued but unpaid interest in accordance with the Post-Enforcement Priority of Payments; and the Security shall become enforceable in accordance with the Claims Pledge Agreement and any other Security Agreements (if any).</p>
<b>The Security</b> .....	<p>Under a claims pledge agreement dated on or about the Signing Date (the "<b>Claims Pledge Agreement</b>"), the Issuer will pledge, or create security pursuant to art. 25, para. 2(b) FISA (as applicable) in the form of a pledge, to the Bondholders' Representative (acting for itself as Secured Creditor and as direct representative (<i>direkter Stellvertreter</i>) of the Noteholders and the other Secured Creditors) over (a) all assets, including all monies standing from time to time to the credit of the Cash Accounts and the Securities Account; (b) the Lease Receivables together with related Ancillary Rights; (c) the Dealer Receivables together with related Ancillary Rights; (d) all existing and future rights and claims of the Issuer in connection with the Residual Value Proceeds together with related Ancillary Rights; and (e) all existing and future rights and claims of, and proceeds accruing to, the Issuer under or in connection with the Transaction Documents (other than the Claims Pledge Agreement (the security created pursuant to the Claims Pledge Agreement and any other Security Agreements (if any), the "<b>Security</b>").</p>
<b>Estimated Weighted Average Life</b> .....	<p>See "<i>ESTIMATED WEIGHTED AVERAGE LIFE OF NOTES, REDEMPTION PROFILE AND ASSUMPTIONS</i>" for information on the weighted average life of the Notes.</p>
<b>Applicable law</b> .....	<p>The Notes are governed by Swiss law.</p>
<b>Jurisdiction</b> .....	<p>The exclusive place of jurisdiction for any dispute, claim or controversy related to the Notes, the Conditions and each of the Transaction Documents shall be the courts of the City of Zurich (Zurich 1), Switzerland</p>

<b>Prescription</b> .....	In respect of the Notes, claims for (i) principal will become void where application for payment is made more than ten (10) years; and (ii) interest will become void where application for payment is made more than five (5) years, in each case, after the due date therefore.
<b>Taxation</b> .....	See " <i>TAXATION IN SWITZERLAND</i> ".
<b>Swiss Withholding Tax</b> .....	Payments of interest (be it periodic, as original issue discount or premium upon redemption) on the Notes will be subject to the Swiss withholding tax ( <i>Verrechnungssteuer</i> ). The Issuer will be required to withhold the tax at the current rate of 35 per cent.
<b>Swiss Stamp Tax</b> .....	The issuance of the Notes on the issue date (primary market) will not be subject to the Swiss federal securities transfer stamp tax ( <i>Umsatzabgabe</i> ). Subsequent dealings in the Notes in the secondary markets where a bank or another securities dealer in Switzerland (as defined in the Swiss federal stamp tax legislation) acts as an intermediary, or is a party, to the Transaction, may be subject to the Swiss federal securities transfer stamp tax at an aggregated rate of up to 0.15 per cent. In addition, the sale of the Notes by or through a member of SIX Swiss Exchange may be subject to a stock exchange levy.
<b>Selling restrictions</b> .....	See " <i>SUBSCRIPTION AND SALE</i> ".
<b>Listing</b> .....	The Notes have been admitted to provisional trading on the SIX Swiss Exchange with effect from 17 May 2023 and application will be made for the Notes to be listed in compliance with the standard for bonds on the SIX Swiss Exchange. The last day of trading for the Notes will be the second Business Day prior to the date on which the Notes will be fully redeemed or the Final Maturity Date.
<b>Ratings</b> .....	<p>It is expected that the Notes will, when issued, be assigned a "AAAsf" rating by Fitch, a "Aaa (sf)" rating by Moody's and a "AAA (sf)" rating by DBRS.</p> <p>The ratings address the ultimate payment of principal and the timely payment of interest on the Notes. No rating should be regarded as a recommendation by the Issuer, the Sole Arranger and Lead Manager or by the Rating Agencies to buy, sell or hold the Notes; and any rating is subject to revision or withdrawal at any time.</p>
<b>Risk Factors</b> .....	Prospective investors in the Notes should consider, among other things, certain risk factors in connection with the purchase of the Notes. Such risk factors as described below may influence the ability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes. The risks in connection with the investment in the Notes include, inter alia, risks relating to the assets and the Transaction Documents, risks relating to the Notes and risks relating to the Issuer. These risk factors represent a list of risks which are specific to the situation of the Issuer and/or the Notes and which are material for taking investment decisions by the potential Noteholders. Although the Issuer believes that the various structural elements described in this document mitigate some of these risks for Noteholders, there can be no assurance that these measures will be sufficient to ensure payment to Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all. See " <i>RISK FACTORS</i> ".

**OVERVIEW OF THE CASHFLOWS AND CREDIT ENHANCEMENT**

**Collection Account and Ledgers**..... On or prior to the Closing Date, the Issuer (or the Cash Manager on its behalf) will establish a collection account (the "**Collection Account**") with the Account Bank. All monies standing to the credit of the Seller Collection Account in relation to Purchased Lease Assets will be transferred to the Collection Account within three (3) Business Days of when such monies were credited to the Seller Collection Account and identified by the Servicer; provided that, where payments in respect of the Purchased Lease Assets are not made into the Seller Collection Account in immediately available funds, the Seller or Servicer (as applicable) will credit such amounts to the Seller Collection Account within three (3) Business Days from the date on which such payment is made. Amounts in the Collection Account may be invested in Authorised Investments.

The Issuer (or the Cash Manager on its behalf) will also maintain certain ledgers in the Collection Account including the Replenishment Ledger, the Subordinated Loan Ledger and the VAT Ledger. The Issuer (or the Cash Manager on its behalf) will, as applicable, establish such additional accounts with the Account Bank as may be required in accordance with the terms of the Transaction Documents. See "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Cash Management Agreement*".

Prior to the occurrence of a Lessee Notification Event, Lessees and Dealers shall pay amounts, due under the relevant Purchased Lease Agreement and Dealer Repurchase Obligation, to the Seller Collection Account. Following the occurrence of a Lessee Notification Event, the Issuer shall procure that it or, absent such notification by the Issuer, the Trustee notifies the Lessees that payments are to be made to an alternate account established in the name of the Issuer and held with a financial institution qualifying as a Qualifying Bank.

**Payment Account**..... On or prior to the Closing Date the Issuer (or the Cash Manager on its behalf) will establish a payment account (the "**Payment Account**") with the Account Bank. By no later than 12:00 p.m. on the Business Day immediately preceding each Payment Date, the Cash Manager will cause an amount equal to the Available Distribution Amount for such Payment Date (excluding the Repurchase Price) and standing to the credit of the Collection Account to be transferred and credited to the Payment Account. On each Payment Date that any Note is outstanding, prior to an Enforcement Event, the Cash Manager will apply the amount standing to the credit of the Payment Account as set out, and in the order specified, in the Pre-Enforcement Priority of Payments. On each Business Day following the occurrence of an Enforcement Event, the Cash Manager, unless otherwise directed by the Bondholders' Representative, will apply the amount standing to the credit of the Payment Account as set out, and in the order specified, in the Post-Enforcement Priority of Payments.

**Note Interest Account**..... On or prior to the Closing Date, the Issuer (or the Cash Manager on its behalf) will establish a note interest account (the "**Note Interest Account**") with the Account Bank. See "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Cash Management Agreement*".

**Deposit Account**..... On or prior to the Closing Date, the Issuer (or the Cash Manager on its behalf) will establish a deposit account (the "**Deposit Account**")

with the Account Bank. See "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Cash Management Agreement*".

**Cash Reserve Account**..... On or prior to the Closing Date the Issuer (or the Cash Manager on its behalf) will establish a cash reserve account (the "**Cash Reserve Account**") with the Account Bank.

On or prior to the Initial Purchase Date, the Cash Manager will credit to the Cash Reserve Account, from the amount advanced to the Issuer pursuant to the Subordinated Loan, an amount equal to the Cash Reserve Required Amount as of the Initial Purchase Date. Amounts in the Cash Reserve Account may be invested in Authorised Investments.

If, after calculating the Available Distribution Amount in respect of any Monthly Payment Date, the Cash Manager determines that the Issuer will otherwise have insufficient funds to comply in full with its payment obligations pursuant to paragraph (e) or higher of the Pre-Enforcement Priority of Payments or paragraph (f) or higher of the Post-Enforcement Priority of Payments (as applicable) on such Monthly Payment Date (the amount of such insufficiency being the "**Available Funds Shortfall**" ), the Cash Manager will immediately withdraw an amount equal to such Available Funds Shortfall from the Cash Reserve Account and pay such amount to the Payment Account to be applied as part of the Available Distribution Amount for such Monthly Payment Date.

If, at any time prior to the occurrence of an Enforcement Event, the Cash Manager debits an amount from the Cash Reserve Account as contemplated pursuant to the paragraph above, the Cash Manager will on the Monthly Payment Date immediately following such debit, credit to the Cash Reserve Account from the Available Distribution Amount in accordance with the Pre-Enforcement Priority of Payments, the amount equal to the amount necessary to cause the balance standing to the credit of the Cash Reserve Account to equal the Cash Reserve Required Amount for such Monthly Payment Date.

**Available Distribution Amount** ..... The "**Available Distribution Amount**" means:

- (a) subject to (b) below, for each Monthly Payment Date, the sum (without duplication) of the following amounts (calculated by the Cash Manager pursuant to the Cash Management Agreement, which shall, in the absence of manifest error be binding on Noteholders pursuant to Condition 11 (*Principal Paying Agent and Cash Manager; Determinations Binding*)) as of the immediately preceding Calculation Date, which shall be applied by the Issuer or the Cash Manager according to the applicable Priority of Payments on such Monthly Payment Date:
  - (i) if such Monthly Payment Date is an Interest Payment Date, any amounts standing to the credit of the Note Interest Account;
  - (ii) any amounts standing to the credit of the Subordinated Loan Ledger;
  - (iii) any Collections collected or received, as the case may be, during the immediately preceding Determination Period;
  - (iv) any amounts standing to the credit of the Payment Account;

- (v) any VAT Recovery received during the immediately preceding Determination Period and standing on the credit of the Collection Account on such Payment Date;
  - (vi) any Investment Earnings accrued during the immediately preceding Determination Period and standing to the credit of the Transaction Accounts on such Payment Date;
  - (vii) if such Monthly Payment Date is the first Payment Date falling on the final day of, or following the end of, the Revolving Period, any amount standing to the credit of the Replenishment Ledger on such Payment Date;
  - (viii) any amounts standing to the credit of the Cash Reserve Account; or
- (b) on the Optional Redemption Date (provided that the Issuer has elected to exercise its option to redeem the Notes in full pursuant to Condition 8.2 (*Optional early redemption on the Optional Redemption Date*)), the Early Redemption Date, the Tax Event Redemption Date, the Final Maturity Date or following the occurrence of an Enforcement Event, all amounts standing to the credit of the Collection Account, the Note Interest Account, the Cash Reserve Account and the Deposit Account, other than:
- (i) the amount necessary (if any) to cause the balance standing to the credit of the Deposit Account to equal the Deposit Required Amount, and
  - (ii) any amount standing to the credit of the VAT Ledger.

The Available Distribution Amount will not be applied in redemption of the Notes or repayment of principal on the Subordinated Loan during the Revolving Period, but will be applied (to the extent available) to acquire additional Lease Assets from the Seller. On each Payment Date following the termination of the Revolving Period, the Issuer will apply the Available Distribution Amount to, *inter alia*, redeem the Notes in an amount up to the Note Principal Required Amount in accordance with the applicable Priority of Payments.

**Available Post-Enforcement Funds**..... The Available Distribution Amounts available following an Enforcement Event (including, for the avoidance of doubts, after the enforcement of all Security) (the "**Available Post-Enforcement Funds**").

**Priority of Payments**..... On each Monthly Payment Date, falling prior to the occurrence of an Enforcement Event, the Cash Manager will apply the Available Distribution Amount (as calculated by the Cash Manager pursuant to the Cash Management Agreement) as of the Calculation Date immediately preceding such Payment Date in accordance with the following order of priority (the "**Pre-Enforcement Priority of Payments**"):

- (a) *first*, to pay the relevant Tax Authority any taxes that are due and payable by the Issuer;
- (b) *second*, to pay:
  - (i) if such Monthly Payment Date occurs prior to a VAT Trigger Event, an amount up to the VAT Output Reimbursement to the Servicer; or



- (ii) if such Monthly Payment Date occurs following a VAT Trigger Event, the amount required to cause the balance standing to the credit of the VAT Ledger to equal to the VAT Aggregate Required Amount to the VAT Ledger;
- (c) *third*, to pay or provide for payment of, on a *pro rata* and *pari passu* basis all amounts due and payable to the Trustee and Bondholders' Representative pursuant to the Transaction Documents;
- (d) *fourth*, to pay, on a *pro rata* and *pari passu* basis, to each applicable party, the Senior Expenses;
- (e) *fifth*, if such Monthly Payment Date (i) is not an Interest Payment Date, to credit to the Note Interest Account, the amount required to cause the balance standing to the credit of the Note Interest Account to equal the Note Interest Required Amount; or (ii) is an Interest Payment Date, to pay *pro rata* and *pari passu* to the Noteholders, the amount equal to the Note Interest Amount;
- (f) *sixth*, to credit to the Cash Reserve Account, the amount required to cause the balance standing to the credit of the Cash Reserve Account to equal the Cash Reserve Required Amount to the extent required pursuant to the terms of the Cash Management Agreement;
- (g) *seventh*, if such Monthly Payment Date occurs (i) during the Revolving Period, to credit to the Replenishment Ledger, the amount required to cause the balance standing to the credit of the Replenishment Ledger to equal to the Required Replenishment Amount, and (ii) following the Revolving Period, to pay *pro rata* and *pari passu* to the Noteholders the amount equal to the Note Principal Required Amount;
- (h) *eighth*, to pay, *pro rata* and *pari passu*, any party for any amounts due and payable thereto under any Transaction Document (other than pursuant to the Subordinated Loan Agreement) to the extent such amount is not satisfied by an item ranking higher in priority hereto;
- (i) *ninth*, if such Monthly Payment Date occurs during the Revolving Period, to pay to the Subordinated Loan Provider in respect of the Subordinated Loan, the Fixed Disbursement Amount and an amount up to the Permitted Disbursement Amount for such Monthly Payment Date; and
- (j) *tenth*, to credit any remaining amounts to the Subordinated Loan Ledger.

Following the occurrence of an Enforcement Event, the Issuer or the Bondholders' Representative will, or will cause the Cash Manager to, apply the Available Distribution Amount (as calculated by the Cash Manager pursuant to the Cash Management Agreement) (including any amounts standing to the credit of the Transaction Accounts and all monies received or recovered by the Bondholders' Representative acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of each Noteholder and other Secured Creditor in respect of the Security pursuant to the Claims Pledge Agreement or any other Security Agreement (if any)) as of the Calculation Date immediately

preceding such Payment Date in accordance with the following order of priority (the "**Post-Enforcement Priority of Payments**"):

- (a) *first*, to pay to the relevant Tax Authority any taxes that are due and payable by the Issuer on such Business Day;
- (b) *second*, to pay:
  - (i) if such Monthly Payment Date occurs prior to a VAT Trigger Event, an amount up to the VAT Output Reimbursement to the Servicer; or
  - (ii) if such Monthly Payment Date occurs following a VAT Trigger Event, the amount required to cause the balance standing to the credit of the VAT Ledger to equal to the VAT Aggregate Required Amount to the VAT Ledger;
- (c) *third*, to pay, or provide for payment of, on a *pro rata* and *pari passu* basis all amounts due and payable to the Trustee and Bondholders' Representative (or a person delegated by the Bondholders' Representative pursuant to the Claims Pledge Agreement or/and by Trustee pursuant to the Trust Agreement) pursuant to the Transaction Documents;
- (d) *fourth*, to pay, on a *pro rata* and *pari passu* basis, to each applicable party, the Senior Expenses;
- (e) *fifth*, to pay *pro rata* and *pari passu* to the Noteholders all amounts due and payable in respect of accrued and unpaid interest on the Notes (including overdue interest);
- (f) *sixth*, to pay *pro rata* and *pari passu* to the Noteholders an amount equal to the Aggregate Note Principal Amount Outstanding;
- (g) *seventh*, to pay, *pro rata* and *pari passu*, any party for any amounts due and payable thereto under any Transaction Document (other than pursuant to the Subordinated Loan Agreement) to the extent such amount is not satisfied by an item ranking higher in priority hereto; and
- (h) *eighth*, to credit any remaining amounts to the Subordinated Loan Ledger.

See further the section entitled "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Cash Management Agreement*" and "*TERMS AND CONDITIONS OF THE NOTES*".

**Credit Enhancement**..... Credit enhancement for the Notes will be provided by overcollateralisation funded by the Subordinated Loan made by the Subordinated Loan Provider to the Issuer in an amount equal to the sum of (i) the Required Stated Amount and (ii) the Cash Reserve Required Amount.

The rights of the Subordinated Loan Provider will be unsecured and subordinated to the rights of the Noteholders.

See further the section entitled "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—CASH MANAGEMENT AGREEMENT—Collection Account Ledgers—Cash Reserve Account*" and "*SUBORDINATED LOAN AGREEMENT*".

**Limited recourse; non-petition**..... The Notes and the Issuer's obligations under the Transaction Documents will constitute limited recourse, direct and secured obligations of the Issuer, other than those obligations contained in the Subordinated Loan Agreement relating to the provision of the Subordinated Loan which shall be unsecured and subordinated to all other obligations of the Issuer. All payments under the Notes will be payable only from amounts available for such purpose from the Issuer's Assets in accordance with the applicable Priority of Payment. Upon distribution of all Available Post-Enforcement Funds in accordance with the Post-Enforcement Priority of Payments, the Noteholders shall have no further claims and neither the Trustee and Bondholders' Representative nor the Noteholders or any other Transaction Party shall take any further steps against the Issuer to recover any sum still unpaid and any remaining obligations to pay such amount shall be extinguished.

With respect to the Transaction Parties (other than the Issuer, the Trustee and Bondholders' Representative), none of those parties are entitled, until the expiry of a period ending 366 days after the Final Discharge Date, to: (i) take any legal steps or legal proceedings against the Issuer or its assets or corporate bodies for the purpose of asserting or enforcing any rights or claims against the Issuer; (ii) take any steps nor institute any proceedings against the Issuer to procure or initiate the bankruptcy, winding up, liquidation, restructuring, administration or any similar procedure in respect of the Issuer, and, in particular, it will not initiate or support any Insolvency Proceedings against the Issuer; and (iii) other than by virtue of filing any of its claims in an insolvency of the Issuer, it will not claim, rank, prove or vote as a creditor of the Issuer or its estate in competition with any prior ranking creditors in the relevant Priority of Payments until all amounts then due and payable to creditors who rank higher in the relevant Priority of Payments have been paid in full, *provided*, however, that the paragraphs (i), (ii) and (iii) shall become inapplicable if the Issuer is adjudicated bankrupt by a competent Swiss court. In such case, the Bondholders' Representative, acting for itself and as direct representative (*direkter Stellvertreter*) of the Noteholders and each Noteholder shall submit its claims against the Issuer with the bankruptcy administrator of the Issuer and clarify that the claims are subject to rights of higher ranking creditors pursuant to the Post-Enforcement Priority of Payments.

**TRIGGER TABLES****Ratings Triggers Table**

<b>Transaction Party</b>	<b>Required Ratings</b>	<b>Possible effects of Ratings Trigger being breached include the following</b>
Account Bank	<p>If the Account Bank fails to be rated in the case of:</p> <p>(a) Fitch, at least:</p> <p>(i) "A" with respect to long term deposits or, if a long term deposit rating is not available, long term unsecured, unsubordinated and unguaranteed debt obligations; or</p> <p>(ii) "F-1" with respect to short term deposits or, if a short term deposit rating is not available, short term unsecured, unsubordinated and unguaranteed debt obligations; and</p> <p>(b) DBRS, at least a rating of "A" with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations,</p> <p>or, in each case, such other rating that would not adversely affect the rating of the Notes.</p> <p>If Credit Suisse AG (as parent entity) fails to be rated in the case of Moody's, at least:</p> <p>(i) "A3" with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations, or</p> <p>(ii) "P-1" with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations,</p> <p>or, in each case, such other rating that would not adversely affect the rating of the Notes.</p>	<p>The Cash Manager shall use its best endeavours to procure that, within sixty (60) calendar days, either:</p> <p>(a) another bank that is a Qualifying Bank guarantees the obligations of the Account Bank in favour of the Trustee and Bondholders' Representative; or</p> <p>(b) the Transaction Accounts are transferred to another Qualifying Bank.</p>

### Non-Ratings Triggers Table

Nature of Trigger	Description of Trigger	Possible effects of Non-Ratings Trigger being breached include the following
Account Bank Termination	The Account Bank fails to hold a banking license in full force and effect issued in accordance with the banking laws in force in its jurisdiction of incorporation, or if acting through a branch, issued in accordance with the banking laws in the jurisdiction of such branch, all in accordance with the Guidelines.	The Cash Manager shall use its best endeavours to procure that, within sixty (60) calendar days, either: <ul style="list-style-type: none"> <li>(a) another bank that is a Qualifying Bank guarantees the obligations of the Account Bank in favour of the Trustee and Bondholders' Representative; or</li> <li>(b) the Transaction Accounts are transferred to another Qualifying Bank.</li> </ul>
Cash Manager Termination Event	The occurrence of any of the following: <ul style="list-style-type: none"> <li>(a) the Cash Manager fails to make a deposit or a payment when required to be made, unless such failure is remedied (i) within two (2) Business Days or (ii) if such failure is caused by a Force Majeure Event, within five (5) Business Days;</li> <li>(b) the Cash Manager fails to comply with any of its other covenants or obligations which failure would, in the opinion of the Trustee and Bondholders' Representative (acting on the direction of the Requisite Percentage of the Noteholders), have a Material Adverse Effect; or</li> <li>(c) an Insolvency Event occurs with respect to the Cash Manager.</li> </ul>	The Cash Manager may be terminated following which successor Cash Manager to be appointed.
Corporate Servicer Termination	The occurrence of any of the following: <ul style="list-style-type: none"> <li>(a) a breach or failure to perform any undertaking or material obligation and not remedied within ten (10) Business Days;</li> <li>(b) a breach of representation or warranty made by the Corporate Servicer;</li> <li>(c) an Insolvency Event with respect to the Corporate Servicer;</li> <li>(d) it becomes (i) unlawful to perform any of its material obligations or (ii) any of the obligations of the Corporate Servicer cease to be legal, valid and binding; or</li> <li>(e) the occurrence of an event which could have a material adverse effect on the Corporate Servicer's ability to perform any of its obligations.</li> </ul>	The Corporate Servicer may be terminated following which successor Corporate Servicer to be appointed.
Early Amortisation Event	The occurrence of any of the following: <ul style="list-style-type: none"> <li>(a) Servicer Termination Event;</li> <li>(b) a Seller Event of Default;</li> <li>(c) an Enforcement Event;</li> <li>(d) a Performance Trigger Event; or</li> <li>(e) the Issuer determines that it is unable to adequately service the Purchased Lease Assets by itself or through a third party, unless, within thirty (30) Business Days from the occurrence of such determination, a Successor Servicer is appointed pursuant to the Servicing Facilitator Agreement.</li> </ul>	Upon the occurrence of an Early Amortisation Event, (a) the Revolving Period and the commitment of the Issuer to purchase Lease Assets from the Seller under the Lease Asset Sale Agreement will terminate; and (b) the Seller will no longer be entitled to sell, transfer or assign any Lease Assets to the Issuer.

<b>Nature of Trigger</b>	<b>Description of Trigger</b>	<b>Possible effects of Non-Ratings Trigger being breached include the following</b>
Principal Paying Agent Termination Event	The occurrence of an Insolvency Event with respect to the Principal Paying Agent.	Principal Paying Agent will be terminated following which successor Principal Paying Agent to be appointed.
Servicer Termination Event	<p>The occurrence of any of the following:</p> <ul style="list-style-type: none"> <li>(a) an Insolvency Event with respect to the Servicer;</li> <li>(b) the Servicer fails to make any payment or deposit required by the terms of the relevant transaction document within thirty (30) Business Days of the date such payment or deposit is required to be made;</li> <li>(c) the Servicer fails to perform any of its material obligations under the Lease Asset Sale Agreement and/or the Servicing Agreement (other than any obligation referred to in paragraphs (b) of this definition), and such breach would have a Material Adverse Effect on the ability of the Servicer to perform its material obligations under the Servicing Agreement and, if capable of remedy, is not remedied within thirty (30) Business Days of written notice from the Issuer or the Trustee;</li> <li>(d) any Servicer Representation and Warranty proves to be incorrect in any material respect, or if repeated at any time with reference to the facts and circumstances existing at such time would not be accurate in all material respects, provided that, if curable, it is cured within thirty (30) Business Days of written notice from the Issuer or the Trustee and has a material adverse effect in relation to the Issuer; and</li> <li>(e) the Issuer, or the Corporate Servicer on the Issuer's behalf, has given 6 (six) months' notice to the Servicer that it will terminate the Servicer's appointment.</li> </ul>	The Servicer may be terminated following which successor Servicer to be appointed.

## RISK FACTORS

AN INVESTMENT IN THE NOTES MAY INVOLVE SUBSTANTIAL RISKS AND BE SUITABLE ONLY FOR INVESTORS WHO HAVE THE NECESSARY BACKGROUND AND RESOURCES TO ENABLE THEM TO EVALUATE THE RISKS AND THE MERITS OF AN INVESTMENT IN THE NOTES. PRIOR TO MAKING AN INVESTMENT DECISION, PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER IN LIGHT OF THEIR OWN FINANCIAL CIRCUMSTANCES AND INVESTMENT OBJECTIVES ALL THE INFORMATION SET FORTH IN THIS PROSPECTUS AND, IN PARTICULAR, THE CONSIDERATIONS SET FORTH BELOW. PROSPECTIVE INVESTORS SHOULD MAKE SUCH INQUIRIES AS THEY DEEM NECESSARY WITHOUT RELYING ON THE ISSUER, THE SOLE ARRANGER AND LEAD MANAGER OR ANY OTHER TRANSACTION PARTY. IN PARTICULAR, EACH POTENTIAL INVESTOR SHOULD (A) HAVE SUFFICIENT KNOWLEDGE AND EXPERIENCE TO MAKE A MEANINGFUL EVALUATION OF THE NOTES, THE MERITS AND RISKS OF INVESTING IN THE NOTES AND THE INFORMATION CONTAINED IN THIS PROSPECTUS; (B) HAVE ACCESS TO, AND KNOWLEDGE OF, APPROPRIATE ANALYTICAL TOOLS TO EVALUATE, IN THE CONTEXT OF ITS PARTICULAR FINANCIAL SITUATION, AN INVESTMENT IN THE NOTES AND THE IMPACT THE NOTES WILL HAVE ON ITS OVERALL INVESTMENT PORTFOLIO; (C) HAVE SUFFICIENT FINANCIAL RESOURCES AND LIQUIDITY TO BEAR ALL THE RISKS OF AN INVESTMENT IN THE NOTES; (D) UNDERSTAND THOROUGHLY THE TERMS OF THE NOTES; AND (E) BE ABLE TO EVALUATE (EITHER ALONE OR WITH THE HELP OF SUCH PROFESSIONAL ADVISORS AS THE INVESTOR MAY DEEM NECESSARY) POSSIBLE SCENARIOS FOR ECONOMIC AND OTHER FACTORS THAT MAY AFFECT ITS INVESTMENT AND ITS ABILITY TO BEAR THE APPLICABLE RISKS.

*The following is a summary of certain aspects of the Transaction and the Notes of which prospective investors should be aware. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Notes are exhaustive. The risks described below are not the only risks that the Issuer faces. Additional risks and uncertainties not presently known to the Issuer or that are currently believed to be immaterial could also have a material impact on the Issuer's operations and prospects. Although the Issuer believes that certain features described in this Prospectus may mitigate some of the risks described below, there can be no assurance that such features will be sufficient to ensure payment to Noteholders of interest, principal or any other amounts on or in connection with the Notes on a timely basis or at all.*

*As more than one risk factor can affect the Notes simultaneously, the effect of a single risk factor cannot be accurately predicted. Additionally, risk factors may have a cumulative effect, the extent of which is uncertain, so that the combined effect on the Notes cannot be accurately predicted. No binding statement can be given on the effect of a combination of risk factors on the Notes.*

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

### MACROECONOMIC RISK FACTORS

#### Market volatility

Over the past several years, European and international financial markets have experienced volatility and have been adversely affected by concerns over economic contraction, rising government debt levels, credit rating downgrades and risk of default or restructuring of government debt. In addition, the financial markets have been affected by the military escalation unfolding in Ukraine. Confrontation in the region has been taking place since 2014 and has involved the accession of the Crimean Peninsula to the Russian Federation and the proclamation of the Donetsk People's Republic and the Luhansk People's Republic. This confrontation, known as the "Donbas War", escalated following an invasion by the Russian Federation on 24 February 2022 into Ukraine. As of the date of this Prospectus, military hostilities are ongoing. It is difficult to predict the impact of such volatility, particularly in the current environment where inflation and interest rates are rising. The announced merger of Credit Suisse with UBS will also increase uncertainty (see "RISK FACTORS—RISKS RELATING TO CERTAIN TRANSACTION PARTIES—Merger of Credit Suisse with UBS").

Any potential investors should therefore carefully consider how the worsening economic climate, coupled with an increase in both inflation rates and interest rates in Switzerland, may have an adverse effect on the ongoing

ability of Lessees to meet their payment obligations resulting in higher delinquency and default rates than anticipated and, as a result, the performance of the Lease Assets may suffer which in turn may affect their investment in the Notes.

### **The COVID-19 pandemic may exacerbate certain risks relating to the Notes**

The COVID-19 pandemic resulted in authorities worldwide implementing numerous measures to try to contain COVID-19, which led to severe disruptions in the global supply chain, capital markets and economies. The temporary closures of many businesses have resulted in a loss of revenues and unprecedented increases in unemployment in certain countries and accordingly a poorer consumer outlook. Its longer-term impact on economic conditions continues to be uncertain and there are no comparable events in recent history that may provide guidance as to the effect of the spread of COVID-19 and the economic impacts of such a global pandemic.

Accordingly, the extent and duration of the impact of COVID-19 on the behaviour and performance of the portfolio cannot be determined at present. As a consequence, COVID-19 could exacerbate numerous risks in respect of the Notes and in this respect see "*RISK FACTORS—MACROECONOMIC RISK FACTORS—Market volatility*", "*RISK FACTORS—RISK FACTORS RELATING TO THE NOTES—The Revolving Period may end if BANK-now is unable to or otherwise does not sell additional Lease Assets*", "*RISK FACTORS—RISKS RELATING TO THE PURCHASED LEASE ASSETS—Risk of late payment and/or non-payment of monthly instalments*", "*RISK FACTORS—RISKS RELATING TO CERTAIN TRANSACTION PARTIES*" in particular, however the overall consequences of COVID-19 are not known at this stage.

## **RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS**

### **Historical and other information**

The historical, financial and other information set out in this Prospectus (see "*CHARACTERISTICS OF THE LEASE ASSETS AND BANK-NOW'S LEASING BUSINESS*") is based on the historical experience and current procedures of BANK-now. None of the Issuer, the Sole Arranger and Lead Manager, the Trustee and Bondholders' Representative, the Servicer, the Account Bank, the Cash Manager, the Principal Paying Agent, the Servicing Facilitator or the Corporate Servicer has undertaken or will undertake any investigation or review of, or search to verify, the historical information. There can be no assurance as to the future performance of the Purchased Lease Assets. Any deterioration in the performance of the Purchased Lease Assets would have an adverse effect on the Issuer's ability to make payments in respect of the Notes.

### **No independent investigation and limited information**

None of the Issuer, the Sole Arranger and Lead Manager, the Trustee and Bondholders' Representative, the Servicer, the Account Bank, the Cash Manager, the Principal Paying Agent, the Servicing Facilitator or the Corporate Servicer, BANK-now, or any Affiliate of BANK-now has undertaken or will undertake any due diligence with respect to the wording or content of any individual Lease Agreement, Dealer Agreement, Leased Vehicle, manufacturer warranty or the facts and circumstances relating to the particular relationship between the relevant Lessee or Dealer, respectively, and BANK-now nor any other comprehensive investigations, searches or other actions have been conducted in respect of any of the Purchased Lease Assets.

Instead, the Issuer will rely on the Eligibility Criteria and the relevant representations and warranties given by the Seller in the Lease Asset Sale Agreement. In the event of a breach of the Lease Asset Representations and Warranties relating to the Eligibility Criteria, following notification and subject to any alternative resolution within the specified time period, the Seller will be required to repurchase the affected Purchased Lease Assets. In the event of a breach of any of the other Lease Asset Representations and Warranties and warranties under the Lease Asset Sale Agreement that are not Lease Asset Representations and Warranties, the Seller is obliged to indemnify the Issuer against any liability, loss and damage directly resulting from such breaches.

Such repurchase or indemnity obligations are not guaranteed by nor will they be the responsibility of any person other than the Seller and none of the Issuer or the Trustee and Bondholders' Representative will have recourse to any other person in the event that the Seller, for whatever reason, fails to meet such obligations. Consequently, in the event that any such representation or warranty is breached the Issuer is exposed to the credit risk of the Seller. There can be no assurance that the Seller will have the financial resources to honour its repurchase or indemnity obligations under the Lease Asset Sale Agreement. Consequently, if any breach referred to above occurs and the affected Purchased Lease Asset is not repurchased or the Issuer is not appropriately indemnified by the Seller, as applicable, this could have an adverse effect on the ability of the Issuer to make payments in respect of the Notes.

### **Risks related to a manufacturer recall**

Vehicle manufacturers have in the past and may in the future announce recalls and temporary suspension of sales and production of certain models of their vehicles due to a discovered defect or other issue which affects the



performance, safety or use of such vehicles. From 1 September 2020, a new EU vehicle type-approval framework started to apply across the EU, which among other things, allows the European Commission to impose a recall of vehicles in certain circumstances. As of the date of this Prospectus, it is not known whether Switzerland intends to adopt similar legislation.

In the event of any recall, Lessees may attempt (whether legally entitled or otherwise) to withhold or set-off payments due under a Lease Agreement, terminate their lease agreements (with or without the payment of an early repayment fee or charge) or claim for any loss suffered by them as a result of such recall (for further discussion of these risks, see "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risk of late payment and/or non-payment of monthly instalments*", "*RISK FACTORS—CERTAIN SWISS LAW CONSIDERATIONS—Set off*", "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risk related to early repayment clauses in Lease Agreements*" and "*RISK FACTORS—CERTAIN SWISS LAW CONSIDERATIONS—Consumer Credit Act*"). Additionally, any recall of vehicles may adversely impact the demand for used vehicles or the residual value for any affected Leased Vehicles and/or could have an impact on BANK-now's ability to originate Lease Assets which can be sold to the Issuer (see "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Market for Lease Vehicles*" and "*RISK FACTORS—RISK FACTORS RELATING TO THE NOTES—The Revolving Period may end if BANK-now is unable to or otherwise does not sell additional Lease Assets*").

### **Risk of non-existence of Lease Assets (excluding the Leased Vehicles)**

In the event that any of the Lease Assets have not come into existence at the time of their transfer or assignment to the Issuer under the Lease Asset Sale Agreement, such transfer or assignment would not result in the Issuer acquiring ownership title in such Purchased Lease Asset. The Issuer would not receive adequate value in return for its Purchase Price payment. This result is independent of whether the Issuer, at the time of transfer or assignment, is aware of the non-existence or not and whether the Issuer acts in good faith with respect to the existence of such Purchased Lease Asset or not. This risk, however, will in ordinary circumstances be mitigated by the contractual obligation that the Seller will pay to the Issuer an amount equal to the deemed amount of the Outstanding Balance in the event there are any non-existent Lease Assets as of the date of such payment. See also "*RISK FACTORS—MACROECONOMIC RISK FACTORS—Market volatility*" and "*RISK FACTORS—RISK FACTORS RELATING TO CERTAIN TRANSACTION PARTIES—Credit risk of the parties*".

### **Risk of late payment and/or non-payment of monthly instalments**

Whilst each Lease Agreement has due dates for scheduled payments thereunder, there is no assurance that the Lessees under those Lease Agreements will pay in time, or at all. Lessees may default on their obligations due under the Lease Agreements for a variety of financial and personal reasons, including loss or reduction of earnings, illness, divorce and other similar factors which may, individually or in combination, lead to an increase in delinquencies by and bankruptcies of the Lessees. Certain national and international macroeconomic factors such as an increase in interest rates and inflation and a future COVID-19 outbreak may also contribute to or hinder the economic health of a Lessee and thus the economic performance of the Lease Assets (see also "*RISK FACTORS—MACROECONOMIC RISK FACTORS—Market volatility*"). Further, Lessees may seek to withhold payment of monthly instalments (whether legally entitled to or not) in certain circumstances, for example, as a result of a manufacturer recall or vehicle performance issues (see "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risks related to a manufacturer recall*" and "*RISK FACTORS—CERTAIN SWISS LAW CONSIDERATIONS—Set-off*").

Any such failure by the Lessees to make payments under the Lease Agreements would have an adverse effect on the Issuer's ability to make payments under the Notes. The Cash Reserve Account in part mitigates the risk of late payment by Lessees. Prior to the occurrence of an Enforcement Event, in the event of shortfalls under the Purchased Lease Assets, the Issuer may draw on amounts standing to the credit of the Cash Reserve Account to make payments in respect of the Notes in accordance with the applicable Priority of Payments. However, no assurance can be given that the Issuer will have sufficient funds to make payments in full in respect of the Notes.

### **Risk related to early repayment clauses in Lease Agreements**

Under the terms of certain of the Lease Agreements, the Lessees are entitled to terminate the Lease Agreements early, subject, where applicable, to payments of an early repayment fee or charge. In the event that, after the termination of the Revolving Period, the Lease Agreements underlying the Purchased Lease Assets are prematurely terminated or otherwise settled early or an Early Amortisation Event occurs, the principal repayment of the Notes may be earlier than expected and, therefore, the yield on the Notes may be adversely affected by a higher or lower than anticipated rate of prepayment under the Lease Agreements.

The rate of prepayment under the Lease Agreements cannot be predicted and is influenced by a wide variety of economic and other factors, including prevailing interest rates, the buoyancy of the auto finance market or matters relating to the Leased Vehicles (for example, manufacturing defects or other performance issues (see "*RISK FACTORS—MACROECONOMIC RISK—The COVID-19 pandemic may exacerbate certain risks relating to the Notes*" and "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risks related to a manufacturer recall*") or reputational concerns with respect to the related brand). In the event of early prepayment by the Lessee under the Lease Agreement, the Lessee will be required to pay an early termination fee (as set out in the prepayment table annexed to the Lease Agreement for CCA Lease Agreements) and the Issuer will be obliged to sell the vehicle in the secondary market. If it receives less than the amount outstanding following the payment of the pre-agreed early termination fee set out in the Lease Agreement, the Noteholders will bear the subsequential loss (see also "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Market for Lease Vehicles*").

### **Changing characteristics of the Purchased Lease Assets**

Characteristics and concentrations of Lessees in the pool may be substantially different at the end of the Revolving Period from the concentration that exists as of the Closing Date as a result of defaults, payments on the Lease Assets and purchase of additional Lease Assets during the Revolving Period, or as a result of the termination of the Cooperation Agreements (see "*RISK FACTORS—RISKS RELATING TO CERTAIN TRANSACTION PARTIES—A substantial portion of BANK-now's Leasing Business is subject to Cooperation Agreements*"). Such concentration or other changes in the pool could adversely affect the delinquency, or credit loss, of the Purchased Lease Assets and result in faster or slower repayments or greater losses on the Notes. However, the Seller will make representations and warranties with respect to additional Lease Assets purchased on each Additional Purchase Date including that the Eligibility Criteria and Replenishment Criteria are satisfied which require that the Outstanding Balance of the Purchased Lease Assets does not exceed certain concentration limits.

### **Rights in respect of the Lease Assets**

Pursuant to the Claims Pledge Agreement, the Issuer will grant security over the Lease Assets (excluding the Leased Vehicles). The Issuer (or following the occurrence of an Enforcement Event the Bondholders' Representative) will rely on the Servicer to enforce any of the Issuer's rights under the Lease Agreements and Dealer Agreements and to carry out its obligations under the Servicing Agreement.

The Seller will undertake for the benefit of the Issuer that it will not take any steps in relation to the Lease Agreements otherwise than in its capacity as Servicer in accordance with the Seller's Credit and Collection Policies and Procedures in order to perform its duties under the Servicing Agreement, and that it will lend its name to (for so long as the Seller is the Servicer), and take such other steps as may be required by the Issuer or, following the occurrence of an Enforcement Event, the Bondholders' Representative in relation to, any action (whether through the courts or otherwise) in respect of the Lease Agreements.

Each Lease Agreement requires the Lessee to take out and maintain comprehensive vehicle insurance and to assign its rights under the insurance policy to ensure that any proceeds of an insurance claim are directly payable to the Seller pursuant to each Lease Agreement and such rights of the Seller form part of the Ancillary Rights transferred to the Issuer. Where the proceeds of the claim are insufficient to repay in full amounts owed by the Lessee under the Lease Agreement, the Servicer, on behalf of the Issuer, will expect the Lessee to pay the difference unless such difference arises as a result of a depreciation in the value of the Leased Vehicle caused by circumstances outside the control of the Lessee (e.g. a manufacturing defect). It should be noted that there cannot be any certainty that such insurance has in fact been taken out or maintained by the Lessee, that the insurance claims or any other Ancillary Rights have been or will be validly assigned or otherwise transferred to the Issuer to their contingent nature or otherwise, or that any proceeds from such insurance will be available to the Issuer (or following the occurrence of an Enforcement Event the Bondholders' Representative acting as direct representative (*direkter Stellvertreter*) for the Noteholders and the other Secured Creditors).

### **Market for Lease Vehicles**

No assurances can be given that the respective values of the Leased Vehicles to which the Purchased Lease Assets relates have not depreciated or will not depreciate at a rate greater than the rate which they were expected to do so on the date of origination of the Lease Assets. Factors that may result in a greater than expected depreciation rate of the Leased Vehicles may include general developments in the vehicle market that may have a negative impact on new vehicle sales and used vehicle supply, manufacturer recalls, the actual or perceived quality, safety or reliability of certain brands, or shifting consumer preferences including as a result of reputational or environmental considerations (for example, as a result of potential bans in respect of diesel vehicles), currency fluctuations or a general deterioration of the economic conditions in Switzerland or the Leased Vehicles suffering damage or otherwise becoming impaired in such a way that could impact the vehicles' value. Any such scenario

could have an adverse effect on the amount recovered upon a sale of the Leased Vehicles upon default by Lessees or at the end of the term of the Lease Agreement and no assurance can be given that were such circumstances to arise they will not have an adverse effect on the Issuer's ability to make payments on the Notes.

The risk that the sale proceeds of any Leased Vehicles may be less than its estimated residual value at the time such Leased Vehicle was transferred to the Issuer is mitigated where the Seller repurchases the Lease Assets in the circumstances set out in the Lease Asset Sale Agreement. However, the Seller is only obliged to repurchase such Lease Assets in certain limited circumstances and there can be no assurance that the Seller will be able to do so. Consequently, in such circumstances the Issuer is exposed to the credit risk of the Seller. Should the Seller's credit quality deteriorate, this could, in conjunction with the residual value risk, undermine the Issuer's ability to make payments on the Notes (see further "*RISK FACTORS—RISKS RELATING TO CERTAIN TRANSACTION PARTIES—Credit risk of the parties*").

Additionally, as a result of the transfer of the Dealer Agreements, the Issuer will assume BANK-now's right thereunder to oblige a Dealer to repurchase a Leased Vehicle at the contractual price set out in such Dealer Agreement upon termination of the Lease Agreement connected to such Dealer Agreement. However, no assurance can be given that a Dealer will comply with any obligation to repurchase the Leased Vehicle and non-compliance could have an adverse effect on the Issuer's ability to make payments on the Notes. In particular, falling new and used car prices may, at the same time, result in financial difficulties of Dealers owing to lower sales of new and used vehicles and pressure on margins. The off-the-road time and the portfolio of vehicles in stock could increase and the Dealers would therefore no longer be able to buy new models to resell to consumers, which would generate further pressure on the financial position of the Dealers. Furthermore, fewer deliveries to customers mean fewer opportunities to market a leasing product from BANK-now during the sale. Consequently, reduced business levels achieved by Dealers are likely to lead to less new business at BANK-now, which could be negatively reflected in the results of operations.

The Noteholders should also be aware that there may be a very limited market for certain of the Leased Vehicles and there is no guarantee that there will be a market for the sale of such Leased Vehicles, which are of a specialised nature and will be in a used condition, or that such market will not deteriorate in the future. Whilst the Eligibility Criteria and the Replenishment Criteria are intended to operate so as to mitigate against such risks, no assurance can be given that circumstances in the future will not change such that the composition of the pool of the Purchased Lease Assets at any time in the future may deteriorate in view of the circumstances then existing.

#### **Seller's Credit and Collection Policies and Procedures**

The Servicer will carry out the administration, collection and enforcement of the Purchased Lease Assets pursuant to the Servicing Agreement, including the Seller's Credit and Collection Policies and Procedures (see "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS - Servicing Agreement*"). The Noteholders are relying on the business judgement and practices of the Servicer as they exist from time to time, including enforcing claims against Lessees. Such policies and procedures may be changed over time and no assurance can be given that such changes will not have an adverse effect on the Issuer's ability to make payments on the Notes.

#### **Fraud and identity theft**

Fraud and identity theft in the financial services sector are increasing in both frequency and in sophistication and therefore present a threat to lenders and borrowers. Any misrepresented information could lead to extending credit in a situation that does not otherwise meet the Seller's origination criteria, or perform as the Seller would expect, all of which could adversely affect the Seller's business, results of operations, financial condition and payments to Noteholders under the Notes.

#### **Money laundering and proceeds of crime**

Any material failure by the Seller or the Issuer to comply with anti-money laundering restrictions or with any investigation relating thereto could result in fines or penalties. Such fines or penalties could have a material adverse effect on the Issuer directly, due to amounts owed for fines or penalties, or indirectly, as a result of any adverse publicity which might in turn have an effect on the liquidity and value of the Purchased Lease Assets.

#### **Reliance on software**

The Seller's capacity to originate Lease Assets and process Collections depends on its ability to store, retrieve, process and manage significant quantities of data on a continuous basis. Accordingly, interruptions to or loss of

its information processing capabilities including as a result of any cyber-attacks could have a material adverse effect on the Seller's business and administration of Collections.

## **RISK FACTORS RELATING TO THE NOTES**

### **Liability and limited recourse under the Notes**

The Notes represent obligations of the Issuer only, and do not represent obligations of the Sole Arranger and Lead Manager, the Trustee and Bondholders' Representative, the Seller, the Servicer (if different), the Servicing Facilitator, the Account Bank, the Cash Manager, the Corporate Servicer or the Principal Paying Agent or any of their respective Affiliates or any other Transaction Party (except the Issuer) or any other third person or entity. No person other than the Issuer will accept any liability whatsoever to the Noteholders in respect of any failure to make a payment due under the Notes.

The enforcement of the payment obligations under the Notes will only be effected by the Bondholders' Representative in accordance with the Conditions. If the Bondholders' Representative enforces the claims under the Notes, such enforcement will be limited to the Security. Therefore, the Noteholders will have a claim under the Notes against the Issuer only to the extent of the security granted pursuant to the Claims Pledge Agreement or any other Security Agreement which includes, *inter alia*, a pledge of all of the Issuer's, right, title and interest in and to, the entire benefit of the Lease Receivables, the Dealer Receivables, the related Ancillary Rights, all of the Issuer's rights in respect of any amounts standing from time to time to the credit of or all the assets held in the Transaction Accounts and all interests paid or payable in relation to those amounts and all debts represented by those amounts. To the extent that such assets, or the proceeds of the realisation thereof, prove ultimately insufficient to satisfy the claims of all Noteholders in full, then any shortfall arising will be extinguished and no Noteholder (nor the Trustee and Bondholders' Representative) will have any further claims against the Issuer.

### **Subordination**

The risk to the Noteholders that they will not receive the full principal amount of any Note held by them or interest payable thereon pursuant to the Conditions is in part mitigated by the subordination of the Subordinated Loan in accordance with the applicable Priority of Payments, and the availability of the amounts standing to the credit of the Cash Reserve Account and the available excess spread in accordance with the applicable Priority of Payments.

Under Swiss law it is uncertain whether subordination provisions of the type included in the Transaction Documents would be enforceable against an insolvency administrator of a Swiss debtor or whether the creditor benefiting from a subordination would have to rely on the redistribution provisions set out in the DEBA. Consequently, there is no assurance that the Noteholders will receive the amounts they are entitled to receive pursuant to the Conditions.

Any amounts payable by the Issuer in respect of the Notes will be applied in accordance with the applicable Priority of Payments, which set out the priority in which the Noteholders and certain third party service providers will be paid. To the extent that there are funds available, certain fees, costs and expenses and other liabilities of the Issuer will rank ahead of payments to the Noteholders in accordance with the applicable Priority of Payments and the funds available may not be sufficient to pay in full all amounts of principal and interest due in respect of the Notes.

### **Noteholder decisions**

The Conditions of the Notes contain provisions for calling meetings of the Noteholders to consider matters affecting their interests generally. In certain circumstances these provisions permit defined majorities to bind all Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority whilst in other circumstances a vote will only be binding once approved by the competent higher cantonal composition authority in Switzerland. Each Noteholder is subject to the risk of being outvoted. Consequently, it is possible that certain rights of such Noteholder against the Issuer under the Conditions may be amended or reduced or even cancelled.

The Bondholder Provisions set out rules on the Noteholders' meetings and decisions, including unanimous and majority decisions, through which the terms and conditions of the Notes could be altered or amended, as well as on appointment, removal and the role of a "bondholders' representative" (*Anleihensvertreter*). Since certain decisions have to be taken by a majority, a Noteholder can be outvoted by other Noteholders. On the basis of the Conditions any resolution subject to a mandatory consent requirement by all Noteholders shall be taken by a two thirds majority of the Aggregate Note Principal Amount Outstanding if any requirement to obtain consent of all Noteholders on the basis of article 1173 CO is not mandatorily applicable at the relevant time due to a change of Swiss law or the interpretation thereof (which is to be confirmed to the Bondholders' Representative by a legal opinion issued by a reputable Swiss law firm in a form satisfactory to the Bondholders' Representative). Should

this occur, a Noteholder is subject to the risk of being outvoted even on matters that, as of date of this Prospectus, would require all Noteholders' consent. To the extent certain matters have been delegated to the Trustee in its capacity as a "bondholders' representative" (*Anleihensvertreter*) for the purposes of the Bondholder Provisions, the Noteholders no longer benefit from their individual right to vote on and pursue such matters.

Resolutions that negatively affect the rights of the Noteholders (unless such resolutions only require a two-third majority of the Notes issued as provided for in article 1170 CO ("**1170 CO Resolutions**")) require consent by all Noteholders of the Notes that are affected. Such consent must be obtained according to the conditions set out in Condition 14 (*Meetings of Noteholders*). The Conditions provide that in case any requirement to obtain consent by all Noteholders on the basis of art. 1173 CO is not mandatorily applicable at the relevant time due to a change of Swiss law or the interpretation thereof (which is to be confirmed to the Bondholders' Representative by a legal opinion issued by a reputable Swiss law firm in a form satisfactory to the Bondholders' Representative), any resolution subject to a mandatory consent requirement by all Noteholders prior to such a change shall be taken by a two-thirds majority of the Note Principal Amount Outstanding of the Notes. As of today, there is no assurance that there will be such a change of Swiss law or interpretation thereof. Therefore there is a risk that any requirement to obtain the consent of all Noteholders on the basis of art. 1173 CO would continue to apply, even in case the Bondholder Provisions would otherwise no longer be mandatorily applicable. Because it is unlikely that consent by all Noteholders will be achievable, it may not be possible to pass such resolutions of Noteholders. Therefore, there can be no guarantee that Noteholder resolutions that may be required in the future, e.g. to implement new legal requirements, can be passed. In addition, 1170 CO Resolutions that affect the interests of the Notes requires the consent of Noteholders representing at least two-thirds of the Aggregate Note Principal Amount Outstanding of the Notes.

Under the Conditions, the Bondholders' Representative will be vested with certain discretions to exercise the rights of the Noteholders and in addition, the Trustee in its role as "bondholders' representative" has delegated the authority (pursuant to Article 1159 CO) to agree to any Amendment without the consent of any Noteholder or any person other than any person whose consent is required pursuant to the terms of such Transaction Document if, in the opinion of the Bondholders' Representative, (i) that Amendment is not materially prejudicial to the interests of the Noteholders or (ii) that Amendment is to correct a manifest error or an error that is of a formal, minor or technical nature or to clarify an ambiguity. The Conditions also contain additional rights of modification which the Bondholders' Representative may, in certain circumstances and upon certain conditions being met, use to effect an amendment to the Transaction Documents without the consent of the Noteholders — see "*TERMS AND CONDITIONS OF THE NOTES*". Consequently, by purchasing the Notes, a Noteholder will be agreeing that the Bondholders' Representative may take an action delegated to it pursuant to the Bondholder Provisions, the Conditions and the Claims Pledge Agreement and such Noteholder may no longer benefit from its individual right to vote on and pursue certain matters delegated to the Bondholders' Representative. (See also *RISKS RELATING TO CERTAIN TRANSACTION PARTIES — The Trustee and Bondholder Representative is not obliged to act in certain circumstances* and "*CERTAIN MATTERS OF SWISS LAW—Swiss Law Bondholder Provisions*").

The Seller or any of its Affiliates may from time to time hold the Notes and, as such, may exercise voting rights in respect of its holding of such Notes in its or their own interest, which may be different from the interests of the other Noteholders.

### **The Revolving Period may end if BANK-now is unable to or otherwise does not sell additional Lease Assets**

During the Revolving Period, no principal will be paid to the Noteholders. Instead, on each Payment Date during the Revolving Period, amounts allocable to the Replenishment Ledger may be used to purchase additional Lease Assets. However, where such amounts are credited to the Replenishment Ledger during the Revolving Period, and on two (2) consecutive Purchase Dates, the amount deposited and remaining in the Replenishment Ledger after the satisfaction of the payments, transfers and provisions to be made on such Purchase Date, exceeds 10 per cent. of the aggregate Outstanding Balance of the Purchased Lease Assets (which would occur if, for example, BANK-now was unable to or may not sell additional Lease Assets), then an Early Amortisation Event will occur. Other Early Amortisation Events include the occurrence of an Insolvency Event or a Performance Trigger Event.

If an Early Amortisation Event occurs, the Revolving Period will terminate such that the Seller may no longer sell Lease Assets to the Issuer and principal will be required to be repaid on the Notes on and from the following Interest Payment Date to the extent that cash is available for that purpose in accordance with the applicable Priority of Payments.

Although no assurance can be made as to the availability of Lease Assets that can be sold to the Issuer during the Revolving Period, the Seller does not, as of the date of this Prospectus, expect any shortage in availability over the term of the Notes taken as a whole. However, there are uncertainties, including in relation to the plan of merger between UBS and Credit Suisse announced on 19 March 2023 following the intervention of the Swiss Federal Department of Finance, the Swiss National Bank and FINMA due to the fact that BANK-now is a consolidated

subsidiary of Credit Suisse Group AG, and as such the future operations and financial performance of BANK-now may be impacted as a result of the merger (see "*Merger of Credit Suisse with UBS*"). In addition, cooperation agreements that account for approximately 40% of BANK-now's new leasing business volume are subject to Change of Control termination rights that would be triggered by a merger between UBS and Credit Suisse (see "*A substantial portion of BANK-now's Leasing Business is subject to Cooperation Agreements*"). Furthermore, the Seller is not obliged to sell any additional Lease Assets during the Revolving Period. If the Seller is unable to originate additional Lease Assets or if it does not sell any additional Lease Assets, then the Revolving Period will terminate earlier than expected and, in such circumstances, the Noteholders will receive payments of principal on the Notes earlier than expected (see also "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Changing characteristics of the Purchased Lease Assets*", "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Market for Lease Vehicles*" and "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risks related to a manufacturer recall*").

### **Ratings of the Notes**

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the Rating Agencies. The ratings take into consideration the structural and legal aspects associated with the Notes including the full and timely receipt by the Noteholders of interest thereon and the receipt by the Noteholders of principal by the Final Maturity Date. The ratings assigned to the Notes should be evaluated independently from similar ratings on other types of securities.

There is no assurance that the ratings will continue for any period of time or that they will not be lowered, reviewed, suspended or withdrawn by the Rating Agencies as a result of changes in or unavailability of information or if, in the judgement of the Rating Agencies, circumstances so warrant. In the event that the ratings initially assigned to the Notes by the Rating Agencies are subsequently lowered, suspended or withdrawn for any reason, no person is obliged to provide any additional support or credit enhancement to the Notes and neither the Issuer, any other person is obliged to appoint a substitute Rating Agency or Rating Agencies or otherwise obtain any alternative, substitute or additional ratings for the Notes from any other source. A qualification, downgrade or withdrawal of any of the ratings mentioned above may impact upon the value of the Notes.

In assigning the ratings to the Notes, the Rating Agencies applies their relevant methodology existing as at the Closing Date, however, it should be noted that a Rating Agency may revise such methodology at any time which could affect the ratings assigned to the Notes.

Additionally, a Rating Agency may have a conflict of interest where, as is the case with the ratings of the Notes by the Rating Agencies, the issuer of a security pays the fee charged by the Rating Agency for its rating service.

Credit rating agencies other than the Rating Agencies could seek to rate the Notes and if such "unsolicited ratings" are lower than the comparable ratings assigned to the Notes by the Rating Agencies, those unsolicited ratings could have an adverse effect on the market value of the Notes. For the avoidance of doubt and unless the context otherwise requires, any reference to "ratings" or "rating" in this Prospectus is to the ratings assigned by the specified Rating Agencies only.

The rating assigned to the Notes by the Rating Agencies shall be the only rating that the issuer has requested be assigned to the Notes — investors should consult their legal advisors as to their requirements with respect to the ratings assigned to the Notes (if any).

### **There is no active trading market for the Notes**

There can be no assurance that there is an active and liquid secondary market for the Notes, and no assurance is provided that a secondary market for the Notes will develop or, if it does develop, that it will provide Noteholders with liquidity of investment for the life of the Notes. Moreover, at the date of this Prospectus, the secondary market for asset-backed securities in general may experience disruptions resulting from reduced investor demand for such securities in particular as the Notes are not intended to be traded or otherwise made available to any investor outside Switzerland. Any investor in the Notes must be prepared to hold their Notes for an indefinite period of time or until their Final Maturity Date or alternatively such investor may only be able to sell the Notes at a discount to the original purchase price of those Notes. The market price of the capital in the Notes could be subject to fluctuation in response to, among other things, variations in the value of the Lease Assets, the market for similar securities, prevailing interest rates, changes in regulation and general market and economic conditions.

### **Restrictions on transfer**

The Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The offering of the Notes will be made pursuant to exemptions from the registration provisions of the Securities Act and from state securities laws. No person is

obliged or intends to register the Notes under the Securities Act or any state securities laws. Accordingly, offers and sales of the Notes are subject to the restrictions described under "*SUBSCRIPTION AND SALE*".

## **RISKS RELATING TO CERTAIN TRANSACTION PARTIES**

### **Credit risk of the parties**

The Issuer is a party to contracts with a number of other third parties that have agreed to perform certain services in relation to, *inter alia*, the Notes. For example, the Servicer has agreed to service and administer the Purchased Lease Assets, the Corporate Servicer has agreed to provide corporate services to the Issuer, the Cash Manager, the Account Bank and the Principal Paying Agent have agreed to provide cash administration, payment, administration and calculation services in connection with the Notes, the Lease Agreements, Dealer Agreements and/or the Leased Vehicles. The ability of the Issuer to make any principal and interest payments in respect of the Notes depends upon the ability of the parties to the Transaction Documents to perform their contractual obligations. In the event that any relevant third party fails or is otherwise unable to perform its obligations under the respective agreements to which it is a party, the Noteholders may be adversely affected. No assurance can be given that the creditworthiness of the parties to the Transaction Documents will not deteriorate in the future. As mentioned in "*RISK FACTORS—MACROECONOMIC RISK FACTORS—Market volatility*" increased precautionary measures have been taken in response to the COVID-19, such precautionary measure may have an impact on access to resources, working conditions and the general ability of the Transaction Parties to perform their respective obligations under the respective Transaction Documents. In particular, it may affect the administration, collection and enforcement of the Purchased Lease Assets by the Servicer (see "*RISK FACTORS—RISKS RELATING TO CERTAIN TRANSACTION PARTIES—Risk of commingling and delayed payment by Servicer*") and/or the Seller's ability to comply with its repurchase and indemnity obligations (see also "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—No independent investigation and limited information*", "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Market for Lease Vehicles*" and "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risk related to early repayment clauses in Lease Agreements*").

However, the credit risk is mitigated by certain credit sensitive triggers. For example, (i) it shall constitute a Servicer Termination Event if, *inter alia*, with respect to the Servicer or the Seller, an Insolvency Event occurs or the Servicer fails to perform a material obligation which is not remedied within thirty (30) Business Days of the Servicer becoming aware of the breach, (ii) it shall constitute a Cash Manager Termination Event if the Cash Manager fails to comply with any of its covenants or obligations under the Cash Management Agreement which failure would have a Material Adverse Effect as so notified by the Trustee to the Cash Manager (acting on the direction of the Requisite Percentage of the Noteholders) and (iii) in the event that the Account Bank ceases to be a Qualifying Bank reasonable commercial efforts must be used to transfer the Transaction Accounts to another Qualifying Bank.

Certain of the Issuer's recourse options are also reliant on the Seller (see "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risk of non-existence of Lease Assets (excluding the Leased Vehicles)*") and/or Dealers (see "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Market for Lease Vehicles*" and "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risk related to early repayment clauses in Lease Agreements*"). There can be no assurance that the Seller and/or any Dealer will have the financial resources to honour its repurchase or indemnity obligations under the Transaction Documents or the relevant Dealer Agreement (as applicable) (see further "*THE SELLER, SERVICER AND SUBORDINATED LOAN PROVIDER—Recent Developments*") and it may adversely affect the Issuer's ability to make payments under the Notes in the event that a Dealer is not able to meet its obligations.

### **Conflicts of interest**

Each of BANK-now, Credit Suisse AG, Credit Suisse (Schweiz) AG, Amicorp Switzerland AG and ProServices Trustees (Switzerland) AG are acting in a number of capacities in connection with this transaction. These parties will have only those duties and responsibilities expressly agreed to by them in the relevant Transaction Document and will not, by virtue of their or any of their Affiliates acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each agreement to which they are a party. The aforementioned parties in their various capacities in connection with the Transaction may enter into business dealings from which they may derive revenues and profits without any duty to account therefore in connection with the Transaction.

The Servicer in particular may hold and/or service claims against the Lessees other than the Purchased Lease Assets. The interests or obligations of the aforementioned parties in their respective capacities with respect to such other claims may in certain aspects conflict with the interests of the Noteholders.

The aforementioned parties may engage in commercial relationships and provide certain services to the Lessees and other parties, such as, in particular, acting as lender and providing general banking, investment and other financial services. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders. Accordingly, because of these relationships, potential conflicts of interest may arise out of the Transaction.

Additionally, various potential and actual conflicts of interest may arise as a result of the investment banking, commercial banking, asset management, financing and financial advisory services and products provided, or that could in the future be provided, by the Sole Arranger and Lead Manager to the Issuer, the Seller, the Trustee and Bondholders' Representative, the other Transaction Parties and other, as well as in connection with the investment, trading and brokerage activities of the Sole Arranger and Lead Manager. In conducting such activities, the Sole Arranger and Lead Manager will be acting for their own account or for the account of their customers and will have no obligation to act in the interest of the Issuer or any holder of the Notes.

**Noteholders delegate authority to the Bondholders' Representative and the Bondholders' Representative is not obliged to act in certain circumstances**

Under the Conditions and the Claims Pledge Agreement, the Bondholders' Representative will be vested with certain discretions to exercise the rights of the Noteholders (see "*RISK FACTORS—RISK FACTORS RELATING TO THE NOTES—Noteholder decisions*"). The Bondholders' Representative may, at any time, at its own discretion and without notice, take such proceedings, actions or steps against the Issuer or any other party to any of the Transaction Documents (as applicable) as it may think fit to enforce the provisions of the Notes, the Conditions, the Claims Pledge Agreement or any other Security Agreements (if any) or any other Transaction Document to which it is party (as applicable). For example, pursuant to the Conditions, the Bondholders' Representative is not obliged to deliver an Acceleration Notice to the Issuer in respect of any Issuer Event of Default (other than the occurrence of an Insolvency Event with respect to the Issuer which constitutes an automatic Enforcement Event) but shall do so if directed by the holders of at least 25 per cent. of the Note Principal Amount Outstanding then outstanding (provided in each case that the Bondholders' Representative has first been indemnified and/or prefunded and/or secured to its satisfaction). The Bondholders' Representative may seek directions from or resolutions of the Noteholders in accordance with the Conditions and the Claims Pledge Agreement. The Bondholders' Representative may rely on any such direction and shall not be liable with respect to any action taken or omitted to be taken by it in accordance with the direction. In addition, the Bondholders' Representative shall be unable to act in circumstances where the Requisite Percentage of Noteholders do not pass any required Extraordinary Resolution, which in some circumstances may require all Noteholders to consent (see "*CERTAIN MATTERS OF SWISS LAW—Swiss Law Bondholder Provisions*").

**BANK-now is controlled by and depends on Credit Suisse Group AG**

BANK-now is wholly owned by Credit Suisse (Schweiz) AG and, hence, indirectly by Credit Suisse Group AG, and a majority of the members of BANK-now's board of directors are representatives of Credit Suisse (Schweiz) AG. As a result, Credit Suisse (Schweiz) AG and Credit Suisse Group AG are able to exercise control over BANK-now. If circumstances were to arise where the interest of Credit Suisse (Schweiz) AG and Credit Suisse Group AG conflict with the interests of the Noteholders, the Noteholders could be disadvantaged if Credit Suisse (Schweiz) AG and Credit Suisse Group AG seek to take actions contrary to the Noteholders' interests.

As at the date of this Prospectus, BANK-now has been, inter alia, financed by way of equity contributions by and relies on financing from Credit Suisse (Schweiz) AG and indirectly Credit Suisse Group AG, who, regardless of such past contributions, have no legal or contractual obligation to continue to provide funding and capital to BANK-now. See also "*—Merger of Credit Suisse with UBS*")

Because the Notes are obligations solely of the Issuer and will not be guaranteed by Credit Suisse (Schweiz) AG, Credit Suisse AG or any other company forming part of the Credit Suisse Group AG and because there is no obligation of Credit Suisse (Schweiz) AG or any member of the Credit Suisse Group to continue to finance BANK-now, BANK-now may be unable to obtain additional financing at commercially acceptable conditions and, therefore, the future operation and performance of BANK-now could be materially adversely impacted.

**Merger of Credit Suisse with UBS**

Following the intervention of the Swiss Federal Department of Finance, the Swiss National Bank and the Financial Market Supervisory Authority (FINMA), it was announced that on 19 March 2023 Credit Suisse Group AG and UBS Group AG entered into an agreement and plan of merger (the "**Merger**"), to be completed at a date yet to be determined. BANK-now is a consolidated subsidiary of Credit Suisse Group AG, and as such the future operations and financial performance of BANK-now may be impacted as a result of the Merger. There can be no assurance that BANK-now will not itself become liquidated or otherwise merged with another UBS Group AG



subsidiary following completion of the Merger. Furthermore, there can be no assurance that the Merger will be completed. Any failure to complete the Merger may have a material adverse effect on the future operations and financial performance of BANK-now. See also "*BANK-now is controlled by and depends on Credit Suisse Group AG*" and "*THE SELLER, SERVICER AND SUBORDINATED LOAN PROVIDER—Recent Developments*".

### **A substantial portion of BANK-now's Leasing Business is subject to Cooperation Agreements**

As described in more detail in "*CHARACTERISTICS OF THE LEASE ASSETS AND BANK-NOW'S LEASING BUSINESS — Strategic Partnerships*", beside its business with independent car dealers BANK-now has also entered into cooperation agreements with major car manufacturers (the "**Cooperation Agreements**"), which provide BANK-now with market access through the network of the respective manufacturer affiliated dealers to source a proportion of its leasing business. The Cooperation Agreements with two of BANK-now's main strategic partners include provisions that give the strategic partner the right to terminate the Cooperation Agreement with BANK-now upon the occurrence of a "change of control" of BANK-now. Eligible Lease Assets subject to the two affected Cooperation Agreements are likely to account for approximately 40% of the Total Lease Current Balance as of the Closing Date.

The Merger will trigger such change of control clauses and will give such partners the right to terminate the respective Cooperation Agreement with BANK-now with immediate effect.

While BANK-now believes that this is unlikely, it cannot be excluded that two impacted strategic partners will terminate their Cooperation Agreements with BANK-now as a result of the Merger, with immediate effect based on the change of control provisions described above or at a later date. Such terminations increase the risk that the Revolving Period will terminate earlier than expected and that the Noteholders will receive payments of principal earlier than expected. For a description of other risks related to the Merger, see "*Merger of Credit Suisse with UBS*".

### **Ownership and control of the Issuer**

The Issuer has been incorporated and is a subsidiary of the Seller. As at the date hereof, BANK-now holds 98% of the shares of the Issuer. 1% of the shares each is held by the two Independent Shareholders (as defined below) (see "*THE ISSUER*").

Pursuant to the Issuer's Articles, the Boards of Directors of the Issuer is composed of not more than four (4) members. As at the date of this Prospectus, two (2) members of the Board of Directors are employees of BANK-now although they are not paid any fees by the Issuer, and the other two (2) members of the Board of Directors are individuals independent from BANK-now within the meaning of the Swiss Code of Best Practice on Corporate Governance (the "**Independent Directors**"). The Articles of the Issuer specify that the Board of Directors will at all times have at least two (2) individuals who are independents, in accordance with the Swiss Code of Best Practice for Corporate Governance, and the Issuer covenants not to amend its Articles. However, ultimately powers with respect to dismissal and election of the Independent Directors vest in the shareholders of the Issuer (the Board of Directors of a stock corporation (*Aktiengesellschaft*) is elected by a vote of the shareholders at a shareholders' meeting), therefore there can be no assurance that the Issuer will at all times have an Independent Director necessary for the operation of the Issuer and the safeguarding of its interests in the Lease Assets. Furthermore, the Articles of the Issuer provide that any decisions by the Board of Directors relating to the Board Reserved Matters require the consent of an Independent Director (see "*THE ISSUER*"). Accordingly, the Independent Directors will have an influencing vote on substantial matters which could adversely affect the rights of the Noteholders.

Although the Issuer was incorporated as a wholly owned subsidiary of BANK-now, to mitigate the risk that BANK-now as main shareholder could exercise its shareholder rights in a way that could potentially materially adversely affect the Noteholders, 2% of BANK-now's initial holding in the Issuer has been transferred to two (2) independent shareholders (the "**Independent Shareholders**") and the Articles of the Issuer provide that shareholder resolutions in respect of the Shareholder Reserved Matters will require the consent of BANK-now and at least one Independent Shareholder (i.e., 99% of all shares of the Issuer) (see "*THE ISSUER*"). Accordingly, the Independent Shareholders will have an influencing vote on substantial matters which could adversely affect the rights of the Noteholders.

### **Insolvency of the Issuer**

Although the Issuer will contract on a "limited recourse" and "non-petition" basis, no assurance can be given that the assets of the Issuer will not become subject to bankruptcy proceedings.

Given that the Issuer has its registered seat in Switzerland, it may be declared bankrupt upon petition by a creditor of the Issuer or at the initiative of or at the request of the Issuer in accordance with the relevant provisions of

Swiss insolvency laws. Furthermore, statutory provisions of Swiss law provide for the *ex officio* adjudication of bankruptcy in certain circumstances. Certain preferred creditors of the Issuer may have a privilege that ranks senior to the rights of the Noteholders in such circumstances (in this respect see "*CERTAIN MATTERS OF SWISS LAW—Enforcement and Insolvency*").

In addition, although the Issuer has agreed to limit its business activities such that it should not have any assets outside Switzerland, the commencement of insolvency proceedings in respect of the Issuer in a jurisdiction other than Switzerland may affect the amount and timing of payments made to the Noteholders (see "*CERTAIN MATTERS OF SWISS LAW—Cross border insolvency considerations*").

### **Insolvency of BANK-now**

As a Swiss bank, BANK-now is subject to the special restructuring and insolvency regime set out in article 25 et seq. of the BA, which gives the Swiss Financial Market Supervisory Authority ("**FINMA**") broad powers and considerable discretion in taking measures it deems appropriate for purposes of facilitating the restructuring of Swiss banks and banking groups. Accordingly, it is uncertain which measures or actions FINMA and/or other authorities would take in connection with a potential insolvency of BANK-now. Moreover, an insolvency of BANK-now will have certain impacts in relation to BANK-now's contractual obligations (see "*CERTAIN MATTERS OF SWISS LAW*"). Accordingly, there is no assurance that an insolvency of BANK-now or a potential insolvency of BANK-now resulting in protective measures being ordered by FINMA will not, directly or indirectly, negatively affect the liquidation and enforcement of the Purchased Lease Assets for the benefit of the Noteholders. An insolvency of BANK-now or even a potential insolvency of BANK-now could also negatively affect the Swiss leasing market and the value of the Purchased Lease Assets, thereby again impairing the realisation of the underlying Lease Assets and Dealer Agreements and the ability of the Issuer to make payments to Noteholders.

If an Insolvency Event occurs in relation to BANK-now, the insolvency official appointed by FINMA in respect of BANK-now or, under certain circumstances, certain of BANK-now's creditors may challenge any transfer of the Lease Assets to the Issuer and other dispositions of BANK-now (see "*CERTAIN MATTERS OF SWISS LAW - Avoidance Actions*"). Furthermore, statutory provisions provide for the *ex officio* adjudication of bankruptcy in certain circumstances. Certain preferred creditors of BANK-now may have a privilege that ranks senior to the rights of the Issuer in such circumstances (in this respect see "*CERTAIN MATTERS OF SWISS LAW—Enforcement and Insolvency*").

Certain of the Issuer's recourse rights are subject to the solvency of BANK-now (see "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risk of late payment and/or non-payment of monthly instalments*" and "*RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS—Risk related to early repayment clauses in Lease Agreements*"). Moreover, if BANK-now were to become subject to insolvency proceedings while it is acting as Servicer, Collections in respect of the Lease Assets in its possession which have not yet been deposited in the Collection Account will form part of BANK-now's insolvency estate for purpose of such proceedings and the Issuer may receive less than the amount owed to it under the Lease Asset Sale Agreement (see further "*RISK FACTORS—RISKS RELATING TO CERTAIN TRANSACTION PARTIES—Risk of commingling and delayed payment by Servicer*" and "*CERTAIN MATTERS OF SWISS LAW*").

In addition, upon the occurrence of an Insolvency Event in relation to BANK-now, the shares of the Issuer owned by BANK-now would become part of the insolvency estate and may be liquidated for the benefit of BANK-now's creditors. No assurance can be given that the solvency and governance of the Issuer will not be negatively affected by an insolvency of BANK-now.

### **BANK-now Regulatory Risk**

BANK-now's business operations are governed by law and regulations and are subject to regulatory supervision by FINMA. Any changes to the current legislation might affect BANK-now's business operations and its operating results. Furthermore, BANK-now's business operates within the regulated consumer finance industry where the interpretation of the law applicable to BANK-now's business and its documentation such as the Lease Agreements is evolving, in part, as a result of court practices.

### **Authorised Investments**

The Issuer has the right to make certain interim investments of money standing to the credit of the Collection Account and the Cash Reserve Account by investing them in Authorised Investments. The investments must have appropriate ratings depending on the term of the investment and the term of the investment instrument. However, it may be that, irrespective of any such rating, such investments will be irrecoverable due to bankruptcy or insolvency of the debtor under the investment or of a financial institution involved, or due to the loss of an

investment amount during the transfer thereof. In this case, the Issuer may not be able to meet all of its payment obligations. None of the Servicer, the Sole Arranger and Lead Manager, the Trustee and Bondholders' Representative, the Corporate Servicer, the Cash Manager, the Account Bank and/or the Principal Paying Agent will be responsible for any such loss or shortfall.

#### **Risk of commingling and delayed payment by Servicer**

The Servicer has undertaken to transfer or procure to have transferred Collections as set forth in the Servicing Agreement within three (3) Business Days after having received an amount in the Seller Collection Account. An amount is regarded as having been "received" in the Seller Collection Account upon such Collection being credited to the Seller Collection Account in cash form/or as non-cash for example by way of cheque, set-off or as otherwise recorded as an internal payment within BANK-now and provided that the payer of such Collection has been identified on the following date or if the source of any Collection and the related Lease Agreement and Monthly Instalment has not been identified, three (3) Business Days immediately after the date on which such source is identified (see "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS—Servicing Agreement*"). If the Servicer does not promptly forward all amounts which it has collected from the relevant Lessees to the Collection Account pursuant to the Servicing Agreement, insufficient amounts may be available to the Issuer to make payments to Noteholders on any Interest Payment Date. In addition, for the three (3) Business Days period from the date on which the Servicer receives an amount into its account until such time as it transfers it to the Collection Account, the amounts which the Servicer has collected will be commingled with its own funds and in the event of an insolvency of the Servicer there is a risk that such monies will not ultimately be remitted to the Issuer. These risks are, however, mitigated by the fact that the Transaction Documents envisage the replacement of the Servicer following the occurrence of a Servicer Termination Event provided that a suitable Successor Servicer can be identified and appointed.

#### **Risk of change of Servicer**

Pursuant to the Servicing Facilitator Agreement, following the occurrence of a Servicer Termination Event, the Servicing Facilitator is required to use its reasonable commercial efforts to arrange the appointment of a Successor Servicer. There is no assurance that a Successor Servicer providing servicing at the same level as BANK-now can be appointed. Consequently, there may be losses or delays in processing payments or losses on the Purchased Lease Assets due to a disruption in servicing during a transfer to the Successor Servicer, or due to the Successor Servicer being less experienced than BANK-now. Any such delay or losses may have an adverse effect on the Issuer's ability to make payments on the Notes. In addition, no assurance can be given that a Successor Servicer will not charge fees in excess of the fees to be paid to the Servicer. The payment of fees to the Successor Servicer will rank in priority to amounts paid to Noteholders in accordance with the relevant Priority of Payments and any increase in the level of fees paid to the Successor Servicer would reduce the amounts available to the Issuer to make payments in respect of the Notes.

#### **Termination of mandate and agency relationships**

Under Swiss statutory law, any appointment of an agent or of an attorney-in-fact is considered to be a personal mandate which can be terminated at any time with immediate effect by either the appointer or the agent, regardless of the terms of the agreement appointing such agent. The Issuer has appointed an agent under each of the Cash Management Agreement, the Account Bank Agreement, the Corporate Services Agreement, the Servicing Agreement, the Corporate Sub Services Agreement and the Servicing Facilitator Agreement. Although each of these Transaction Documents purports to restrict the ability of each party to resign from its respective appointments, these restrictions may not be enforceable in a Swiss court. As a result, any party to the relevant Transaction Documents has the power to terminate such agreements at will. There can be no assurance that the Issuer will be able to enter into replacement agreements which may affect payments under the Notes. Moreover, any power of attorney entered into or granted by the bankrupt party is generally automatically deemed terminated or revoked with the adjudication of bankruptcy. However, certain obligations that are, by "nature" or specific provision in the respective agreement, intended to remain in force even upon termination of the relevant agreement, would not be affected by such termination (see "*CERTAIN MATERS OF SWISS LAW—Loss of capacity to dispose over assets*").

### **CERTAIN REGULATORY CONSIDERATIONS**

#### **Regulatory Initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes**

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of banks, financial institutions, "shadow banking entities" and the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have

an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold or trade asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Trustee and Bondholders' Representative, BANK-now, the Sole Arranger and Lead Manager nor any other party to the Transaction Documents nor any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the impact of such regulation on investors or the regulatory capital treatment of their investment in the Notes on the Initial Purchase Date or at any time in the future.

This uncertainty is further compounded by the numerous regulatory efforts underway in Europe, the U.S. and globally. Certain of these efforts overlap. In addition, even where these regulatory efforts overlap, they generally have not been undertaken on a coordinated basis. Areas where divergence between regulation exists or has begun to develop (whether with respect to scope, interpretation, timing, approach or otherwise) include capital and liquidity requirements that may result in mandatory "ring-fencing" of capital or liquidity in certain jurisdictions, among others. Investors should be aware that those risks are material and that the Issuer and, consequently, an investment in the Notes could be materially and adversely affected thereby. Any 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.

### **EU Risk Retention and Due Diligence Requirements**

It should be noted that Regulation (EU) 2017/2402 of the European Parliament and of the Council of December 12, 2017 has applied since 1 January 2019 (the "**Securitisation Regulation**"). The Securitisation Regulation applies in general to securitisations where the securities of which are issued on or after 1 January 2019. The Securitisation Regulation includes revised risk retention and transparency requirements (now imposed variously on the issuer, originator, sponsor and/or original lender of a securitization) and new due diligence requirements imposed on Affected Investors in a securitisation. If the requirements under the Securitisation Regulation are not satisfied then, depending on the regulatory requirements applicable to such Affected Investor, an additional risk weight, regulatory capital charge and/or other regulatory sanction may be applied to such securitization investment and/or the Affected Investor. Affected Investors should carefully consult their own regulatory requirements.

In addition, the Securitisation Regulation also provides that securitisations that meet the simple, transparent and standardized ("**STS**") requirements under the Securitisation Regulation should be subject to more benign regulatory treatment, including reduced risk weightings for certain Affected Investors, however it is not expected that the Notes will qualify for this regime. Affected Investors should carefully consider (and, where appropriate, take independent advice) in relation to the risk weights and capital charges associated with an investment in the Notes and any other regulatory sanctions that may apply to them.

The effects of the changes set out above may include, but are not limited to, a decrease in demand for the Notes in the secondary market, which may lead to a decreased price for the Notes. It may also lead to decreased liquidity and increased volatility in the secondary market. Prospective Affected Investors are themselves responsible for monitoring and assessing changes to the EU risk retention rules and their risk weighting and regulatory capital requirements and any regulatory sanction that may apply to them. As a result of the foregoing, an investor's ability to resell its Notes may be further limited, and an investor must be prepared to bear the risk of holding its Notes until maturity.

"**Affected Investors**" means EU-regulated credit institutions, EU-regulated investment firms, certain alternative investment fund managers, EU-regulated insurers or reinsurers, certain investment companies authorised in accordance with Directive 2009/65/EC, managing companies as defined in that Directive (together, "**UCITS**"), institutions for occupational retirement provision falling within the scope of Directive (EU) 2016/2341 (subject to certain exceptions), and certain investment managers and authorised entities appointed by such institutions (together, "**IORPs**") subject thereto (each an "**Affected Investor**").

Prospective investors should note that the Seller does not intend to comply with the EU risk retention and transparency requirements set out in the Securitisation Regulation. Notwithstanding the fact that the Seller does not intend to comply with such requirements, the Seller has informed the Sole Arranger and Lead Manager that it intends to retain, in its capacity as the originator, on an on-going basis, a material net economic interest in the Transaction in an amount equal to at least 5 per cent. of the nominal value of the Purchased Lease Assets which is consistent with the requirements under Article 6 of the Securitisation Regulation as at the Initial Purchase Date and such interest shall at such date be in the form of the Subordinated Loan.

The matters described above 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. With respect to the commitment of the Seller to retain a material net economic interest in the securitisation, please see the Sections entitled "*THE SELLER, SERVICER AND SUBORDINATED LOAN PROVIDER*" and "*CERTAIN REGULATORY DISCLOSURES*".

### U.S. Risk Retention Requirements

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. 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. Final rules implementing the statute (the "**U.S. Risk Retention Rules**") came into effect on 24 December 2016 with respect to non-RMBS securitizations. The U.S. Risk Retention Rules provide that the securitizer of an asset backed securitization is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Seller does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such 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 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitization transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) 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 seller nor the issuer 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 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the seller or issuer organised or located in the United States.

The Seller has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of the Seller or Issuer that is organised or located in the United States.

The Notes provide that they may not be purchased by Risk Retention U.S. Persons. 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 under Regulation S. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" means any of the following:

- (a) Any natural person resident in the United States;
- (b) Any partnership, corporation, limited liability company, or other organisation or entity organised or incorporated under the laws of any State or of the United States;<sup>1</sup>
- (c) Any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);
- (d) Any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);
- (e) Any agency or branch of a foreign entity located in the United States;
- (f) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);
- (g) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and
- (h) Any partnership, corporation, limited liability company, or other organisation or entity if:
  - (i) Organised or incorporated under the laws of any foreign jurisdiction; and

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<sup>1</sup> The comparable provision from Regulation S is "(ii) any partnership or corporation organised or incorporated under the laws of the United States."

- (ii) Formed by a U.S. person (as defined under any other clause of this definition) principally for the purpose of investing in securities not registered under the Securities Act.<sup>2</sup>

Consequently, the Notes may not be offered or sold within the U.S. or to, or for the account or benefit of, U.S. persons (as defined in (a) Regulation S under the Securities Act and (b) the U.S. Risk Retention Rules). Each holder of a Note or a beneficial interest acquired in the initial syndication of the Notes, in connection with its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Seller, the Sole Arranger and Lead Manager that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

There can be no assurance that the transaction complies with the requirements of the exemption provided for in Section 20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. None of the Trustee and Bondholders' Representative, the Sole Arranger and Lead Manager or any of their respective affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Closing Date or at any time in the future. Investors should consult their own advisers as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

Non-compliance with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action which may adversely affect the Notes and/or the ability of the Seller to perform its obligations under the Transaction Documents. Furthermore, such non-compliance could negatively affect the value and secondary market liquidity of the Notes.

#### **Volcker Rule**

Section 13 of the Bank Holding Company Act of 1956, as amended (commonly referred to as the "**Volcker Rule**") prevents "banking entities" as defined under the Volcker Rule (which would include certain EEA credit institutions which are non-U.S. affiliates of U.S. banking entities) from (i) conducting proprietary trading activities in a wide variety of financial instruments unless the transaction is excluded from the scope of the rule (e.g. if conducted for hedging purposes), (ii) acquiring or retaining any equity, partnership, or other ownership interest in, or in sponsoring, any "hedge fund" or "private equity fund", together "covered funds", each as defined under the Volcker Rule.

If the Issuer is deemed to be a covered fund, then in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of U.S. banking institutions and non-U.S. affiliates of "banking entities" to hold an ownership interest in the Issuer or enter financial transactions with the Issuer. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment.

#### **Prospectus Regulation**

Regulation (EU) 2017/1129 was published in the Official Journal of the European Union on 30 June 2017 and entered into force on 20 July 2017 (the "**Prospectus Regulation**"). The Regulation has from 21 July 2019 essentially repealed and replaced the Prospectus Directive (EU Directive 2003/71/EC) and, as an EU regulation, is directly effective across all EU member states without any requirement for implementation into national law. The Issuer has not taken any action which may be required for the purposes of compliance with any requirement of the Prospectus Regulation. Investors should therefore carefully consider (and, where appropriate, take independent advice) in relation to whether the absence of compliance with the Prospectus Regulation is relevant to them and should note that as a result of the foregoing, an investor's ability to resell its Notes may be further limited, and an investor must be prepared to bear the risk of holding its Notes until maturity.

### **CERTAIN SWISS LAW CONSIDERATIONS**

#### **Transaction Structure**

Although the Transaction structure is based on other European or U.S. securitisations backed by auto leases, it has been implemented in Switzerland in a limited number of transactions. Consequently, the structure for the Transaction relies on a number of legal concepts which have not been tested in the Swiss courts. The Issuer has received legal advice as to the effectiveness and legal enforceability of, amongst other things, the provisions of

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<sup>2</sup> The comparable provision from Regulation S "(vii)(B) formed by a U.S. person principally for the purpose of investing in securities not registered under the [Securities Act], unless it is organised or incorporated, and owned, by accredited investors (as defined in [17 CFR 230.501(a)]) who are not natural persons, estates or trusts."

the Lease Asset Sale Agreement but the judicial precedents, legal authorities and other considerations underlying such advice are subject to change (see also "*RISK FACTORS—CERTAIN SWISS LAW CONSIDERATIONS — Change of law and its interpretation*"). In addition, the relevant advice was based on customary assumptions including, in relation to the compliance of the Transaction Parties with relevant representations, warranties and undertakings, the validity and enforceability of the agreements pursuant to which the Lease Assets transferred or to be transferred were or may be originated, and to the arm's length nature of the transactions entered into by the parties of the Transaction Documents and their related intentions. Consequently there can be no certainty that a court, a regulatory authority or an insolvency administrator or liquidator would rule in the same manner as contemplated in the legal advice received by the Issuer. Any decision deviating from the advice received may adversely affect the rights and obligations of the Noteholders and even the viability of the transaction structure.

#### **Risk of "re-characterisation" of the sale as a loan secured by lease receivables**

The Transaction is structured to qualify as an effective true sale under Swiss law of the Lease Assets from the Seller to the Issuer pursuant to the Lease Asset Sale Agreement. However, there are no statutory or case law based tests as to when a securitisation transaction qualifies as an effective sale or as a secured loan. Therefore, there is a theoretical risk that a court might "re-characterise" the sale of the Lease Assets as a secured lending transaction which may lead to negative effects on the Transaction. For instance, notification of lessees to continue to hold the Leased Vehicles for the benefit of the Issuer rather than the Seller would be mandatory under Swiss possession law principles to perfect any hypothetical security interest (i.e. where a security agreement between the Seller and the Issuer has not been concluded) in the Leased Vehicles against the Seller. Although the Issuer has received customary true sale legal opinions on the validity of the transfer and the qualification of the Transaction as a true sale, opinions are not binding and a court having jurisdiction may take different views on this.

#### **Transfer of Dealer Agreements and Lease Agreements — Change of party**

The Dealer Agreements and the Lease Agreements will be transferred from BANK-now to the Issuer. Such transfer will result in a change of party and the Issuer becoming the lessor under the relevant Lease Agreements and the purchaser under the Dealer Agreements. Consequently, to the extent the Lessees would have a claim against the lessor under the Lease Agreements or Dealer Agreements, the Issuer would be liable for such claim (see further "*RISK FACTORS—CERTAIN SWISS LAW CONSIDERATIONS—Consumer Credit Act*"). However, as at the date of this Prospectus, BANK-now believes that the likelihood of such liability arising is extremely limited both as a legal and a practical matter.

Under Swiss law, the transfer of the Dealer Agreements and the Lease Agreements from BANK-now to the Issuer will not require re-execution of such agreements and will not lead to a novation of these agreements.

With regard to the transfer of the Lease Agreements, Lessees have consented to such transfer in the Lease Agreements but will not be given notice of the transfer at the time the Lease Agreements are transferred to the Issuer. It cannot be excluded that certain individual Lessees may be able to successfully challenge their consent to the transfer based on a claim of fundamental error or other grounds. To the extent such challenge were to be successful, no transfer of the respective Lease Agreement would have occurred and the Issuer would be left with an unsecured claim against BANK-now.

#### **Rental law**

Swiss courts sometimes refer to Swiss rental law to analyse certain legal questions in connection with lease agreements. Whilst there is no assurance that the Swiss courts will not apply Swiss rental law in way that imposes the maintenance obligations of a landlord on BANK-now with respect to the Leased Vehicles, to date such cases have been extremely rare in practice and any potential liability risk should not be material in the context of the Transaction given, amongst other things, that the Lessees have mandatory full insurance and claims against the manufacturer and/or the Dealers.

#### **Product Safety and Liability Laws**

Pursuant to the Swiss Federal Law on Product Liability (*PrHG*) ("**LPL**"), the term "manufacturer" is sometimes interpreted extensively and arguably could extend to include the Seller and the Issuer such that those entities could be held liable if a Lease Asset caused bodily injury to a person. However, a party can discharge itself from liability under the LPL by proving that a third party is the domestic manufacturer, supplier or importer, even if the named person or company does not exist anymore or if it has become insolvent or bankrupt. Consequently, the Issuer can refer claimants to the Seller as its domestic supplier of the Lease Assets and by doing so, it will be exempt from liability under the LPL. The Lease Asset Sale Agreement together with the Offer Letters identifying the Lease Assets purchased by the Issuer from the Seller will constitute adequate evidence identifying the Seller as the Issuer's domestic supplier. Furthermore, it should be noted that there is mandatory liability insurance for all vehicle holders in Switzerland.

Similarly, under the Swiss Federal Law on Product Security (*PrSG*) ("**LPS**"), the person or entity introducing and bringing a product into market, may be held liable for any damages caused by the product subject to further conditions being met. Swiss legal doctrine supports the argument that a lessor under a finance lease contract may never be regarded as a person "introducing and bringing into market" and accordingly may not be held liable under the LPS. However, there are no court precedents and no assurance can be given that the Swiss courts would adopt a similar approach.

### **Potential exposure to shortfall under the Purchased Lease Agreements in the absence of a Set-off waiver in the Lease Agreements**

General Swiss law rules applicable to the assignment of receivables provide that a lessee will be able to satisfy its payment obligations towards an assignor until notified of the transfer to a permitted assignee. On the basis that the Transaction envisages the assignment and transfer of the Lease Agreements as a whole rather than a mere assignment of the receivables, no set-off should be possible in principle provided that the Lessees have been notified of the assignment. In this regard, it should be noted that the Lessees have consented to such assignment and transfer of the Lease Agreements and agreed to limit any set-off rights to undisputed or legally established (*rechtskräftig festgestellte*) claims. Accordingly, under Swiss law, the transfer of the contractual relationship from the Seller to the Issuer should result in the related Lessees losing their rights of set-off vis-à-vis the Seller who is no longer their contractual counterparty. Even if it might be argued whether the Lessees — at least as long as they have not been notified about the actual transfer — could nevertheless set-off, applying the rules governing an assignment of receivables *mutatis mutandis*. Based on this it may be further argued that Lessees have defences, the factual basis of which predate the date the Lessee had notice of the assignment, that may be raised against the Issuer. Such defences include counterclaim, misrepresentation and material error as well as set-off.

Moreover, for those Lease Agreements governed by the CCA, there is a certain risk that a notification of Lessees might not fully mitigate any set-off risk. While there are good arguments that notification (once made) should cut across any existing set-off rights with respect to counterclaims that are not subject to the CCA, there is no real case law on these subjects and, accordingly, it cannot be excluded that a Swiss court would take different views on this.

However, it should be noted that, on the date of this Prospectus, no Lease Assets are affected by such set-off risk as BANK-now currently does not take any bank deposits (other than Deposits) from the Lessees that would create counterclaims outside of the Lease Agreements. However, it cannot be excluded that Lease Assets might be potentially affected by such set-off risk in the future should BANK-now start to expand its products offering to the Lessees other bank products (including bank deposits).

Notwithstanding the limitation of the set-off rights by the Lessees to undisputed claims or claims that are legally established (*rechtskräftig festgestellte*), it cannot be excluded that a Lessee may seek to set-off or otherwise withhold payments due to the Issuer (e.g. pending a rectification of any vehicle defects) that are not legally disputed or established and such set-off may adversely affect the Issuer's ability to make payments in full when due on the Notes.

### **Future receivables**

Although there is no clear criteria by which one can determine what should be characterised as a future receivable, the Swiss Federal Supreme Court confirmed that future receivables include (i) receivables arising out of contracts not yet concluded; and (ii) claims for payment under a rental agreement which only come into existence once and to the extent the rental object is made available to the lessee. Accordingly, it is possible that a Swiss court would qualify receivables arising under the Lease Agreements and under the Dealer Agreements as future receivables (see section "*CERTAIN MATTERS OF SWISS LAW*" for a more detailed analysis). Future receivables can be validly pledged as a matter of Swiss law provided that the future claim can be defined with sufficient specificity (in terms of debtor, legal nature and amount) or will be determinable upon it coming into existence upon the transfer date. However, the Swiss Federal Supreme Court has ruled that future receivables, from the moment they arise, are owned by the assignor prior to any transfer to the assignee, even though that transfer sale is "immediate" and automatic. Accordingly, an otherwise valid pledge of future receivables will cease to be effective if the Issuer becomes subject to bankruptcy proceedings. Any receivable coming into existence after the adjudication of bankruptcy over or the grant of a (provisional or definitive) moratorium in relation to the Issuer (even if previously assigned as future receivable) would, therefore, fall within the Issuer's assets to be administered in accordance with the applicable bankruptcy proceedings and would not be pledged to the Bondholders' Representative acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) of the Noteholders and the other Secured Creditors.



### **Banking secrecy and data protection laws**

The customer data under the Lease Agreements held by BANK-now is subject to the BA requirements with respect to banking secrecy. These rules prohibit, *inter alia*, the transfer of customer data to third parties absent the customer's express consent or other waiver of its right to confidentiality. Whilst the Lease Agreements contain waiver and consent clauses, the validity and enforceability of those provisions remain subject to the application of specific requirements by the Swiss courts on a case-by-case basis and there is a trend to apply such requirements more strictly. In particular, provisions in general terms and conditions of a surprising or particularly unbalanced nature can be deemed to be outside the scope of a contractual consensus and, thus, invalid. Also, pursuant to an amendment to the Swiss Federal Act on Unfair Competition (see "*Unfair Competition Act*"), a provision contained in a standard form of agreement may be declared invalid if a court finds that the provision creates, in violation of the principle of good faith, a material and unjustified disproportion between the contractual rights and obligations to the detriment of consumers.

Despite their similarities, the predominant view is that banking secrecy and data protection should be treated as two separate bodies of law which need to be analysed separately even if the analysis may lead to the same result (i.e. the inclusion of identical waiver or consent provisions in the Lease Agreements). Under the Swiss Data Protection Act of 19 June 1992 (the "**DPA**"), the collection of personal data and, in particular, the purpose of its processing must be evident to the data subject at the time the processor has collected the data. The transfer of the Lease Assets to the Issuer and the taking of Security entails the transfer of private customer data that would be characterised as personal data under the DPA. The terms and conditions of the Lease Agreements (mainly by reference to the BANK-now Data Protection Policy) include provisions to enable the transfer of data from BANK-now to a third party in connection with a securitisation. The DPA has recently been subject to a more general overhaul and as a result a new legislation, coming into effect as of 1 September 2023, has been implemented to better protect citizens' data. The so revised DPA sets higher standards for information and waivers by data subjects, and BANK-now has kicked off a process for implementing these requirements in its general terms and conditions and, accordingly, the Lease Agreements.

### **Unfair Competition Act**

Pursuant to an amendment to the Swiss Federal Act on Unfair Competition, a contractual provision that creates a material and unjustified disproportion between the rights and obligations of the parties in a way that violates the principle of good faith would not be valid. The Unfair Competition Act increases the risk that certain provisions in the Lease Agreements and/or general terms on which BANK-now and/or the Issuer may rely in connection with the servicing, enforcement and liquidation of the Purchased Lease Assets (also see "*RISK FACTORS—CERTAIN SWISS LAW CONSIDERATIONS—Future receivables*" and "*RISK FACTORS—CERTAIN SWISS LAW CONSIDERATIONS—Data protection laws*"), may be deemed to be unenforceable or void either on a case-by-case basis or more generally.

### **Consumer Credit Act**

Lease Agreements entered into with private non-commercial customers (up to a financed amount limit of CHF 80,000) are subject to Swiss consumer protection laws, including the Swiss Consumer Credit Act ("**CCA**"). Accordingly, a majority of the Purchased Lease Agreements are subject to the CCA. The CCA (and the corresponding ordinance, the CCO, respectively), among other things, set the maximum effective annual interest rate that may be charged on the lease, specifies information that must be included in such a lease agreement and requires the lessor to perform a credit check in respect of the lessee in advance. As a consequence, some of the documentation associated with the lease relationship that is being used may give rise to certain enforceability issues under the CCA.

CCA requirements are formulated in a broad manner, leaving the courts with considerable discretion in their interpretation. Courts may interpret CCA requirements in a manner that favours the consumer. Due to the lack of specific legislative or other legally binding guidance, the interpretation of the CCA and other laws applicable to the Purchased Lease Assets and their documentation is uncertain. Even if the Seller complies with an industry standard, there is a risk that a court could find that the industry standard does not comply with the relevant CCA provision.

For example, in order to comply with the obligation to perform a credit check, the documentation associated with the lease relationship needs to include, among other things, a budget chart for the determination of the lessee's unseizable revenue (under applicable insolvency rules). If the required internal credit checks are lacking, incomplete or otherwise not compliant with the CCA or in case of a breach of other provisions of the CCA, the relevant lease agreement may not be enforceable. More recently, district and cantonal courts have in certain cases denied expedited debt enforcement in summary proceedings under the DEBA with respect to other consumer credit products and on the grounds that the lessor or creditor did not fully satisfy the applicable CCA information

requirements as to content or form. Whilst there are good arguments that the courts' findings in these cases do not apply to lease agreements, it cannot be excluded that courts would impose similarly strict requirements on the Lease Agreements in the future and such court decisions may impair the enforceability of the Lease Agreements, render the corresponding Purchased Lease Assets ineligible and/or adversely affect the ability of BANK-now to originate Lease Assets meeting the Eligibility Criteria.

In case a lease agreement would be declared unenforceable (i) the relevant Lessee would be permitted to return the leased vehicle to the lessor at any time and (ii) upon return of such leased vehicle, would not be required to make any further payments that would otherwise have been payable to the lessor under the lease agreement, except for any unpaid lease instalments that were due and payable thereunder at the time such vehicle is returned. Furthermore, it cannot be excluded that a court could find that the Issuer must repay to the relevant Lessee all interest and fees already paid under such Lease Agreement. Finally, the consequences of a severe violation of the CCA requirements are not entirely clear (because of a lack of relevant legal precedents), but on the basis of some academic opinions, Lessees may not be required to return the Leased Vehicle and could require the lessor to repay all past payments already made under the Lease Agreement or Lessees would be allowed to further use the Leased Vehicle without any further obligation to pay lease instalments. Whilst the general view in the industry is that these consequences are not realistic and extensive, it cannot be fully excluded that a court would rule accordingly.

Under the CCA, the credit institution providing consumer financing may become secondarily liable for certain claims (for example, claims of Lessees against Dealers related to the Leased Vehicle) subject to specific conditions. It is doubtful whether this provision of the CCA would apply to the Lease Agreements and, in any event, unlikely that the specific conditions would be fulfilled. Accordingly, no such secondary liabilities under the CCA should arise even if the provision were ultimately deemed to be applicable to Lease Agreements.

### **Change of law and its interpretation**

The structure of the Transaction, the terms of the Transaction Documents and the ratings which are to be assigned to the Notes are based on Swiss law and procedures in effect at the date of this Prospectus as it affects the Transaction Parties and the Purchased Lease Assets. Such laws and the interpretation thereof have been and are subject to change. No assurance can be given as to the impact of any changes in Swiss law or its interpretation, including by way of changes to procedures and judicial decisions, nor can any assurance be given as to whether any such change would adversely affect the ability of the Issuer to make payments under the Notes or more generally the viability of the Transaction structure.

In particular, changes in legislation or regulation affecting the Lease Agreements or its documentation may impair the enforceability of the Lease Agreements, render the corresponding Purchased Lease Assets ineligible and/or adversely affect the ability of BANK-now to originate Lease Assets meeting the Eligibility Criteria.

### **Reports disseminated to Noteholders**

The Cash Manager will (on behalf of the Issuer) be obliged under the Cash Management Agreement to publish or procure the publication of the Investor Report on each Payment Date on BANK-now's website (<https://bank-now.ch/en/ueber-bank-now/medien-und-publikationen/investor-relations/investor-reports>) for dissemination to Noteholders and on Bloomberg. Other than with regard to any other notices required to be published by the Issuer pursuant to the rules of the SIX Swiss Exchange relating to asset-backed securities, the Issuer is not obliged to publish any additional reports to Noteholders or at a more frequent interval.

### **CERTAIN TAX CONSIDERATIONS**

The following discussion of certain tax considerations is rather generic and of a general nature only. It does not address each and every potential tax consequence or implication of an investment in the Notes. This summary is based on Swiss laws, regulations, published practices, rulings and decisions as published and effective as of the date of this Prospectus.

#### **No Gross-up for Taxes**

Should any withholding or deduction for or on account of any taxes, duties, assessments or governmental charges of whatsoever nature be imposed, levied, collected, withheld or assessed by any government or state with authority to tax or any political subdivision or any authority thereof or therein having power to tax be required to be made from any payment in respect of the Notes, neither the Issuer nor the Principal Paying Agent nor any other person would pursuant to the Conditions be obliged to pay additional amounts with respect to any Note to compensate Noteholders for the reduction in the amounts that they will receive as a result of such withholding or deduction.

## Swiss Withholding Tax

### Current Law

Payments of interest (be it periodic, as original issue discount or premium upon redemption) on the Notes will be subject to the Swiss withholding tax (*Verrechnungssteuer*). The Issuer will be required to withhold the tax at the current rate of 35 per cent.

### Swiss Stamp Tax

The issuance of the Notes on the issue date (primary market) will not be subject to the Swiss federal securities transfer stamp tax (*Umsatzabgabe*). Subsequent dealings in the Notes in the secondary markets where a bank or another securities dealer in Switzerland (as defined in the Swiss federal stamp tax legislation) acts as an intermediary, or is a party, to the transaction, may be subject to the Swiss federal securities transfer stamp tax at an aggregated rate of up to 0.15 per cent. In addition, the sale of Notes by or through a member of the SIX Swiss Exchange may be subject to a stock exchange levy.

### Swiss VAT

Prior to a VAT Trigger Event, the Issuer will not become and not register as a Swiss VAT payer. The Issuer will not be a member of a Swiss VAT group of the Seller. Prior to a VAT Trigger Event the Issuer will not be in a position to reclaim recovery of input VAT charged by certain service providers on services provided to the Issuer or reported and paid for by the Issuer under the reverse charge mechanism on the purchase of certain services from abroad provided such purchase of services from abroad are above CHF 10,000 per calendar year.

The qualification of the transfer of Lease Assets as a sale of receivables by the Swiss Federal Tax Administration triggers a potential secondary liability of the Issuer for the VAT included in such receivables and payable by BANK-now on such receivables. However, such secondary liability only applies, if (i) the transferred receivable has a tax point after the relevant transfer date but before the occurrence of a VAT Trigger Event, (ii) the VAT remains unpaid in the insolvency of BANK-now and (iii) a loss certificate (*Verlustschein*) is being issued against BANK-now. In addition, the secondary liability is limited to the VAT amounts being collected by the Issuer after the opening of the insolvency procedures over BANK-now. Accordingly, the potential VAT exposure for the Issuer on the basis of such secondary liability, if any, would appear very limited, in particular, bearing in mind that according to the Transaction Documents the Issuer stops reassigning and repaying VAT Receivables to BANK-now after the occurrence of a VAT Trigger Event.

### Automatic Exchange of Information in Tax Matters

On 19 November 2014, Switzerland signed the Multilateral Competent Authority Agreement (the "MCAA"). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of the automatic exchange of information in tax matters (the "AEOI"). The Federal Act on the International Automatic Exchange of Information in Tax Matters (the "AEOI Act") entered into force in Switzerland on 1 January 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of speciality (i.e. the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection.

Switzerland has concluded a multilateral AEOI agreement with the EU (replacing EU Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income) and has concluded bilateral AEOI agreements with several non-EU countries.

Based on such multilateral agreements and bilateral agreements and the implementing laws of Switzerland, Switzerland collects data in respect of financial assets, including, as the case may be, bonds, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a EU member state or in a treaty state and exchanges it with the relevant treaty state.

### Financial Transaction Tax

In February 2013, the European Commission published a proposal (the "Commission Proposal") for a Council Directive implementing enhanced cooperation for a financial transaction tax ("FTT") requested by Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (together, other than Estonia, the "Participating Member States"). However, on 16 March 2016, Estonia completed the formalities required to cease participation in the enhanced cooperation on FTT.

Under the Commission Proposal, the proposed FTT would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State or the financial instrument in which the parties are dealing is issued in a Participating Member State. The FTT may apply to both transaction parties where one of these circumstances applies. The FTT may also apply to dealings of the Lease Agreements to the extent the Lease Agreements constitute financial instruments within its scope, such as bonds. In such circumstances, it is not possible to predict with certainty what effect the proposed FTT might have on the business of the Issuer, there will be no gross-up by any party to the transaction and amounts due to Noteholders may be adversely affected.

Certain aspects of the Commission Proposal are controversial and, while the Commission Proposal initially identified the date of introduction of the FTT across the Participating Member States as being 1 January 2014, this anticipated introduction date has been extended on several occasions due to disagreement among the Participating Member States regarding a number of key issues concerning the scope and application of the FTT. Accordingly, the date of implementation of the FTT remains uncertain.

Additional Member States may also decide to participate in the FTT. Prospective holders of the Notes are advised to seek their own professional advice in relation to any FTT and its potential impact on their dealings in the Notes before investing.

### **EU Anti-Tax Avoidance Directive and EU Anti-Tax Avoidance Directive**

As part of its anti-tax avoidance package the EU Commission published a draft Anti-Tax Avoidance Directive on 28 January 2016, which was formally adopted by the EC Council on 12 July 2016 in Council Directive (EU) 2016/1164 (the "**Anti-Tax Avoidance Directive**"). The Anti-Tax Avoidance Directive must be implemented by each Member State by 2019, subject to derogations for Member States which have equivalent measures in their domestic law. Amongst the measures contained in the Anti-Tax Avoidance Directive is an interest deductibility limitation rule similar to the recommendation contained in the BEPS Action 4 proposals. The Anti-Tax Avoidance Directive provides that interest costs in excess of the higher of (a) EUR 3,000,000 or (b) 30 per cent. of an entity's earnings before interest, tax, depreciation and amortisation will not be deductible in the year in which they are incurred but would remain available for carry forward. However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". Accordingly, as the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under the Lease Assets (that is such that the Issuer pays limited or no net interest), the restriction may be of limited relevance to the Issuer even if the Anti-Tax Avoidance Directive were implemented as originally published. There is also a carve out in the Anti-Tax Avoidance Directive for financial undertakings, although as currently drafted the Issuer would not be treated as a financial undertaking. The European Commission is also pursuing other initiatives, such as the introduction of a common corporate tax base, the impact of which, if implemented, is uncertain. On 21 February 2017, the Economic and Financial Affairs Council of the European Union agreed an amendment to the Anti-Tax Avoidance Directive to provide for minimum standards for counteracting hybrid mismatches involving EU Member States and third countries ("**Anti-Tax Avoidance Directive 2**"). Anti-Tax Avoidance Directive 2 requires EU Member States to either deny (or, in some circumstances, delay) deduction of payments, expenses or losses or include payments as taxable income, in case of hybrid mismatches. Anti-Tax Avoidance Directive 2 needs to be implemented in the EU Member States' national laws and regulations by 31 December 2019 and would have to apply as of 1 January 2020, except for the provision on reverse hybrid mismatches for which implementation can be postponed to 31 December 2021, and will apply as of 1 January 2022.

### **Action Plan on Base Erosion and Profit Shifting**

At a meeting in Paris on 29 May 2013, the Organisation for Economic Co-operation and Development ("**OECD**") Council at Ministerial Level adopted a declaration on base erosion and profit shifting urging the OECD's Committee on Fiscal Affairs to develop an action plan to address base erosion and profit shifting in a comprehensive manner. In July 2013, the OECD launched an Action Plan on Base Erosion and Profit Shifting ("**BEPS**"), identifying fifteen specific actions to achieve this. Subsequently, the OECD published discussion papers and held public consultations in relation to those actions, also publishing interim reports, analyses and sets of recommendations in September 2014 for seven (7) of the actions. On 5 October 2015, the OECD published final reports, analyses and sets of recommendations for all of the fifteen actions it identified as part of its Action Plan, which G20 finance ministers then endorsed during a meeting on 8 October 2015 in Lima, Peru (the "**Final Report**"). The Final Report was endorsed by G20 Leaders during their annual summit on 15-16 November 2015 in Antalya, Turkey.

The focus of one of the actions (Action 6) is the prevention of treaty abuse by developing model treaty provisions to prevent the granting of treaty benefits in inappropriate circumstances. The Final Report recommends, as a minimum, that countries should include in their tax treaties: (i) an express statement that the common intention of

each contracting state which is party to such treaties is to eliminate double taxation without creating opportunities for non-taxation or reduced taxation through tax evasion or avoidance; and one, or both, of (ii) a "limitation-on-benefits" ("**LOB**") rule; and (iii) a "principal purposes test" ("**PPT**") rule.

The PPT rule could deny a treaty benefit (such as a reduced rate of withholding tax) if it is reasonable to conclude, having regard to all facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions of the treaty. It is unclear how a PPT, if adopted, would be applied by the tax authorities of those jurisdictions from which payments are made to the Issuer.

The OECD Action Plan noted the need for a swift implementation of any measures which are finally decided upon and suggested that Action 6, among others, could be implemented by way of multilateral instrument, rather than by way of negotiation and amendment of individual tax treaties.

On 24 November 2016, the OECD published the text and explanatory statement of the "Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting", developed by an ad hoc group of 99 countries (the "**Multilateral Instrument**"). The Multilateral Instrument is to be applied alongside existing tax treaties (rather than amending them directly), modifying the application of those existing treaties in order to implement BEPS measures.

Switzerland signed the Multilateral Instrument on 7 June 2017 and it entered into force in Switzerland on 1 December 2019. Under the Multilateral Instrument, existing double tax treaties between Switzerland and other countries have already been amended or will be amended once the Multilateral Instrument has entered into force in such other countries and agreement has been reached between Switzerland and the respective country as to the exact wording of the necessary amendment of the relevant double tax treaty under the Multilateral Instrument.

In particular it remains to be seen what specific changes will be made to Switzerland's double tax treaties and any other double tax treaty on which the Issuer may rely (for example, in receiving interest from an overseas borrower at a potentially reduced rate of withholding tax under an applicable double tax treaty). A change in the application or interpretation of these double tax treaties (as a result of the adoption of the recommendations of the Final Report by way of the Multilateral Instrument or otherwise) might result in the Issuer being treated as having a taxable permanent establishment outside of Switzerland, in denying the Issuer the benefit of Switzerland network of double tax treaties or in other tax consequences for the Issuer. In each case, this could have a material adverse effect on the Issuer's business, tax and financial position.

## **FATCA**

Under FATCA, the Issuer may be subject to a thirty (30) per cent. withholding tax on certain income. Under an intergovernmental agreement entered into between the United States and Switzerland, the Issuer will not be subject to withholding under FATCA if the Issuer complies with Swiss legislation that is enacted to implement FATCA. This legislation may require the Issuer to withhold on certain payments under the Notes to Noteholders that fail to provide required information to the Issuer or are "foreign financial institutions" that have not themselves entered into an agreement with the IRS or otherwise established an exemption from withholding under FATCA. Although the Issuer intends to comply with this legislation, there can be no assurance that it will be able to do so. Moreover, FATCA could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

## **CERTAIN REGULATORY DISCLOSURES**

The Seller will undertake pursuant to the Lease Asset Sale Agreement and the Subscription Agreement to:

- (a) retain, in its capacity as the originator, on an on-going basis, a material net economic interest in the Transaction in an amount equal to at least 5 per cent. of the nominal value of the Purchased Lease Assets which is consistent with the requirements under Article 6 of the Securitisation Regulation, as at the Initial Purchase Date, such interest shall be as at such date in the form of the Subordinated Loan;
- (b) not change the manner in which it retains such material net economic interest without the prior written consent of the Trustee;
- (c) not (A) sell such material net economic interest, or (B) subject it to any credit risk mitigation, short position or any other hedge without the prior written consent of the Trustee.

Prospective investors should note that the Seller does not intend to comply with the transparency requirements set out in Article 7 of the Securitisation Regulation.

Each prospective investor to which the Risk Retention Rules or any corresponding laws or regulations of any other applicable jurisdiction apply is required to independently assess and determine whether its investment in the Notes will, and whether the information described in this Prospectus and any reports or other information which are to be made available to investors under the terms of such Notes are sufficient for it to, comply with the Risk Retention Rules as implemented in its jurisdiction and the Issuer gives no assurance that such investment or information are sufficient in any circumstances for such purposes.

If the due diligence requirements under the Securitisation Regulation are not satisfied then, depending on the regulatory requirements applicable to each Affected Investor, an additional risk weight, regulatory capital charge and/or other regulatory sanction may be applied to such securitisation investment and/or the Affected Investor. Any person who is contemplating an investment in the Notes should therefore make itself aware of the requirements of the Risk Retention Rules as well as the relevant national implementation legislation applicable to it, in addition to any other regulatory requirements applicable to it with respect to an investment in the Notes, and consider (and, where appropriate, take independent advice) in relation to the risk weights and capital charges associated with an investment in the Notes and any other regulatory sanctions that may apply to them.

## **CHARACTERISTICS OF THE LEASE ASSETS AND BANK-NOW'S LEASING BUSINESS**

### **General**

BANK-now is one of Switzerland's leading consumer finance banks. For more information, see "*THE SELLER, SERVICER AND SUBORDINATED LOAN PROVIDER*". BANK-now provides leasing for new and used cars, light commercial vehicles and motorcycles originated by BANK-now through authorised dealers throughout Switzerland directly or on the basis of cooperation agreements with importers and distributors of major car manufacturers (see—*Strategic Partnerships*). For this purpose, BANK-now enters as lessor into Lease Agreements with the Lessees, which are substantially in the form of the Seller's Standard Contracts. BANK-now acquires legal title in any passenger cars, motorcycles or light commercial vehicles (a "**Leased Vehicle**") which BANK-now leases to the Lessee under the Lease Agreement from the car dealer (the "**Dealer**") by entering into the Dealer Agreement substantially in the form of the Seller's Standard Contracts. Each Dealer Agreement, among other things, provides for a Dealer Repurchase Obligation of the Dealer to repurchase the Leased Vehicle that is subject to the relevant Dealer Agreement and to pay (at least) the Dealer Repurchase Price, at the end of the term (upon maturity) of the related Lease Agreement.

Pursuant to the Lease Asset Sale Agreement entered into on the Signing Date between the Seller and the Issuer, the Purchased Lease Assets sold and transferred by the Seller to the Issuer will be comprised of Lease Assets originated by the Seller and include the Lease Agreements, the Leased Vehicles, the Dealer Agreements and the Ancillary Rights.

### **Market Share**

BANK-now estimates based upon calculations using internal and externally available market data that its 2022 market share in leasing is 15 per cent.

### **Strategic Partnerships**

BANK-now maintains partnerships with importers and distributors of major car manufacturers. These partnerships, which operate under detailed cooperation agreements, are an important part of BANK-now's business strategy.

Pursuant to these cooperation agreements, BANK-now, among other things, handles the car financing business of its cooperation partners in Switzerland and provides its cooperation partners with related services. In particular, the services provided by BANK-now include a white label solution for car financing and leasing under the branding of the cooperation partners, including the entry into the financing documentation with, and communication to, end customers. Typically, there is an integration between BANK-now and the strategic partner's IT systems, especially in the areas of online sales and integration via technical interfaces.

On the basis of the cooperations, the manufacturer affiliated dealers of the cooperation partners are provided with dedicated access to manufacturer supported preferential leasing conditions for their customers, providing BANK-now with market access to new leasing volumes through the networks of manufacturer affiliated dealers of the cooperation partners. In 2022 and measured by financed volume, new leasing business volume under cooperation agreements accounted for approximately two thirds of total new leasing business volume and the top three cooperation partners accounted for approximately 60% of total new leasing business volume. For a discussion of certain risks related to the strategic partnerships, see "*RISK FACTORS— RISK FACTORS RELATED TO THE NOTES — The Revolving Period may end if BANK-now is unable to or otherwise does not sell additional Lease Assets*", "*RISK FACTORS— RISKS RELATING TO CERTAIN TRANSACTION PARTIES—Merger of Credit Suisse with UBS*" and "*RISK FACTORS— RISKS RELATING TO CERTAIN TRANSACTION PARTIES—A substantial portion of BANK-now's Leasing Business is subject to Cooperation Agreements*".

### **Lease Assets**

Except as otherwise specified, the description below applies to all Lease Assets. For further information relating to the historic performance and characteristics of the Lease Assets based on Eligible Lease Assets as of the Cut Off Date, see section "*CERTAIN DATA RELATING TO LEASE ASSETS AND HISTORICAL PERFORMANCE*". BANK-now as Servicer will carry out the administration, collection and enforcement of the Purchased Lease Assets pursuant to the Servicing Agreement, including the Seller's Credit and Collection Policies and Procedures (see "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS - Servicing Agreement*").

The Purchased Lease Assets to be offered for sale, transfer and assignment by the Seller to the Issuer under the Lease Asset Sale Agreement will comprise of the following assets (the "**Lease Assets**"):

- (a) a selection of Leased Vehicles which are owned by BANK-now and are leased to the Lessee under the relevant Lease Agreement;
- (b) the Lease Agreements (including, for the avoidance of doubt, any Lease Receivables);
- (c) the Dealer Agreements (including, for the avoidance of doubt, any Dealer Receivables); and
- (d) the ancillary rights (the "**Ancillary Rights**"):
  - (i) any and all rights (including for the avoidance of doubt any ancillary rights (*Nebenrechte*)) arising pursuant to the relevant Lease Agreement and Dealer Agreement, as applicable, including (i) all rights to receive and obtain payment under the Lease Agreements for the Lease Receivables arising thereunder including rights of enforcement under that document against the relevant Lessee and (ii) any and all rights and claims under any insurance policies entered into by a Lessee (which have been assigned by the Lessee to the Seller) covering the related Leased Vehicle, to the extent still unpaid as of the relevant Cut Off Date or arising after the relevant Cut Off Date;
  - (ii) any and all rights and claims arising under any Security Interest relating to a Lease Asset, including, without limitation, the Deposit;
  - (iii) any and all rights in relation to any claim made by the Seller under an insurance policy held by the Seller; and
  - (iv) any and all rights to the Residual Value Proceeds, to the extent still unpaid as of the relevant Cut Off Date or arising after the relevant Cut Off Date.

Each of these are summarised below:

#### ***Leased Vehicles***

The vehicles in the portfolio are comprised of new and used passenger cars, motorcycles and light commercial vehicles leased by BANK-now to a Lessee under a Lease Agreement.

#### ***Lease Agreements***

Lease Agreement means a lease agreement substantially in the form of the Seller's Standard Contracts entered into between the Seller as lessor and a Lessee as lessee under which a Leased Vehicle is leased to the Lessee.

#### ***Lease Receivables***

"**Lease Receivable**" means any and all rights and claims of the lessor under a Lease Agreement existing now or in the future.

#### ***Dealer Agreements***

"**Dealer Agreement**" means a vehicle sale and purchase agreement substantially in the form of the Seller's Standard Contracts between the Seller as purchaser and a Dealer as seller relating to the sale of a Leased Vehicle to the Seller that will be the subject of a Lease Agreement and which includes a Dealer's Repurchase Obligation exercisable at the end of the term (upon maturity) of the related Lease Agreement (unless the Lease Agreement is fully amortising).

#### ***Dealer Receivables***

"**Dealer Receivables**" means any rights and claims existing now or in the future under a Dealer Agreement.

#### **BANK-now's Servicing Procedures**

##### ***Origination and Underwriting***

BANK-now leases Leased Vehicles under the Lease Agreements to the Lessees. BANK-now acquires Leased Vehicles from authorised Dealers under the terms and conditions of the Dealer Agreements. Dealers are not liable for the performance of the Lessees during the term of the Lease Agreement. Under the terms and conditions of the Dealer Agreements, the Dealers have an obligation to repurchase the Leased Vehicle that is subject to the relevant Dealer Agreement pursuant to the Dealer Repurchase Option and to pay the Dealer Repurchase Price, at



the end of the term (upon maturity) of the related Lease Agreement (unless the Lease Agreement is fully amortising).

The Lessees are either Private Customers or Commercial Customers which must meet BANK-now's underwriting standards at the time of the origination of the lease. As BANK-now's underwriting standards may change over time, the leases from time to time may have differing credit quality and the credit quality of the leases in a later year may not be the same as the credit quality of the leases in a prior year, in any case always in compliance with the Credit and Collection Policies and Procedures.

The leases have been originated by BANK-now through authorised Dealers in accordance with BANK-now's underwriting standards. These underwriting standards evaluate applicants based on, among other things, the following criteria:

- (a) know-your-customer validation;
- (b) customer budget assessment;
- (c) customer creditworthiness assessment; and
- (d) commercial terms of the lease such as residual value, amount to be financed and contract period.

Typically, BANK-now's process of originating leases begins with the application for leasing of a Leased Vehicle at the premises of an authorised Dealer. Applications are initiated by a Dealer on behalf of the Lessee through a secure web portal based electronic point of sale system (ePOS) established and maintained by BANK-now and/or through an API interface. Alternatively, Lessees may apply directly on BANK-now's or their cooperation partners' digital online distribution channels, which are directly integrated into BANK-now's systems. In both cases, the information captured in the application process to be used by BANK-now in the origination and underwriting process includes:

- (a) customer information for Private Customers: name, date of birth, marital status, number of children, residence status;
- (b) customer information for Commercial Customers: company name, company financial information;
- (c) address details (for Private and Commercial Customers);
- (d) income and expenses (for Private Customers);
- (e) employment details (for Private Customers);
- (f) leased Vehicle details (for Private and Commercial Customers); and
- (g) desired lease terms (for Private and Commercial Customers).

All applications are approved through a combination of an automated and a manual process designed based on the Three Lines of Defense Model. The following automated and/or manual origination and underwriting processes are performed by BANK-now following receipt of an application:

- (a) performance of a customer matching process to BANK-now's existing customer base to determine if an existing customer record can be utilised or a new customer record needs to be created;
- (b) registration of the customer application with the credit offices ZEK (*Verein zur Führung einer Zentralstelle für Kreditinformationen*) and/or IKO (*Verein zur Führung einer Informationsstelle für Konsumkredit*) and requesting of information from ZEK and/or IKO regarding the prospective Lessee's consumer credit exposures and present and prior consumer credit performance.;
- (c) check of the prospective Lessee's credit information in the database of CRIF Ltd., a leading provider of, *inter alia*, credit management and fraud prevention in Switzerland;
- (d) check of prospective Lessee's name against BANK-now's internal blacklist and anti-money laundering and politically exposed persons lists;
- (e) preselection based on exclusion criteria e.g. bad list entry, negative CRIF information, prospective Lessee is younger than 20 years old etc.;

- (f) completion of an affordability calculation (based on the prospective Lessee's budget), in the case of Private Customers, in line with the credit check (*Kreditfähigkeitsprüfung*) requirements under the CCA (Consumer Credit Act);
- (g) calculation of probability of default, as well as the prospective Lessee's credit score using BANK-now's internal credit application scorecard;
- (h) assessment of the application against BANK-now's risk policy rules and calculation of expected loss, involving an assessment of these rules and acceptance of risk using a manual or automated decision making process;
- (i) assessment of the application against BANK-now's product rules;
- (j) detection of potential fraud patterns and inconsistencies; and
- (k) determination of the residual value of the Leased Vehicle as described in more detail in "*Determination of Residual Value*" below).

In addition, at various stages of the application process other actions are performed by BANK-now employees such as data validation and confirmation, review of data received during the application process and consideration of additional underwriting conditions for approval of the application. The underwriting and origination processes applied within BANK-now are covered by written operating procedures, which define approval levels for underwriting decisions based on the requested lease amount.

When an application is approved by BANK-now, the Dealer who initiated the application on behalf of the prospective Lessee is provided with a notification that the application has been approved and the Lease Agreement is available to be printed directly by the Dealer at its premises from BANK-now's ePos system for the Lessee to sign. The Dealer then arranges for the Lessee to attend the Dealer's premises to confirm that the Lessee's identification documents are correct, to sign the Lease Agreement and to provide a signed counterpart of the Lease Agreement to the Lessee. The Dealer may also arrange for the collection of the Leased Vehicle from the Dealer on the same day provided the following conditions have been met prior to or on collection of the Leased Vehicle:

- (a) the Lessee has paid the agreed initial down payment (i.e. the first Monthly Instalment including any down payment on the purchase price of the Leased Vehicle to reduce the initial Outstanding Balance of the Lease Asset) to the Dealer together with any required deposit (the "**Deposit**" ) agreed under the Lease Agreement;
- (b) the Lessee has provided the Dealer with the Leased Vehicle insurance details for the required insurance coverage of the Leased Vehicle (see —*Insurance Required to be Maintained by Lessees*"); and
- (c) the Lessee and the Dealer signed the hand-over protocol relating to the Leased Vehicle ("*Übergabeprotokoll*").

In the case of a CCA-governed Lease Agreements the fourteen (14) calendar day cooling-off period, during which the Lessee can withdraw from the Lease Agreement, commences from the date on which the Lessee receives a copy of the executed Lease Agreement. The Dealer may deliver the Leased Vehicle to the Lessee prior to the lapse of the 14 calendar day cooling-off period, however, if the Lessee uses his right to withdraw within the cooling-off period, the leasing transaction will be reversed and on the basis of the Eligibility Criteria, such Lease Agreement and the Lease Asset related to it, cannot be sold, transferred and assigned to the Issuer pursuant to the Lease Asset Sale Agreement.

#### ***Determination of Residual Value***

BANK-now has two approaches in determining the residual values of Leased Vehicles. On the one hand, BANK-now's systems have a direct API connection to Eurotax, an independent company, which is part of the Autovista Group, that uses industry data to provide current and forecast valuations for Leased Vehicles, and as part of the application process the residual value proposed by the Dealer will be compared to the Eurotax forecast valuation, based upon the vehicle model, age and mileage at the end of the Leasing Agreement. On the other hand, in some cases, BANK-now develops and maintains a number of brand and model specific residual value tables and uses these instead of the Eurotax forecast where applicable to assess the proposed residual value of the Leased Vehicles at the time of application. These residual value tables can be based on data provided by auto-i-dat AG, an independent company that uses industry data to provide current and forecast valuations for Leased Vehicles, or brand specific know-how (validated by BANK-now's residual value experts).

Where the residual value proposed by the Dealer deviates substantially from the Eurotax forecast and/or the internal residual value model the application will be referred to an underwriting expert at BANK-now and if necessary the proposed residual value will be amended to an appropriate value or otherwise the application will be rejected. Residual values undergo regular assessment as part of BANK-now's internal control systems.

### ***Terms of Lease Agreements***

When originating Lease Agreements, BANK-now uses four different standard form Lease Agreements: (i) Private Customer subject to the CCA, (ii) Private Customer not subject to the CCA due to financing amount in excess of CHF 80,000, (iii) Private Customer not subject to CCA due to leasing a vehicle for commercial purposes, and (iv) Commercial Customer not subject to CCA.

Each Leased Vehicle is purchased by BANK-now from the Dealer under a Dealer Agreement for a purchase price representing the "capitalised cost", which may exceed the manufacturer suggested retail price. The capitalised cost represents the present value (as of the acquisition date) of the Monthly Instalments and the stated residual value, each discounted at an implied leasing rate. Each Leasing Agreement provides for equal Monthly Instalments, except for the first monthly payment which is paid to the Dealer on or before the date on which the Leased Vehicle is released by the Dealer to the Lessee, and the Monthly Instalments under the Lease Agreement are due on a monthly basis, payable in advance on the first calendar day of each month.

Each Lease Agreement will terminate upon its scheduled termination date unless terminated in advance (via an early termination) upon one of the following events: (i) a voluntary early termination by the Lessee under the Lease Agreement, (ii) a termination by BANK-now upon a default under the Lease Agreement by the Lessee, (iii) a total casualty loss or theft of the Leased Vehicle or (iv) the death of the Lessee.

Each Lease Agreement provides that BANK-now may terminate the lease and retake the Leased Vehicle if the Lessee is in payment default. In cases where the Lease Agreement is governed by the CCA, the early termination right of the lessor arises, *inter alia*, after the Lessee has defaulted in respect of its payment obligations for at least three Monthly Instalments. In all cases not governed by the CCA, the Lease Agreements may be terminated early in the event that the Lessee remains delinquent in the payment of one Monthly Instalment despite being given a period of grace of 10 days with a warning of the consequences of default.

BANK-now is further allowed to early terminate with immediate effect both CCA governed and other Lease Agreements, if (i) the Lessee is in breach of its obligations under the Lease Agreement, in particular, in case of improper vehicle treatment, inadequate maintenance, non-compliance with anti-money laundering procedures and inadequate insurance coverage, (ii) the Lessee has committed illegal acts with the Vehicle, including road traffic offences, or the Vehicle is seized or otherwise impounded by the authorities (iii) the Lessee breaches material contractual obligations or fails to comply with material contractual provisions (iv) the Lessee is unable to pay, goes bankrupt or his financial situation has changed in a materially adverse way (v) the Lessee has not paid the first Monthly Instalment or the agreed Deposit (vi) other important reasons exist which make it unacceptable for the BANK-now to continue the contractual relationship (e.g. compliance risks).

Upon default by a Lessee, the BANK-now may terminate the Lease Agreement and the Lessee is responsible for any payments otherwise required upon early termination of the Lease. Any joint debtors may be made liable by BANK-now for outstanding amounts under the Lease Agreement at any time, regardless of debt collection proceedings against the Lessee.

If the Lessee is a Private Customer, the Lease Agreements may be terminated in writing by the Lessee upon 30 days' notice to the end of the following calendar month, for the first time at the end of the 3rd month after the start of the leasing period. Lease Agreements in which the Lessee is a Commercial Customer, the Lessee has no right of termination during the agreed lease term.

If a Lease Agreement is terminated, the Lessee must return the Leased Vehicle to the address BANK-now designates where the condition of the Leased Vehicle is assessed (normally at the Dealer's premises). Upon return of the Leased Vehicle, whenever required, a retransfer protocol listing the condition of the vehicle and any over usage (together with the associated costs) is completed by the Dealer and is signed by the Dealer and the Lessee. In addition, the mileage details for the Leased Vehicle are recorded. The Lessee must indemnify the Dealer for all costs related to all repairs to the Leased Vehicle, to the extent they do not relate to the regular usage of the Leased Vehicle or as necessary to ensure operational safety of the Leased Vehicle. Furthermore, the Lessee is liable for any reduction in value of the Leased Vehicle as a result of any accidental damage which is or has not been covered by the insurance company. The Lessee will be invoiced for all such costs by the Dealer.

In the case of early termination due to Lessee default or voluntary early termination by the Lessee under a CCA governed Lease Agreement, the Lessee will owe to BANK-now an amount equal to the early termination payment determined in accordance with the early termination table set out in the Lease Agreement together with the early termination fee and any over usage, excess mileage costs or vehicle valuation costs due under the Lease

Agreement. In the case of a Lease Agreement not subject to CCA, the Lessee will owe to BANK-now the Outstanding Balance under the respective Lease Agreement plus any termination fees.

In the case of a total casualty loss and theft, the Lessee will owe an amount determined by BANK-now based on the Leased Vehicle's actual book value.

#### ***Insurance Required to be Maintained by Lessees***

Each Lease Agreement requires the Lessee to maintain an all risks comprehensive and collision insurance covering damage to the Leased Vehicle. The terms of the Lease Agreement provide that the Lessee's rights under the insurance are assigned to BANK-now unless the beneficiary of the insurance is not identical to the Lessee, in which case a separate form of assignment will be signed by the beneficiary. Both the hand-over protocol and the separate form of assignment set out the details of the property damage liability insurance coverage. BANK-now notifies the relevant insurance company of its rights under the insurance policy. In the event the insurance company notices that there is no insurance coverage, it notifies BANK-now accordingly, and the Lessee is required by BANK-now to complete a new declaration form which is sent to the relevant insurance company for the purposes of notification and confirmation.

#### ***Vehicle Maintenance; Excess Wear and Excess Mileage***

Each Lease Agreement provides that the Lessee is responsible for all maintenance, repair, service and operating expenses of the Leased Vehicle. In addition, the Lessee is responsible for all "excess wear and tear" damage to or any excess mileage on the Leased Vehicle. "Excess wear and tear" generally includes such items as inoperative mechanical and electrical parts, damage to the body, lights, trim or paint, missing equipment, parts and accessories, and similar items. Excess mileage means any mileage in excess of the permitted mileage provided for in the Lease Agreement. Excess wear and tear and excess mileage are due and payable at the termination or expiration of the Lease Agreement. In addition, the Lessee is responsible for the loss, seizure or theft of the Leased Vehicle on the occurrence of such event.

#### ***Collections and default***

BANK-now maintains the account information with respect to each Lessee account in digital form and title records (in the form of the purchase invoice) with respect to the Leased Vehicles in digital form.

Each Lessee, at its request, is issued at the execution of the Lease Agreement with one or more payment slips that can be used to make a payment via the following methods: (i) over the counter bank or post office payment; and (ii) telephone and internet banking payment. Direct debit procedure (Bank-LSV) is permitted as well but has limited take-up.

If any payment remains outstanding past its due date, BANK-now mails a notice of overdue payment to the Lessee according to a predefined schedule. The Lessee can expect to receive up to three reminder letters prior to BANK-now initiating debt enforcement proceedings. Each notice of overdue payment will result in a reminder fee being billed under the Lease Agreement together with any late payment interest.

In addition, BANK-now's early collections team will undertake collections activity to collect overdue payments such as: collection calls by a specialised manual dialling team; utilising SMS and email contacts with the Lessee or receiving calls and mails from the Lessee who BANK-now proactively contacts e.g. in case of expected payment difficulties.

Furthermore, BANK-now may determine that a Lease Agreement requires special action by the collections department such as (i) skip tracing to search for a Lessee's address and phone number; (ii) international collections to repossess the Leased Vehicles or cash collections from the Lessee; (iii) legal processes to initiate repossession of the Leased Vehicles; (iv) insurance checks on the status of insurance coverage for the Leased Vehicles; and (v) obtaining bankruptcy details of the commercial Lessees such as commercial register records; and (vi) repossession and remarketing processes.

BANK-now's collections and repossession policies, practices and methodologies may change over time to reflect its experience or and learnings from the processes applied in undertaking such activity.

#### ***Repossession and Liquidation Procedures***

If BANK-now determines that eventual payment in full of a Lease Agreement is unlikely, BANK-now will follow the procedures set out in its collection and recovery policy to realise the Lease Agreement, including the repossession and sale of the Leased Vehicle.

Following the repossession of a vehicle, BANK-now will usually sell the repossessed vehicle via an online platform such as carauktion.ch, where professional registered dealers can bid for such vehicles. The vehicles are typically sold on an "as seen" basis without any representations and warranties whatsoever.

After the sale of the repossessed Leased Vehicle, BANK-now will send an invoice to the Lessee showing the amount owed by the Lessee under the Lease Agreement, minus any outstanding leasing payments, plus additional costs for excess mileage or damage repair plus any late payment interest and fees. Excess proceeds arising from the sale of the repossessed vehicle, if any, are remitted to BANK-now, as owner of the Leased Vehicle. Any shortfall that remains after repossession proceeds have been applied, will be evaluated as to the potential of further collections as part of BANK-now's collection process. Under the Lease Agreement, BANK-now will be entitled to receive its repossession and disposition expenses from the Lessee such as transportation costs and storage costs, Leased Vehicle condition evaluation costs and any other out-of-pocket expenses.

### ***Residual Value Realisation***

Upon the end of the scheduled term (maturity) of a Lease Agreement

Under the Dealer Repurchase Obligation pursuant to the Dealer Agreement, the Dealer is obliged (if BANK-now exercises the Dealer Repurchase Obligation) to repurchase the Leased Vehicle upon the end of the scheduled term of the Lease Agreement at the Dealer Repurchase Price, which corresponds to the residual value set out in the Lease Agreement or Dealer Agreement.

Early Termination by the Lessee

In case of CCA governed Lease Agreements, if the Lessee intends to early terminate the Lease Agreement, BANK-now may provide the Lessee with a purchase offer (*Kaufofferte*) for the Leased Vehicle, which includes any relevant closing costs. Where the Lessee terminates the Lease Agreements early without purchasing the Leased Vehicle, the Lessee must return the Leased Vehicle and receives a closing statement (*Kündigungsabrechnung*) from BANK-now. The closing statement sets out the amount (compensation) outlined in the amortization table in the Lease Agreement and, if applicable, any costs for repair and/or additional kilometres payable by the Lessee.

In case of non-CCA governed Lease Agreements, if the Lessee intends to early terminate the Lease Agreement, BANK-now may provide the Lessee with a purchase offer (*Kaufofferte*) for the current Outstanding Balance of the Lease Agreement plus any relevant closing costs. Where the Lessee terminate the Lease Agreements early without purchasing the Leased Vehicle, the Lessee shall return the Leased Vehicle and receive a closing statement (*Kündigungsabrechnung*). The closing statement sets out the amount payable by the Lessee, which consists of the Outstanding Balance plus any costs assessed for selling, and, if applicable, repair and additional kilometres minus any proceeds from BANK-now selling the Lease Vehicle.

Early Termination by BANK-now due to a default of the Lessee

In case of early termination of a Lease Agreement by BANK-now due to a Lessee's default, the Lessee must return the Leased Vehicle or BANK-now repossesses the Leased Vehicle. BANK-now typically uses a remarketing channel to dispose of the Leased Vehicle after the early termination of the Lease Agreement, via an online platform (see "*Repossession and Liquidation Procedures*"). Where the selling price of the Leased Vehicle is not sufficient to settle the outstanding balance (including any application of costs) under the Lease Agreement, the Lessee will be invoiced and pursued for any shortfall.

### ***Extension, Waiver or Modification of Lease Agreements***

BANK-now does not grant extensions to or modifications of Lease Agreements. In the event a Lessee requests that BANK-now agree to an extension of a Lease Agreement or a modification of a term of a Lease Agreement, BANK-now will treat the request as if there was a new lease financing application submitted by the respective Lessee in accordance with its then applicable origination and underwriting policies. After approval, BANK-now would enter into a new Lease Agreement while terminating the existing Lease Agreement.

### ***Dealer Onboarding and Management***

When establishing a relationship with a dealer, BANK-now will perform a credit risk, reputational risk and anti-money laundering desktop assessment using external databases such as CRIF and Thomson-Reuters World-check as well as making a debt enforcement check. Subject to approval a dealer will be granted a limit for buyback obligation exposure of up to CHF 1million. For larger dealers requiring a higher limit further internal approvals will be required at the appropriate authority level. Dealers are re-assessed on a periodic basis, with the frequency depending on a combination of size and assessed credit risk. Ongoing monitoring activity also takes place, with collections processes for any invoice payments from dealers becoming overdue.

**CERTAIN DATA RELATING TO THE LEASE ASSETS AND HISTORICAL PERFORMANCE**

The following tables show information relating to the historic performance and characteristics of the Lease Assets. The portfolio information presented in this Prospectus is based on the pool of Eligible Lease Assets as of the Cut Off Date in the table set out below. After the Closing Date, the portfolio of Purchased Lease Assets will change, from time to time, as a result of defaults, payments on the Lease Assets or purchase and repurchase of Purchased Lease Assets. See "RISK FACTORS—RISK FACTORS RELATING TO THE PURCHASED LEASE ASSETS".

**POOL STATISTICS AS OF 30 APRIL 2023**

Number of Leases	9'370
Number of Debtors	9'086
Total Lease Current Balance	CHF 266'061'756
Max Lease Current Balance	CHF 167'139
Min Lease Current Balance	CHF 5'029
Avg Lease Current Balance	CHF 28'395
Avg Current Balance per Lessee	CHF 29'283
Total Original Lease Balance	CHF 292'997'545
Max Original Lease Balance	CHF 183'844
Min Original Lease Balance	CHF 5'439
Avg Original Lease Balance	CHF 31'270
Max Original Term (months)	60
Min Original Term (months)	11
WA Original Term (months)	50
Max Maturity date	29.02.2028
Min Remaining Term (months)	4
WA Remaining Term (months)	43
Max Residual Balance	CHF 96'565
Min Residual Balance	CHF93
Avg Residual Balance	CHF 12'047
Total Residual Value	CHF 112'878'160
Residual Value to initial lease balance %	38.5%
Residual Value to current balance %	42.4%
Avg Down payment	7'104.96
Downpayment %	17.42%
Commercial Balance %	23.35%
Used Balance %	48.26%
WA Seasoning (months)	7.15
WA Current Interest Rate %	4.13%

**CUSTOMER TYPE**

Customer Type	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
Private	203'940'517.66	76.65%	90'489'535.05	80.17%	7'354	78.48%
Commercial	62'121'238.00	23.35%	22'388'624.95	19.83%	2'016	21.52%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**VEHICLE CONDITION**

Vehicle Condition	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
New	137'664'347.80	51.74%	62'653'580.20	55.51%	4'177	44.58%
Used	128'397'407.86	48.26%	50'224'579.80	44.49%	5'193	55.42%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**ORIGINAL NEW FINANCED LEASE AMOUNT**

Original New Financed Lease Amount	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
0.01 - 20000.00	30'844'123.56	11.59%	9'552'837.40	8.46%	2'419	25.82%
20000.01 - 30000.00	62'345'744.73	23.43%	24'260'540.25	21.49%	2'798	29.86%
30000.01 - 40000.00	62'183'419.84	23.37%	26'757'055.20	23.70%	1'968	21.00%
40000.01 - 50000.00	44'346'994.44	16.67%	20'257'617.30	17.95%	1'086	11.59%
50000.01 - 75000.00	50'082'048.25	18.82%	24'165'718.25	21.41%	913	9.74%
75000.01 - 100000.00	11'380'802.17	4.28%	5'501'993.15	4.87%	145	1.55%
100000.01 - 150000.00	3'776'452.41	1.42%	1'905'378.95	1.69%	34	0.36%
150000.01 <	1'102'170.26	0.41%	477'019.50	0.42%	7	0.07%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**OUTSTANDING BALANCE**

Outstanding Balance	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
0.01 - 10000.00	4'671'573.71	1.76%	1'074'724.10	0.95%	601	6.41%
10000.01 - 20000.00	39'300'169.81	14.77%	12'792'898.85	11.33%	2'534	27.04%

*Certain Data Relating to the Lease Assets and Historical Performance*

20000.01 - 30000.00	67'206'900.66	25.26%	27'095'288.20	24.00%	2'724	29.07%
30000.01 - 40000.00	61'452'912.85	23.10%	26'942'233.50	23.87%	1'786	19.06%
40000.01 - 50000.00	37'377'040.56	14.05%	17'213'317.05	15.25%	844	9.01%
50000.01 - 75000.00	43'311'867.23	16.28%	21'614'312.15	19.15%	744	7.94%
75000.01 - 100000.00	8'840'155.96	3.32%	4'202'185.55	3.72%	106	1.13%
100000.01 - 150000.00	2'948'539.27	1.11%	1'526'301.80	1.35%	25	0.27%
150000.01 <	952'595.61	0.36%	416'898.80	0.37%	6	0.06%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**RESIDUAL VALUE**

Residual Value	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
0.01 - 1000.00	16'644'797.14	6.26%	646'664.65	0.57%	969	10.34%
1000.01 - 5000.00	28'451'616.68	10.69%	5'976'531.30	5.29%	1'742	18.59%
5000.01 - 10000.00	44'887'287.55	16.87%	15'934'798.40	14.12%	2'056	21.94%
10000.01 - 20000.00	88'964'102.57	33.44%	42'271'009.20	37.45%	2'912	31.08%
20000.01 - 30000.00	53'227'655.50	20.01%	28'708'528.10	25.43%	1'189	12.69%
30000.01 - 40000.00	21'996'407.05	8.27%	12'463'248.45	11.04%	364	3.88%
40000.01 - 50000.00	7'079'985.73	2.66%	4'174'510.65	3.70%	95	1.01%
50000.01 <	4'809'903.44	1.81%	2'702'869.25	2.39%	43	0.46%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**YIELD**

Yield (%)	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
0.00 - 1.00	0.00	0.00%	0.00	0.00%	0	0.00%
1.01 - 2.00	27'764'610.51	10.44%	13'828'298.95	12.25%	915	9.77%
2.01 - 3.00	67'685'412.99	25.44%	30'170'880.05	26.73%	2'107	22.49%
3.01 - 4.00	37'538'696.78	14.11%	17'130'140.80	15.18%	1'183	12.63%
4.01 - 5.00	20'233'312.49	7.60%	8'747'013.15	7.75%	656	7.00%
5.01 - 6.00	83'900'278.58	31.53%	32'721'720.95	28.99%	3'406	36.35%
> 6.00	28'939'444.31	10.88%	10'280'106.10	9.11%	1'103	11.77%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>



**ORIGINAL TERM**

Original Term (Months)	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
6 – 12	288'507.42	0.11%	151'028.30	0.13%	30	0.32%
13 – 24	4'788'405.15	1.80%	1'905'832.50	1.69%	366	3.91%
25 – 36	23'156'154.21	8.70%	9'562'089.15	8.47%	1'151	12.28%
37 – 48	134'046'299.37	50.38%	59'122'618.20	52.38%	4'808	51.31%
49 – 60	103'782'389.51	39.01%	42'136'591.85	37.33%	3'015	32.18%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**SEASONING**

Seasoning (Months)	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
0 – 6	126'481'924.69	47.54%	52'775'022.00	46.75%	4'090	43.65%
7 – 12	117'502'899.99	44.16%	50'513'813.00	44.75%	4'213	44.96%
13 – 18	22'076'930.98	8.30%	9'589'325.00	8.50%	1'067	11.39%
18 – 24	0.00	0.00%	0.00	0.00%	0	0.00%
24 – 36	0.00	0.00%	0.00	0.00%	0	0.00%
37 – 48	0.00	0.00%	0.00	0.00%	0	0.00%
49 – 60	0.00	0.00%	0.00	0.00%	0	0.00%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**MATURITY DATE**

Maturity Date	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
2023	355'934.49	0.13%	191'145.35	0.17%	34	0.36%
2024	4'475'678.31	1.68%	1'782'576.90	1.58%	363	3.87%
2025	24'597'585.53	9.25%	10'469'831.35	9.28%	1'222	13.04%
2026	137'334'471.33	51.62%	61'672'846.55	54.64%	4'787	51.09%
2027	87'561'900.04	32.91%	34'560'143.40	30.62%	2'631	28.08%
2028	11'736'185.96	4.41%	4'201'616.45	3.72%	333	3.55%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**GEOGRAPHIC DISTRIBUTION**

Geographic Distribution	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
ZH	34'349'670.26	12.91%	14'452'081.65	12.80%	1'146	12.23%
BE	30'383'694.50	11.42%	13'492'421.95	11.95%	1'095	11.69%

*Certain Data Relating to the Lease Assets and Historical Performance*

VD	30'338'125.68	11.40%	12'172'533.05	10.78%	1'113	11.88%
AG	25'368'937.96	9.53%	10'522'975.95	9.32%	916	9.78%
VS	18'609'620.05	6.99%	7'822'414.55	6.93%	628	6.70%
FR	16'397'716.43	6.16%	6'809'580.25	6.03%	575	6.14%
TI	15'298'633.74	5.75%	6'972'628.15	6.18%	559	5.97%
SG	13'151'881.40	4.94%	5'658'388.10	5.01%	462	4.93%
LU	10'858'003.79	4.08%	4'681'351.70	4.15%	394	4.20%
SO	9'857'422.96	3.70%	4'046'936.15	3.59%	356	3.80%
TG	9'850'270.05	3.70%	3'932'793.85	3.48%	365	3.90%
GE	9'356'703.32	3.52%	3'842'489.25	3.40%	344	3.67%
BL	7'935'317.22	2.98%	3'491'942.75	3.09%	275	2.93%
NE	7'605'033.93	2.86%	3'239'684.50	2.87%	262	2.80%
ZG	5'177'971.45	1.95%	2'265'930.25	2.01%	152	1.62%
SZ	4'255'942.75	1.60%	1'789'589.55	1.59%	146	1.56%
SH	3'597'080.70	1.35%	1'643'758.40	1.46%	108	1.15%
GR	3'593'042.84	1.35%	1'578'707.95	1.40%	112	1.20%
BS	2'910'588.38	1.09%	1'292'660.80	1.15%	93	0.99%
JU	2'567'604.10	0.97%	1'128'067.65	1.00%	107	1.14%
AR	1'033'447.18	0.39%	482'193.10	0.43%	33	0.35%
GL	992'728.29	0.37%	360'241.35	0.32%	39	0.42%
NW	901'211.08	0.34%	400'811.05	0.36%	36	0.38%
UR	768'601.59	0.29%	387'707.55	0.34%	29	0.31%
OW	672'113.23	0.25%	297'511.65	0.26%	19	0.20%
AI	230'392.78	0.09%	112'758.85	0.10%	6	0.06%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**CCA / NON-CCA**

CCA / NON-CCA	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
CCA	178'973'622.87	67.27%	78'820'911.75	69.83%	6'808	72.66%
Non-CCA	87'088'132.79	32.73%	34'057'248.25	30.17%	2'562	27.34%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**VEHICLE TYPE**

Vehicle Type	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
Car	226'873'037.30	85.27%	99'649'798.20	88.28%	7'824	83.50%
Light Commercial Vehicle	37'423'060.52	14.07%	12'454'072.10	11.03%	1'441	15.38%
Motorbike	1'765'657.84	0.66%	774'289.70	0.69%	105	1.12%
<b>Total</b>	<b>266'061'755.66</b>	<b>100.00%</b>	<b>112'878'160.00</b>	<b>100.00%</b>	<b>9'370</b>	<b>100.00%</b>

**VEHICLE BRAND**

Vehicle Brand	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
FORD	80'157'416.85	30.13%	32'203'055.60	28.53%	3'316	35.39%
VOLVO	58'847'785.69	22.12%	28'057'729.95	24.86%	1'463	15.61%
MAZDA	25'824'382.95	9.71%	11'906'005.70	10.55%	1'085	11.58%
MERCEDES-BENZ	18'090'548.14	6.80%	7'106'851.35	6.30%	527	5.62%
AUDI	14'276'754.16	5.37%	6'025'720.70	5.34%	438	4.67%
BMW	12'715'247.65	4.78%	5'348'624.95	4.74%	397	4.24%
VW	11'898'955.98	4.47%	4'570'144.90	4.05%	463	4.94%
PORSCHE	5'653'324.62	2.12%	2'752'228.65	2.44%	98	1.05%
SKODA	5'598'639.25	2.10%	2'515'465.05	2.23%	218	2.33%
LAND ROVER	3'700'571.68	1.39%	1'489'241.80	1.32%	82	0.88%
CUPRA	2'392'262.67	0.90%	1'105'045.15	0.98%	75	0.80%
FIAT	2'301'213.55	0.86%	821'890.65	0.73%	126	1.34%
JEEP	2'270'187.86	0.85%	862'424.30	0.76%	76	0.81%
HYUNDAI	2'128'771.44	0.80%	745'422.70	0.66%	87	0.93%
PEUGEOT	2'118'237.81	0.80%	730'728.00	0.65%	101	1.08%
SEAT	2'081'199.94	0.78%	796'938.00	0.71%	95	1.01%
ALFA ROMEO	1'583'220.74	0.60%	655'232.15	0.58%	48	0.51%
HARLEY-DAVIDSON	1'565'217.08	0.59%	700'928.50	0.62%	91	0.97%
RENAULT	1'350'052.40	0.51%	368'904.20	0.33%	78	0.83%
TOYOTA	1'095'082.76	0.41%	407'547.80	0.36%	51	0.54%
Other	10'412'682.44	3.91%	3'708'029.90	3.28%	455	4.86%
Total	266'061'755.66	100.00%	112'878'160.00	100.00%	9'370	100.00%

**TOP DEALER EXPOSURES**

Top Dealer Exposures	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
1	3'049'946.20	1.15%	1'530'273.60	1.36%	76	0.81%
2	2'603'726.30	0.98%	1'304'805.75	1.16%	69	0.74%
3	2'817'210.28	1.06%	1'237'160.55	1.10%	85	0.91%
4	2'425'499.08	0.91%	1'153'921.75	1.02%	62	0.66%
5	4'856'393.16	1.83%	1'146'473.45	1.02%	171	1.82%
6	2'796'742.99	1.05%	1'141'696.25	1.01%	110	1.17%
7	2'525'846.05	0.95%	1'114'491.25	0.99%	63	0.67%
8	2'053'224.21	0.77%	1'066'553.70	0.94%	64	0.68%
9	2'195'116.55	0.83%	1'065'079.70	0.94%	79	0.84%
10	2'205'258.95	0.83%	1'049'833.30	0.93%	55	0.59%
11	2'250'856.63	0.85%	1'006'941.40	0.89%	63	0.67%
12	2'146'411.62	0.81%	981'209.80	0.87%	89	0.95%
13	2'078'376.15	0.78%	950'901.65	0.84%	75	0.80%
14	1'927'789.60	0.72%	929'171.05	0.82%	53	0.57%
15	2'680'391.46	1.01%	915'462.80	0.81%	103	1.10%

*Certain Data Relating to the Lease Assets and Historical Performance*

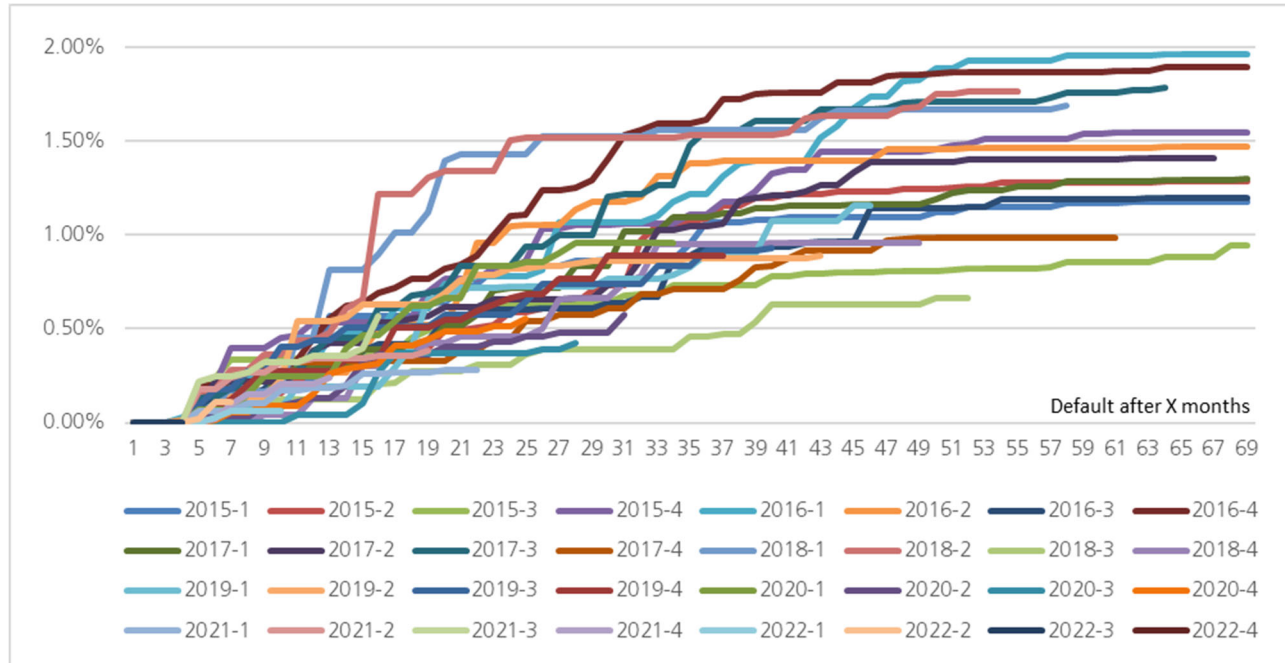
16	1'595'920.49	0.60%	812'926.35	0.72%	66	0.70%
17	1'742'888.85	0.66%	754'464.50	0.67%	59	0.63%
18	1'321'783.42	0.50%	742'176.60	0.66%	32	0.34%
19	1'497'884.17	0.56%	728'447.65	0.65%	60	0.64%
20	1'798'683.58	0.68%	725'457.80	0.64%	35	0.37%
<b>Total</b>	46'569'949.74	17.50%	20'357'448.90	18.03%	1'469	15.68%

**TOP CUSTOMER EXPOSURES**

Top Customer Exposures	Total Outstanding Balance (CHF)	Percentage of Outstanding Balance (%)	Total Residual Value (CHF)	Total Residual Value (%)	Total Number of Lease Assets	Percentage of Lease Assets (%)
1	227'635.02	0.09%	91'097.40	0.08%	6	0.06%
2	214'819.08	0.08%	41'782.75	0.04%	2	0.02%
3	173'884.97	0.07%	56'949.90	0.05%	3	0.03%
4	167'138.59	0.06%	69'637.90	0.06%	1	0.01%
5	165'383.55	0.06%	92'850.50	0.08%	1	0.01%
6	160'600.34	0.06%	64'995.35	0.06%	1	0.01%
7	155'732.10	0.06%	75'773.60	0.07%	2	0.02%
8	153'322.47	0.06%	64'995.35	0.06%	1	0.01%
9	153'018.35	0.06%	96'564.55	0.09%	1	0.01%
10	152'358.81	0.06%	62'116.95	0.06%	3	0.03%
<b>Total</b>	1'723'893.28	0.65%	716'764.25	0.63%	21	0.22%

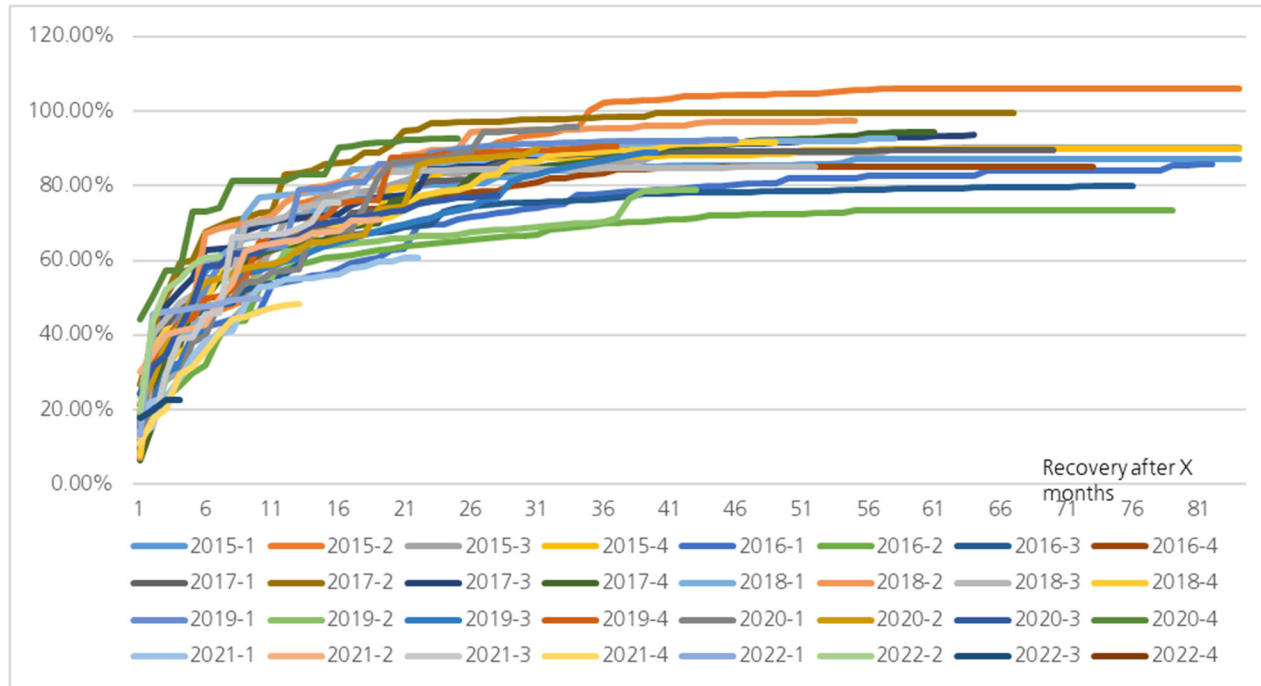
**CERTAIN HISTORICAL PERFORMANCE: STATIC DEFAULTED LEASE ASSETS AND STATIC RECOVERY ON DEFAULTED LEASE ASSETS**

**Private New – Cumulative Defaulted Lease Assets<sup>3</sup>**



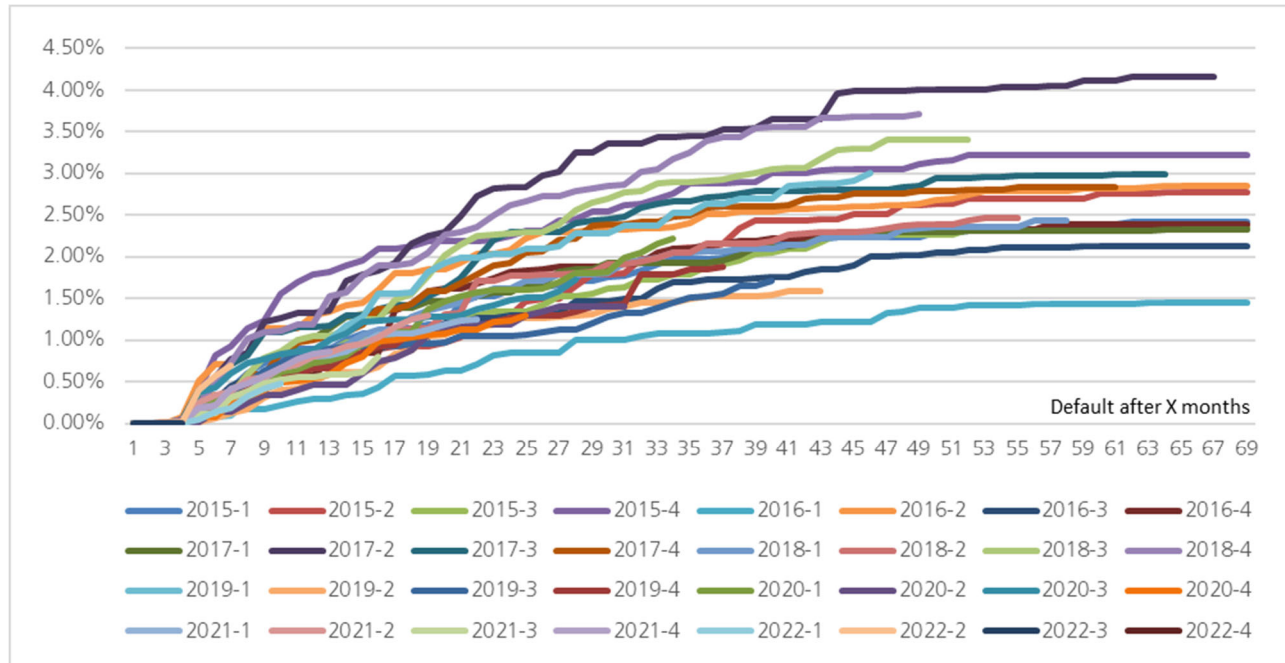
<sup>3</sup> The above data has been extrapolated from BANK-now’s systems based on the definition of Defaulted Lease Asset as per this Prospectus where the outstanding balance at month end is taken as the exposure at default.

**Private New – Cumulative Recovery on Defaulted Lease Assets<sup>4</sup>**



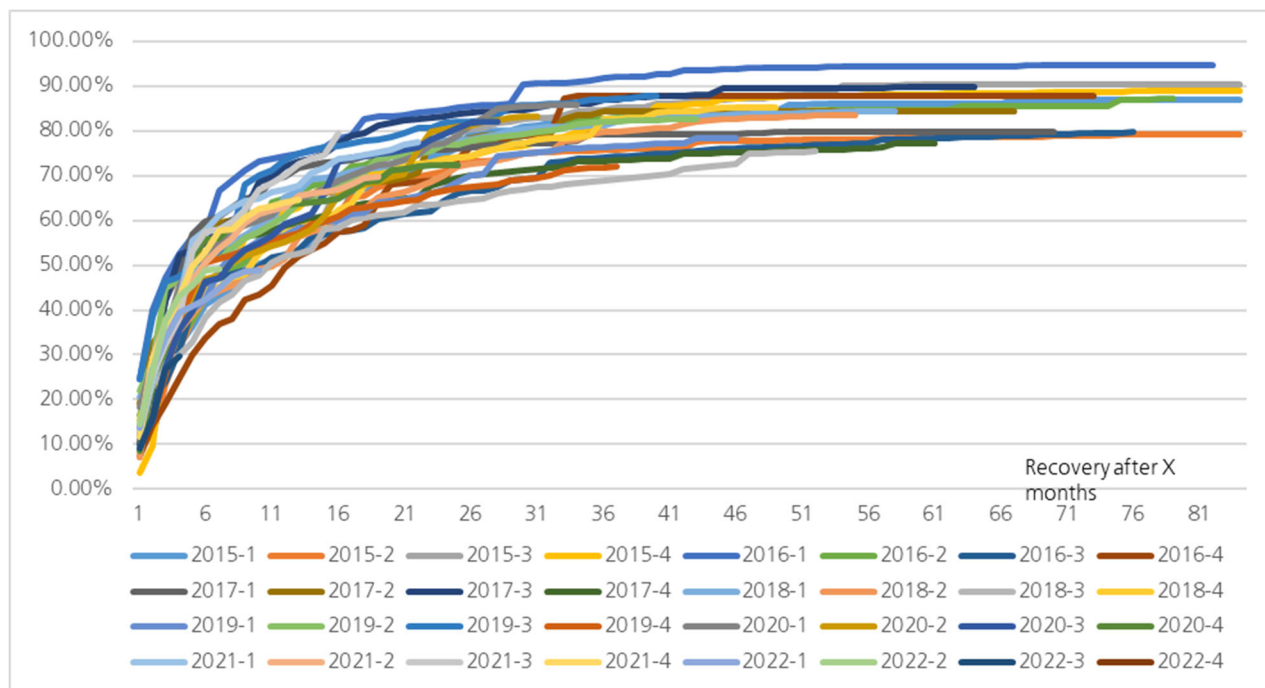
<sup>4</sup> The above data has been extrapolated from BANK-now’s systems based on the definition of Defaulted Lease Asset as per this Prospectus where the outstanding balance at month end is taken as the exposure at default.

Private Used – Cumulative Defaulted Lease Assets<sup>5</sup>



<sup>5</sup> The above data has been extrapolated from BANK-now’s systems based on the definition of Defaulted Lease Asset as per this Prospectus where the outstanding balance at month end is taken as the exposure at default.

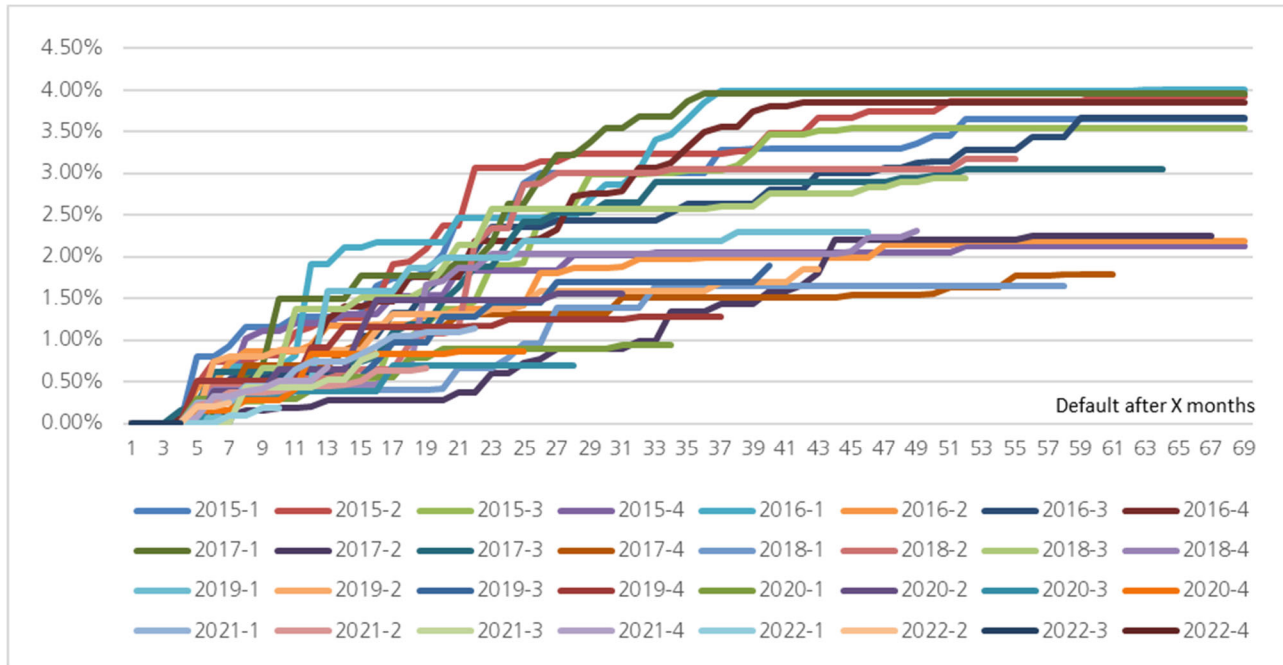
**Private Used – Cumulative Recovery on Defaulted Lease Assets<sup>6</sup>**



<sup>6</sup> The above data has been extrapolated from BANK-now’s systems based on the definition of Defaulted Lease Asset as per this Prospectus where the outstanding balance at month end is taken as the exposure at default.

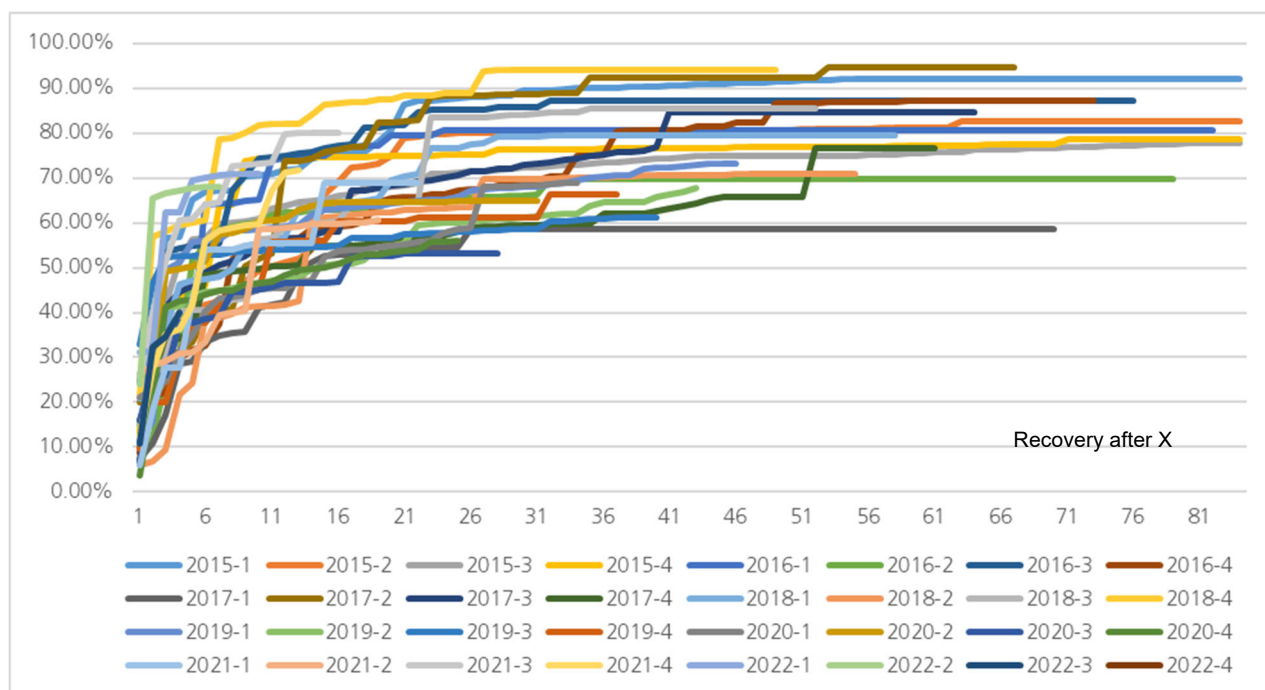


Commercial New – Cumulative Defaulted Lease Assets<sup>7</sup>



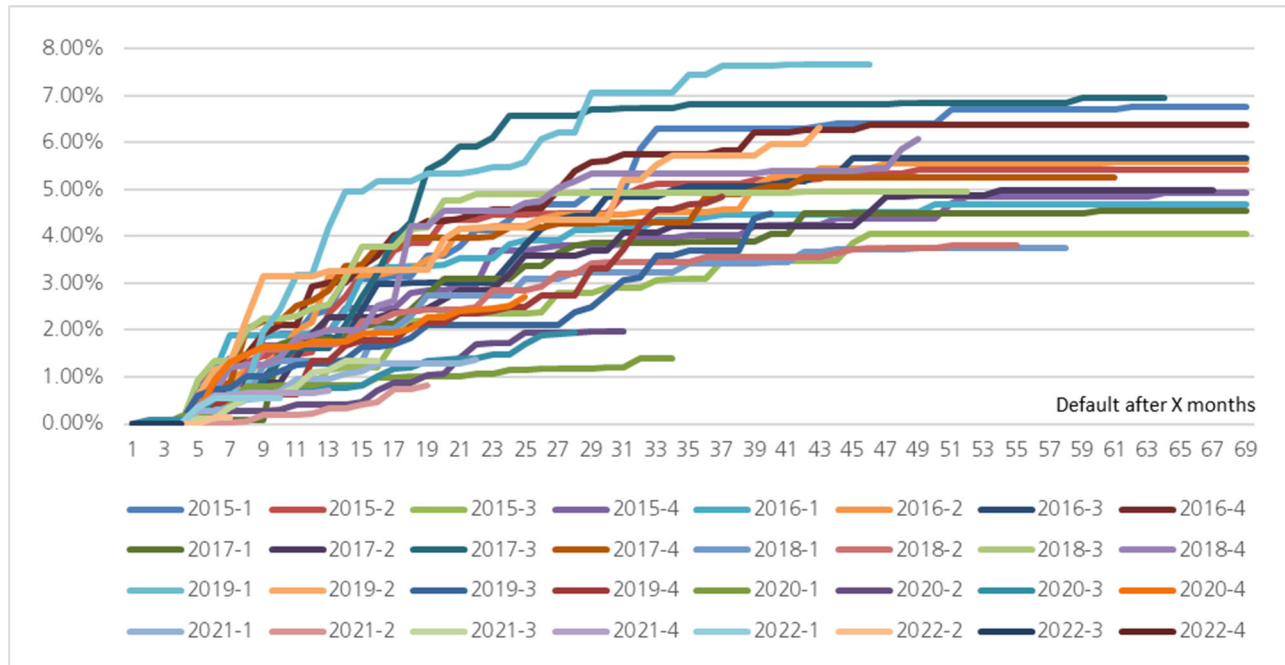
<sup>7</sup> The above data has been extrapolated from BANK-now’s systems based on the definition of Defaulted Lease Asset as per this Prospectus where the outstanding balance at month end is taken as the exposure at default.

**Commercial New – Cumulative Recovery on Defaulted Lease Assets<sup>8</sup>**



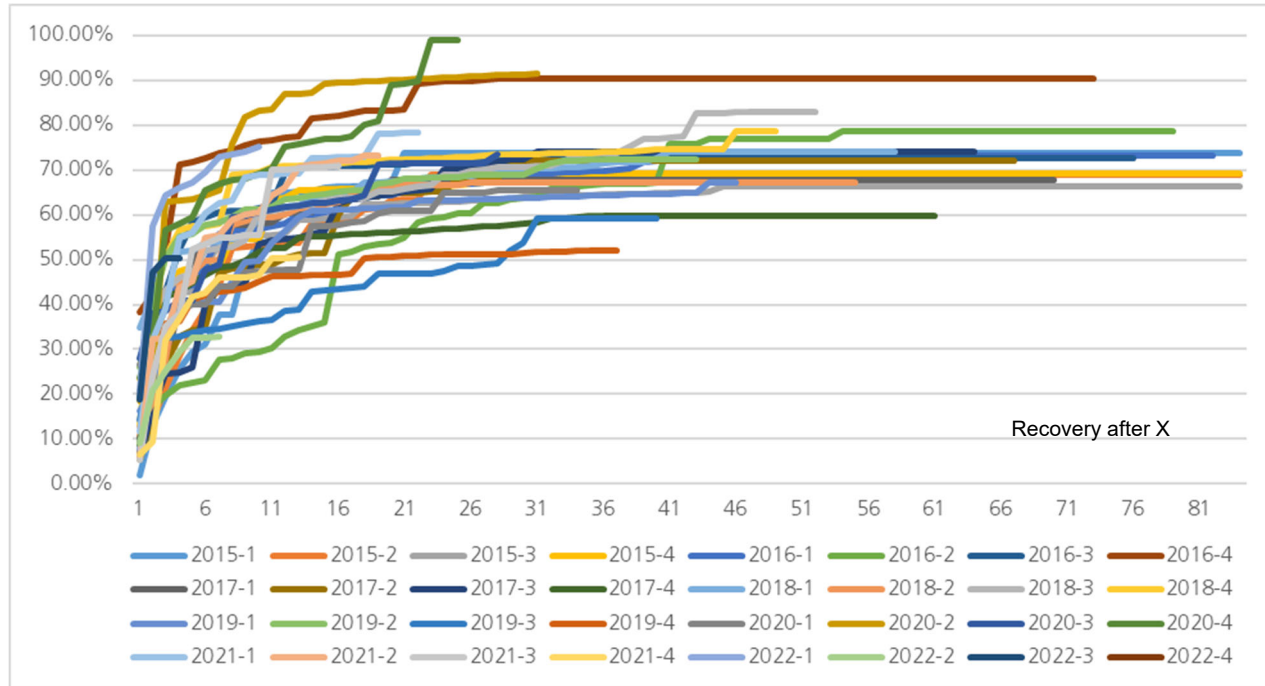
<sup>8</sup> The above data has been extrapolated from BANK-now’s systems based on the definition of Defaulted Lease Asset as per this Prospectus where the outstanding balance at month end is taken as the exposure at default.

**Commercial Used - Cumulative Defaulted Lease Assets<sup>9</sup>**



<sup>9</sup> The above data has been extrapolated from BANK-now’s systems based on the definition of Defaulted Lease Asset as per this Prospectus where the outstanding balance at month end is taken as the exposure at default.

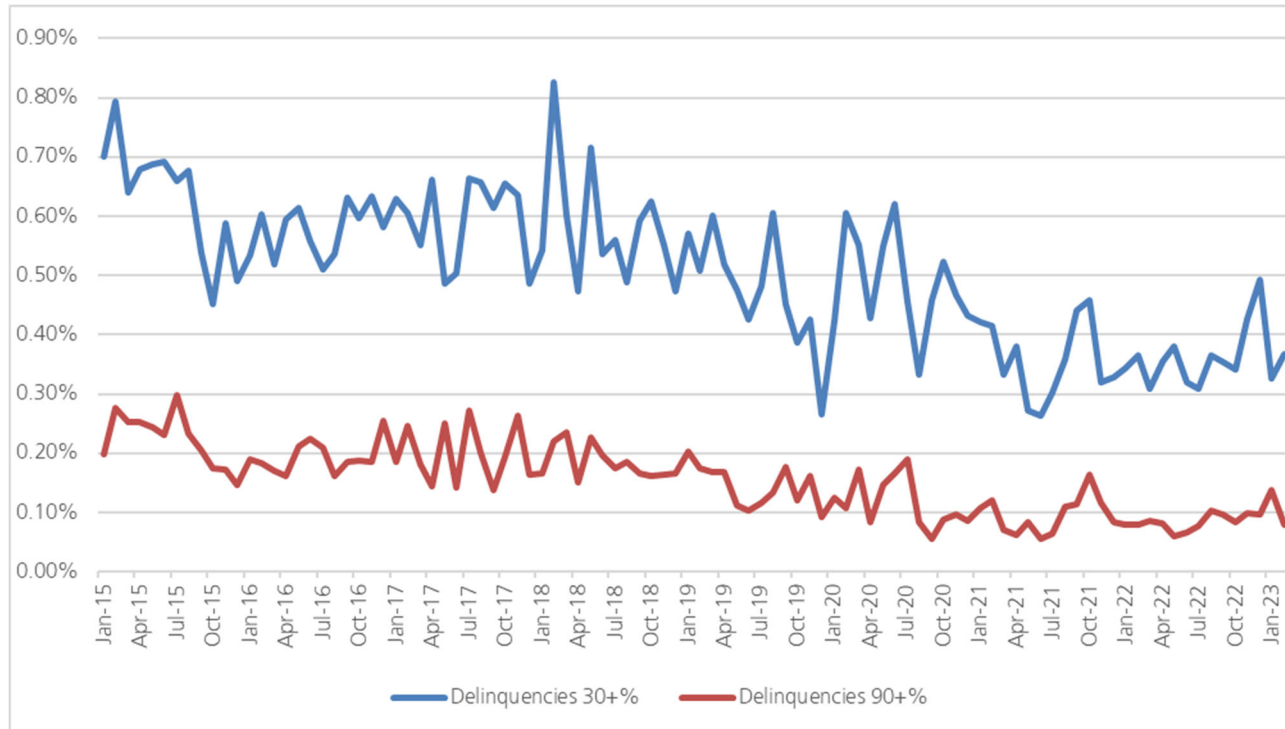
**Commercial Used - Cumulative Recovery on Defaulted Lease Assets<sup>10</sup>**



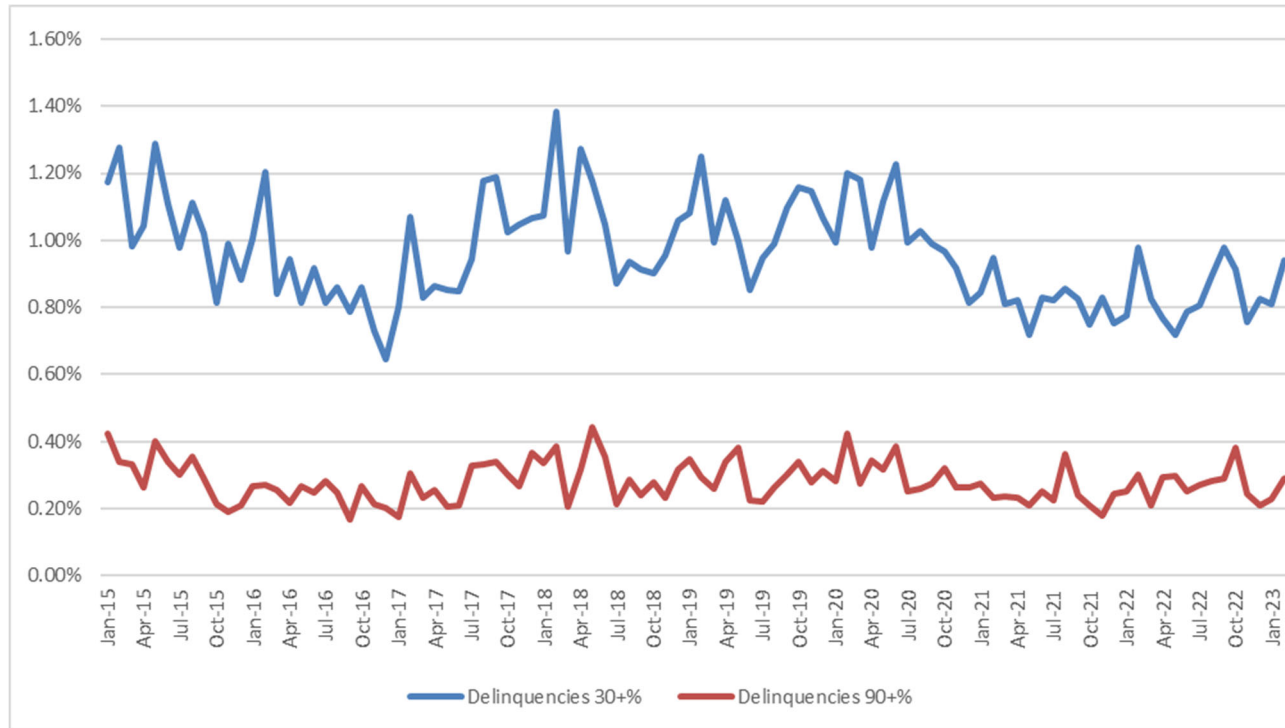
<sup>10</sup> The above data has been extrapolated from BANK-now's systems based on the definition of Defaulted Lease Asset as per this Prospectus where the outstanding balance at month end is taken as the exposure at default.

**CERTAIN HISTORICAL PERFORMANCE: DYNAMIC DELINQUENCIES**

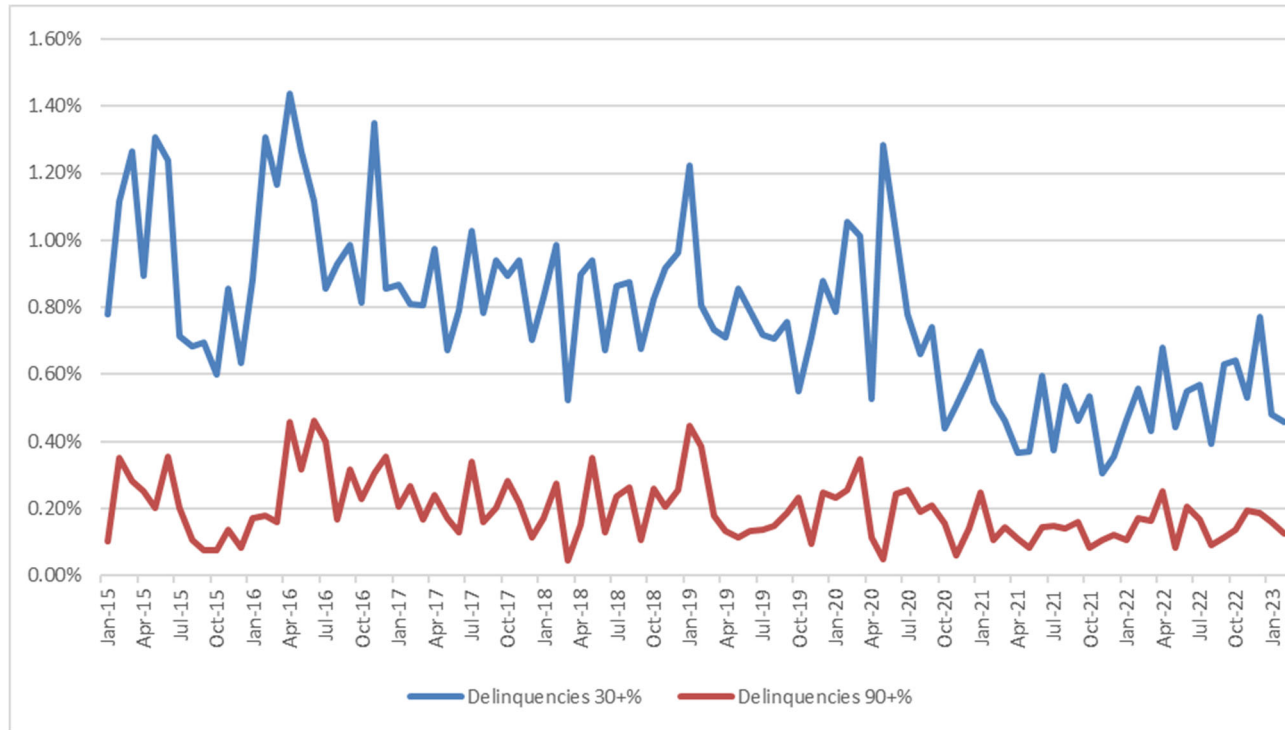
**Private New – Delinquencies**



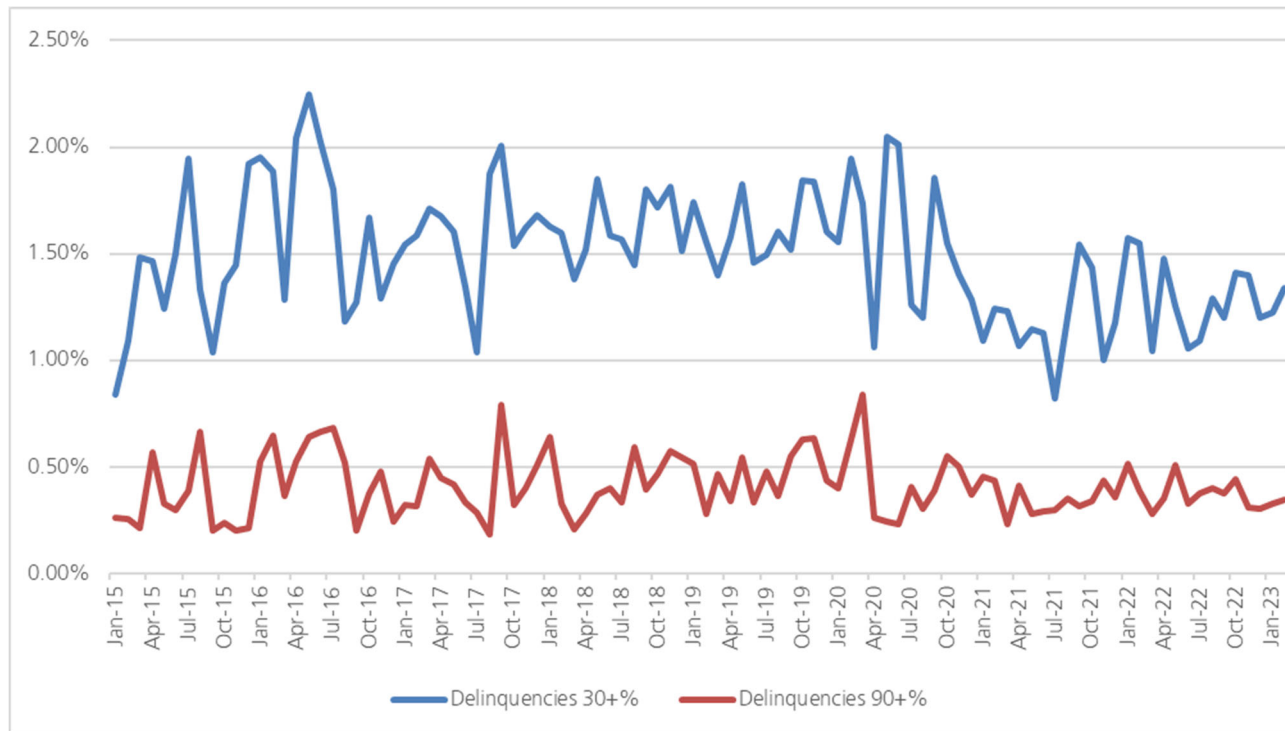
Private Used – Delinquencies



Commercial New – Delinquencies



**Commercial Used - Delinquencies**





**ESTIMATED WEIGHTED AVERAGE LIFE OF NOTES, REDEMPTION PROFILE AND ASSUMPTIONS**

**Estimated weighted-average life of the Notes**

The estimated weighted-average life of the Notes is the average amount of time that will elapse (on a 30/360 basis) from the Closing Date to the date on which principal payments are applied toward the reduction of the Note Principal Amount Outstanding under the Notes. The estimated weighted-average life of the Notes may be influenced by, *inter alia*, the rate at which the Outstanding Balance of the Purchased Lease Assets is paid and whether the Seller agrees to purchase the portfolio pursuant to a Portfolio Repurchase Option.

The following table is prepared under certain assumptions, as described below, regarding the weighted-average characteristics of the Purchased Lease Assets and performance thereof. The table assumes, *inter alia*, that:

- (a) the portfolio is subject to a constant annual rate of prepayment as set out under "CPR" (30/360);
- (b) the Notes will be issued on 23 May 2023;
- (c) payments on the Notes will be made on each Interest Payment Date, commencing on the Interest Payment Date falling on 23 February 2024;
- (d) there are no Delinquent Lease Assets or Defaulted Lease Assets during the life of the transaction and the Lease Assets are always paid on the relevant due date;
- (e) no Early Amortisation Event has occurred and the Revolving Period is assumed to end on (but include) the Monthly Payment Date falling in February 2026;
- (f) no Enforcement Event occurs until the Final Maturity Date;
- (g) no Lease Assets are repurchased by the Seller;
- (h) BANK-now continues to act as Servicer for the duration of the Transaction;
- (i) during the Revolving Period, all principal collections are used to purchase Additional Lease Assets; at the end of the Revolving Period, the portfolio has the same characteristics as the portfolio as of the Initial Cut Off Date;
- (j) interest Collections are sufficient to meet all expenses under the Pre-Enforcement Priority of Payments on each Payment Date;
- (k) in the event the Portfolio Repurchase Option is not exercised, any Available Distribution Amount under item (g) of the Pre-Enforcement Priority of Payments is allocated to pay *pro-rata* and *pari passu* to the Noteholders until the Notes are fully repaid;
- (l) the interest rate yielding at the Account Bank is equal to zero per cent.;
- (m) the Servicing Fees are assumed to be equal to 0% and Senior Expenses are equal to CHF 220,000 annually;
- (n) Swiss VAT has been constant at 7.70%, but it will be raised to 8.10% as of 1 January 2024; and
- (o) the amortization profile and the size of the Class A Notes are calculated based on the pool of Eligible Lease Assets as of 30 April as described in the section "*CERTAIN DATA RELATING TO THE LEASE ASSETS AND HISTORICAL PERFORMANCE*".

In addition, the approximate average life of the Notes will vary dependent upon whether the Seller (i) agrees to purchase the portfolio pursuant to a Portfolio Repurchase Option on, or about, the Optional Redemption Date ("**Option 1**"), or (ii) does not purchase the portfolio pursuant to a Portfolio Repurchase Option ("**Option 2**").

*Estimated Weighted Average Life of Notes, Redemption Profile and Assumptions*

Based on the foregoing, the approximate average life of the Notes at various assumed rates of constant prepayment of the Purchased Lease Assets would be as follows:

CPR	Option 1			Option 2		
	Weighted Average Life in Years	First Principal Payment Date	Expected Maturity	Weighted Average Life in Years	First Principal Payment Date	Expected Maturity
0%	2.75	23-Feb-26	23-Feb-26	4.84	23-Mar-26	23-Sep-29
12%	2.75	23-Feb-26	23-Feb-26	4.37	23-Mar-26	23-May-29
24%	2.75	23-Feb-26	23-Feb-26	3.99	23-Mar-26	23-Dec-28

If the Seller does not purchase the portfolio pursuant to a Portfolio Repurchase Option on, or about, the Optional Redemption Date, or if the Revolving Period ends prior to the Optional Redemption Date, the exact average life of the Notes cannot be predicted, as, *inter alia*, the actual rate at which the Purchased Lease Assets will be repaid, the actual weighted-average coupon on the Purchased Lease Assets and the actual scheduled portfolio amortisation profile of the Purchased Lease Assets following the Revolving Period are unknown.

The estimated weighted-average life of the Notes is subject to factors outside the control of the Issuer and consequently, no assurance can be given that the assumptions and estimates above will prove in any way realistic. Accordingly, they must be viewed with considerable caution.

Please note that the CPRs shown below are purely illustrative and do not represent the full range of possibilities for constant prepayment rates. The tables are hypothetical in nature and are provided only to give a general sense of how the principal cash flows might behave under varying prepayment scenarios. For example, in reality, it is unlikely that the Lease Assets will prepay at a constant rate until maturity, that all of the Lease Assets will prepay at the same rate or that there will be no delinquencies or defaults on the Lease Assets.

Moreover the diverse remaining terms to maturity of the Lease Assets could produce slower or faster principal distributions than indicated in the tables at the various percentages of CPR specified, even if the weighted average remaining term to maturity of the Lease Assets is as assumed. Any difference between such assumptions and the actual characteristics and performance of the Lease Assets, or actual prepayment or loss experience, will affect the percentages of the initial amount outstanding over time and the estimated weighted average lives of the Notes.

**Assumed redemption profile of the Notes under various scenarios**

The table outlines the timing of aggregate principal receipts relating to the Notes under the scenarios described in the section entitled "*Estimated Weighted-Average Life of the Notes*".

*Estimated Weighted Average Life of Notes, Redemption Profile and Assumptions*

	Period(s)	Option 1			Option 2		
		0%	12%	24%	0%	12%	24%
0-35	May 2023 to Jan 2026 inc.	0	0	0	0	0	0
36	Feb 2026	215'000'000	215'000'000	215'000'000	0	0	0
37	Mar 2026				3'853'004	6'634'734	9'788'647
38	Apr 2026				3'863'206	6'538'518	9'501'428
39	May 2026				3'873'436	6'443'521	9'222'040
40	Jun 2026				3'899'430	6'364'809	8'964'642
41	Jul 2026				3'909'980	6'272'137	8'699'899
42	Aug 2026				3'899'273	6'160'673	8'423'845
43	Sep 2026				3'996'408	6'151'070	8'247'970
44	Oct 2026				3'978'706	6'034'572	7'978'278
45	Nov 2026				4'003'644	5'958'769	7'751'650
46	Dec 2026				3'959'883	5'821'903	7'476'124
47	Jan 2027				3'941'861	5'710'581	7'229'943
48	Feb 2027				3'960'844	5'633'705	7'019'562
49	Mar 2027				3'991'797	5'568'067	6'823'611
50	Apr 2027				4'150'990	5'613'378	6'725'568
51	May 2027				4'012'856	5'402'237	6'414'921
52	Jun 2027				4'132'654	5'413'704	6'296'042
53	Jul 2027				4'121'051	5'313'620	6'088'357
54	Aug 2027				4'109'303	5'215'037	5'886'978
55	Sep 2027				4'127'904	5'142'844	5'711'475
56	Oct 2027				4'221'478	5'132'024	5'588'132
57	Nov 2027				4'438'144	5'218'478	5'542'308
58	Dec 2027				4'208'287	4'947'458	5'222'739
59	Jan 2028				4'240'843	4'888'918	5'073'063
60	Feb 2028				4'032'028	4'643'885	4'787'697
61	Mar 2028				4'236'813	4'722'114	4'748'922
62	Apr 2028				4'748'504	5'029'169	4'876'245
63	May 2028				4'440'580	4'710'335	4'547'038
64	Jun 2028				4'800'665	4'895'871	4'586'149
65	Jul 2028				4'658'977	4'705'706	4'358'430
66	Aug 2028				4'822'150	4'741'596	4'293'883
67	Sep 2028				4'941'615	4'743'531	4'206'717
68	Oct 2028				5'657'463	5'168'101	4'406'909
69	Nov 2028				6'537'387	5'693'197	4'665'314
70	Dec 2028				5'283'248	4'714'415	3'845'472
71	Jan 2029				5'564'797	4'822'738	0
72	Feb 2029				5'461'302	4'663'799	0
73	Mar 2029				5'707'377	4'744'147	0
74	Apr 2029				8'706'033	6'656'791	0
75	May 2029				9'395'808	8'763'848	0
76	Jun 2029				9'955'281	0	0
77	Jul 2029				8'925'197	0	0
78	Aug 2029				9'827'267	0	0
79	Sep 2029				4'402'528	0	0
80	Oct 2029				0	0	0
81	Nov 2029				0	0	0
82 - 108	Dec 2029 to Feb 2032				0	0	0

## THE SELLER, SERVICER AND SUBORDINATED LOAN PROVIDER

### General

BANK-now AG ("**BANK-now**") is a stock corporation (*Aktiengesellschaft*) organised under the laws of Switzerland in accordance with art. 620 et seq. CO. BANK-now was founded and registered in the Canton of Zurich on 18 December 2006. Its registered address is Neugasse 18, CH-8810 Horgen and it is registered with the commercial register of the Canton of Zurich under the register number CHE-113.328.982.

### Purpose and Principal Activities

BANK-now is a specialised provider of consumer finance in the areas of credit financing and vehicle financing. In the area of credit financing, BANK-now provides instalment loans under the CREDIT-now product brand, based on a multi-channel strategy reaching customers directly via online and offline channels as well as through cooperations with distribution partners. In the vehicle financing area, BANK-now offers leasing and credit-based financing solutions for new and used motor vehicles. Cooperations with importers and distributors of major car manufacturers are an important part of BANK-now's strategy in its vehicle financing business. See "*CHARACTERISTICS OF THE LEASE ASSETS AND BANK-NOW'S LEASING BUSINESS—Strategic Partnerships*". BANK-now has 16 branch offices across Switzerland located in all major cities, including Geneva, Lausanne, Lugano, Basel, Zurich, St. Gallen, Bern, Fribourg, Luzern, Winterthur, and Baden. As of 31 December 2022, BANK-now had 309 employees (FTEs). BANK-now is regulated by FINMA and holds a banking license.

BANK-now's articles of association are dated 16 March 2012. Its principal purpose, as set out in Article 2 of the articles of association, is to operate a bank, with its scope of business comprising all types of banking and financing activities in Switzerland and abroad, the granting of consumer loans and credits of all kinds to retail customers and other services related to these activities, such as the intermediation of insurance services. BANK-now may incorporate and invest in banks, financial institutions, and other companies, take over the management of such companies, and effect all financial, commercial and other transactions related to the performance of its principal purpose. It may also acquire, hold, and dispose of real estate, both in Switzerland and abroad.

### Capital Structure

As at the date of this Prospectus, BANK-now's share capital amounts to CHF 30,000,000, divided into 30,000,000 registered shares (*Namenaktien*), with a par value of CHF 1.00 each. The shares are fully paid and rank *pari passu* with each other. All shares have been subscribed for and are held by Credit Suisse (Schweiz) AG.

As of the date of this Prospectus, BANK-now has no authorised share capital or conditional share capital.

### Members of the Board of Directors

The following table sets forth the name and function of each member of the board of directors of BANK-now as of the date of this Prospectus.

<u>Name</u>	<u>Function</u>	<u>First Elected</u>	<u>End Current Period</u>
Antoine Boubilil	Chairperson	2017 – 2020 / 2022	2025
Nicolas Krügel	Vice-Chairperson	2020	2023
Renato Costantini	Member	2022	2025
Roger Suter	Member	2022	2025
Uwe Riepenhausen	Member	2022	2025

The business address for all members of the Board of Directors is Neugasse 18, CH8810 Horgen, Switzerland.

### Composition of the Executive Board

The following table sets forth the name and principal position of each member of the executive board of BANK-now as at the date of this Prospectus.

<u>Name</u>	<u>Appointed</u>	<u>Position</u>
Erich Wild	2007	Chief Executive Officer
Patrick Arnet	2015	Head of Credit Financing
Šejla Fifić	2021	Head of Innovation
Dominique Froelicher	2019	Head of Legal & Compliance
Oliver Lipke	2007	Chief Financial Officer
Yves Meier	2021	Head of Car Financing
Clemens Rauchenwald	2020	Head of Risk Management
Roland Schiess	2018	Chief Technology Officer

The business address for each member of the executive board of BANK-now is Neugasse 18, CH8810 Horgen, Switzerland.

### Financial Statements and Auditors

Pursuant to BANK-now's articles of association, the company's financial year is determined by the company's board of directors (*Verwaltungsrat*). As at the date of this Prospectus, BANK-now's financial year ends on 31 December of each calendar year.

BANK-now's annual financial statements (excerpts of which are published by BANK-now on <https://www.bank-now.ch/de/ueber-bank-now/medien-und-publikationen#/>) are in line with the CO, the BA, the Banking Ordinance, the FINMA Accounting Ordinance and FINMA circular 2020/1, "Accounting rules for banks, securities dealers, financial groups and conglomerates" as applicable for the preparation of "reliable assessment statutory single-entity financial statements" (*Statutarischer Einzelabschluss mit zuverlässiger Darstellung*) pursuant to FINMA circular 2020/1. BANK-now has no listed shares outstanding. Accordingly, BANK-now is exempt from providing certain disclosures in its standalone annual report, such as management report, statements of cash flows and certain notes to the financial statements.

BANK-now is included in the scope of consolidation of the published annual report of Credit Suisse Group AG and Credit Suisse AG, which includes consolidated financial statements prepared in accordance with accounting principles generally accepted in the US (US GAAP).

Pricewaterhouse Coopers AG, Birchstrasse 160, 8050 Zürich, Switzerland, has acted as statutory auditor to BANK-now since January 2020.

### Recent Developments

Following the intervention of the Swiss Federal Department of Finance, the Swiss National Bank and the Financial Market Supervisory Authority (FINMA), it was announced that on 19 March 2023 Credit Suisse Group AG and UBS Group AG entered into an agreement and plan of merger (the "**Merger**"), to be completed at a date yet to be determined. BANK-now is a consolidated subsidiary of Credit Suisse Group AG, and as such the future operations and financial performance of BANK-now may be impacted as a result of the Merger. See "*RISK FACTORS—RISKS RELATING TO CERTAIN TRANSACTION PARTIES—BANK-now is controlled by and depends on Credit Suisse Group AG— Merger of Credit Suisse with UBS and— A substantial portion of BANK-now's Leasing Business is subject to Cooperation Agreements*".

### Legal Proceedings

As of the date of this Prospectus, there are no pending or threatened court, arbitral or administrative proceedings that BANK-now believes are or will be of material importance to BANK-now's assets and liabilities or profits and losses.

### Material Changes

Except as disclosed in this Prospectus, there has been no material change in BANK-now's assets and liabilities, financial condition or profits and losses since the annual financial statements dated 31 December 2022.

## THE ISSUER

### General

Auto lease-now 2023-1 AG was incorporated under Swiss law and registered as a stock corporation (*Aktiengesellschaft*) in accordance with Article 620 et seq. CO under the laws of Switzerland, on 4 April 2023 (date of registration). The Issuer is registered with the commercial register of the Canton of Zurich under the registration number CHE-243.864.317. The Issuer was incorporated by BANK-now as its founder, and it is a subsidiary of BANK-now.

The Issuer is a special purpose entity with limited permitted activities including, amongst other things, issuing the Notes and purchasing the Lease Assets on the Initial Purchase Date and on each Additional Purchase Date during the Revolving Period. The Issuer was incorporated for the purpose of the Transaction.

### Registered Office

The Issuer's registered office is c/o BANK-now AG, Neugasse 18, 8810 Horgen, Switzerland.

### Purpose and Principal Activities

The Issuer's articles of incorporation are dated 3 April 2023 (the "**Articles**").

The principal objects of the Issuer are set out in Article 2 (*Purpose*). The Articles permit the Issuer to, amongst other things, acquire, hold, manage and to undertake financing of contracts and/or receivables and/or vehicles and ancillary rights under the Lease Asset Sale Agreement, to be entered into between the Issuer and BANK-now, all being part of a refinancing transaction or refinancing transactions (for example securitisations) of BANK-now. Within this scope the Issuer is empowered to purchase such contracts and/or receivables and/or vehicles, to issue notes and to enter into loan agreements. In addition to the Lease Asset Sale Agreement, the Issuer is empowered to enter into the following agreements (or agreements with similar economic background): Trust Agreement, Servicing Agreement, Cash Management Agreement, Corporate Services Agreement, Corporate Sub Services Agreement, Subscription Agreement, Subordinated Loan Agreement, Principal Paying Agency Agreement, Claims Pledge Agreement, Servicing Facilitator Agreement, Account Bank Agreement, Master Definitions and Framework Agreement and any other related or ancillary document that may be necessary to effect the transactions contemplated within these agreements.

The Issuer is authorised to issue the Notes, to purchase the Lease Assets, to enter into the Transaction Documents, and carry out any and all other activities related to the transactions described in this Prospectus.

The Issuer may not carry out any commercial, financial or other activities which do not directly or indirectly serve the purpose of the Transaction. If not contemplated by the Transaction Documents, the Issuer may not sell and transfer the contracts, receivables and vehicles to third parties.

The Issuer is prohibited from holding or purchasing real estate property, unless it acquires the real estate property by the execution of pledges. The Issuer may not purchase shares or invest in other companies other than Authorised Investments. The Issuer may not, for its own account or for the account of third parties, provide security, nor may it enter into guarantees, sureties or the like in favour of third parties (except where this is contemplated by the Transaction Documents).

The Issuer has no subsidiaries or employees.

Since its incorporation, the Issuer has not carried on any business or activities other than those incidental to its incorporation, the authorisation and issue of the Notes and the purchase of the Lease Assets and activities incidental to the exercise of its rights and compliance with its obligations under the Transaction Documents and any other documents entered into in connection with the issue of the Notes.

The Issuer does not hold and its business does not depend on any patents or licenses granted to it by third parties that are material to its business or operations.

### Board Members

The Articles provide that the Issuer's board of directors (the "**Board of Directors**") shall consist of not more than four (4) members (the "**Board Members**"). Two (2) of the Board Members must be independent from any majority shareholder (currently BANK-now) within the meaning of the Swiss Code of Best Practice for Corporate Governance (the "**Independent Directors**"). The members of the Board of Directors are elected by a general meeting of the Issuer's shareholders. The current Board Members of the Issuer and their business addresses are:

Name	Business Address	Position
Giorgio Incognito	c/o Amicorp Switzerland AG Mühlebachstrasse 54, 8008 Zurich, Switzerland	Chairperson
Diego Pesciatini	c/o Amicorp Switzerland AG Mühlebachstrasse 54, 8008 Zurich, Switzerland	Vice-Chairperson
Oliver Lipke	c/o BANK-now AG Neugasse 18, 8810 Horgen, Switzerland	Member
Dominique Froelicher	c/o BANK-now AG Neugasse 18, 8810 Horgen, Switzerland	Member

Oliver Lipke and Dominique Froelicher are employees of BANK-now. Giorgio Incognito and Diego Pesciatini are Independent Directors, each employed by Amicorp Switzerland AG.

Pursuant to the terms of the Corporate Services Agreement, the Corporate Servicer will provide directors and certain other corporate and administration services to the Issuer in consideration for the payment by the Issuer of an annual fee to the Corporate Servicer.

### Capital, Shares and Capitalisation

The fully paid and issued share capital of the Issuer amounts to CHF 100,000, divided into 100 registered shares (*Namenaktien*) with a par value of CHF 1,000 each, fully paid in. The Issuer has legal reserves in the amount of CHF 50,000. The Issuer has no authorised share capital and no conditional share capital. BANK-now holds 98% of the shares of the Issuer with the remaining 2% being held by two (2) Independent Shareholders.

The shares rank *pari passu* in all respects with each other, including in respect of voting rights, entitlement to dividends, share of the liquidation proceeds in the case of a liquidation of the Issuer, and pre-emptive subscription rights. The Issuer does not issue any share carrying preferential subscription rights nor similar entitlements. Each share carries one vote.

### Group Structure and Control of the Issuer

The Issuer was incorporated as a wholly owned subsidiary of BANK-now and 2% of the shares were subsequently transferred to two (2) individuals who are not affiliated with BANK-now in any way (the "**Independent Shareholders**") (each holding 1% of the shares in the Issuer). The Issuer's Board of Directors consists of four (4) directors of which two (2) are independent from BANK-now. Certain measures have been implemented to mitigate any potential concerns regarding BANK-now's controlling position as a majority shareholder and on the Board of Directors, including the addition of provisions in the Issuer's Articles that:

- (a) shareholder resolutions in respect of the Shareholder Reserved Matters will require the consent of BANK-now and at least one (1) Independent Shareholder (i.e., 99 per cent. of all shares of the Issuer); and
- (b) any decisions by the Board of Directors relating to the Board Reserved Matters require the consent of an Independent Director.

### Shareholders' Agreement

BANK-now and the two (2) Independent Shareholders have entered into a shareholders' agreement dated 15 May 2023 (the "**Shareholders' Agreement**") pursuant to which the parties have agreed, *inter alia*, that:

- (a) the Independent Shareholders will act and vote independently from BANK-now;
- (b) shareholder resolutions in respect of the Shareholder Reserved Matters will require at least 99 per cent. of all shares of the Issuer (i.e. the consent of BANK-now and at least one (1) Independent Shareholder);
- (c) following the occurrence of a Seller Event of Default, BANK-now will procure that the members of the Board of Directors (other than the Independent Directors) resign and that their signatory authority is withdrawn; and

- (d) following the resignation of a member of the Board of Directors, the Independent Shareholders and BANK-now shall elect without delay an additional member of the Board of Directors who shall be (i) in case of a member of the Board of Directors other than the Independent Directors (and in case of an event other than a resignation following the occurrence of a Seller Event of Default), a member of BANK-now and (ii) in case of an Independent Director, someone independent from BANK-now within the meaning of cipher 14 of the Swiss Code on Best Practice for Corporate Governance.

In addition, the Shareholders' Agreement provides for a call option of BANK-now should certain events occur with respect of the Independent Shareholders (such as death, divorce, bankruptcy, etc.). In the event an Independent Shareholder does not comply with its obligation to purchase, BANK-now will be obliged to do so. In either case, the relevant shares so transferred shall be sold and transferred to a successor Independent Shareholder which agrees to accede to the Shareholders' Agreement.

### **Financial Year and Financial Statements**

Since its date of incorporation, the Issuer has not commenced operations or made any dividend distributions and no financial statements of the Issuer have been prepared as at the date of this Prospectus, apart from the below mentioned audited opening balance sheet. The Issuer intends to publish its first financial statements in respect of the period ending on 31 December 2023. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each calendar year. The Issuer has prepared an audited opening balance sheet as per 4 April 2023 (see "*Annex — Issuer's opening Balance Sheet*").

The annual financial statements of the Issuer will comply with the CO, the BA, the Banking Ordinance, the FINMA Accounting Ordinance and FINMA circular 2020/1, "*Accounting rules for banks, securities dealers, financial groups and conglomerates*" as applicable for the preparation of "*reliable assessment statutory single-entity financial statements*" (*Statutarischer Einzelabschluss mit zuverlässiger Darstellung*) pursuant to FINMA circular 2020/1, and the Issuer's Articles.

### **Auditors**

The auditors of the Issuer are obliged to have their domicile or a registered subsidiary in Switzerland and in accordance with Articles 728 and 729 et seq. CO, the Auditors have to be independent. The Issuer's auditors will be elected for a term of one year and their term will end with the acceptance of the last financial statements. Re-election of the auditors is possible.

The Issuer has appointed PricewaterhouseCoopers AG, a stock corporation (*Aktiengesellschaft*) incorporated in Switzerland under register number CHE-106.839.438 having its registered office at Birchstrasse 160, 8050 Zürich, Switzerland as its independent auditor. PricewaterhouseCoopers AG is registered with the EXPERTsuisse-Swiss Expert Association for Audit, Tax and Fiduciary. PricewaterhouseCoopers AG is also supervised by and registered with the Swiss Federal Audit Oversight Authority (FAOA), which is responsible for the licensing and supervision of audit firms and individuals that provide audit services in Switzerland, under the register number 500003.

### **Legal Proceedings**

The Issuer is not, nor has it been since its incorporation, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) since incorporation which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.

### **No material adverse change**

Since its incorporation, and except as disclosed herein, there has been no material adverse change in the assets and liabilities, financial position and profits and losses of the Issuer.

### **Publications**

Communications from the Issuer to the shareholders are sent by letter or email, or in any other form that allows proof by text, to each shareholder's address according to the Issuer's shares register. Unless otherwise required by law, the Board of Directors may also publish such communications in the Swiss Official Gazette of Commerce.

### **Information Policy**

Information about the Issuer and the Notes will be published at: <https://bank-now.ch/en/ueber-bank-now/medien-und-publikationen/investor-relations> and [https://bank-now.ch/en/ueber-bank-now/medien-und-publikationen/investor-reports](https://bank-now.ch/en/ueber-bank-now/medien-und-publikationen/investor-relations/investor-reports).

On each Payment Date, the Cash Manager will (a) deliver an Investor Report to the Issuer (with a copy to the Trustee and Bondholders' Representative, the Principal Paying Agent, the Rating Agencies, the Sole Arranger and



Lead Manager and the Servicing Facilitator) and (b) for so long as the Notes are outstanding, make the Investor Report freely available on BANK-now's website (<https://bank-now.ch/en/ueber-bank-now/medien-und-publikationen/investor-relations/investor-reports>) for dissemination to Noteholders and on Bloomberg.

The Issuer shall cause the Principal Paying Agent to publish any notice in respect of the Notes in accordance with the relevant provisions under the Conditions and on behalf of and at the expense of the Issuer or the Trustee, as the case may be, (a) on the internet site of the SIX Swiss Exchange (where notices are currently published under the address [www.six-exchange-regulation.com/en/home/publications/official\\_notices.html](http://www.six-exchange-regulation.com/en/home/publications/official_notices.html)) or (b) otherwise in accordance with the regulations of the SIX Swiss Exchange. Any notice so given shall be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication. In addition, any notice relating to a Meeting or the result of the voting on any Extraordinary Resolution shall be published by the Issuer in the Swiss Official Gazette of Commerce.

The information contained on these websites or other securities filings do not form part of this Prospectus unless otherwise specifically incorporated by reference herein.

**THE TRUSTEE AND BONDHOLDERS' REPRESENTATIVE**

ProServices Trustees (Switzerland) AG has been appointed as Trustee pursuant to the Trust Agreement and Bondholders' Representative under the Conditions and the Claims Pledge Agreement. ProServices Trustees (Switzerland) AG is a company incorporated under the laws of Switzerland and is registered with the commercial register of the Canton of Zurich with register number CHE-454.193.899 and with registered office at Mühlebachstrasse 54, 8008 Zurich, Switzerland.

ProServices Trustees (Switzerland) AG is regulated in Switzerland by the VQF, a self-regulatory body recognised by the Swiss Federal State according to Article 24 of the Swiss Federal Act on Combating Money Laundering and Terrorist Financing in the Financial Sector.

ProServices Trustees (Switzerland) AG provides establishment and management of trusts, foundations, companies, and partnerships, as well as fiduciary services of all kinds in Switzerland and abroad. ProServices Trustees (Switzerland) AG is wholly-owned by Amicorp Switzerland AG.

This description of the Bondholders' Representative and the Trustee does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Conditions (see "*TERMS AND CONDITIONS OF THE NOTES*") and the Transaction Documents (see "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS*"), in particular, with regards to the authority of the Trustee and Bondholders' Representative, the conditions under which the Trustee and the Bondholders' Representative may be replaced and the applicable law and place of jurisdiction.

Copies of the Conditions and the Transaction Documents (including the Claims Pledge Agreement and the Trust Agreement) are available in physical form for inspection during usual business hours at the offices of the Issuer and the Specified Office of the Principal Paying Agent for the life of the Notes (see "*GENERAL INFORMATION*" — "*Availability of Documents*").

## **THE CASH MANAGER**

Amicorp Switzerland AG having its registered office at Mühlebachstrasse 54 8008 Zurich, Switzerland and registered with the commercial register of the Canton of Zurich with register number CHE-100.617.804 has been appointed as Cash Manager under the Cash Management Agreement.

This description of the Cash Manager does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Cash Management Agreement and the other Transaction Documents (See "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS*").

The delivery of this Prospectus will not create any implication that there has been no change in the affairs of the Cash Manager since the date hereof, or that the information contained or referred to in this section is correct as of any time subsequent to its date.

**THE ACCOUNT BANK**

For the purposes of the Transaction, Credit Suisse (Schweiz) AG will act as the Account Bank.

Credit Suisse (Schweiz) AG, has its principal office at Paradeplatz 8, 8001 Zurich, Switzerland and is registered with the commercial register of the Canton of Zurich under number CHE-166.233.400. Currently, Credit Suisse (Schweiz) AG is rated "A-" by Fitch and "A-" by S&P.

The information in the preceding paragraph has been provided by the Account Bank for use in this Prospectus and the Account Bank is solely responsible for the accuracy of the preceding paragraph. Except for the foregoing paragraph, the Account Bank have not been involved in the preparation of and do not accept responsibility for, this Prospectus.

**THE CORPORATE SERVICER AND THE SERVICING FACILITATOR**

Amicorp Switzerland AG, having its registered office at Mühlebachstrasse 54, 8008 Zurich, Switzerland and registered with the commercial register of the Canton of Zurich with register number CHE-100.617.804, will be appointed to provide corporate services to the Issuer pursuant to the Corporate Services Agreement and to act as Servicing Facilitator pursuant to the Servicing Facilitator Agreement.

This description of the Corporate Servicer and the Servicing Facilitator does not purport to be a summary of, and is therefore subject to, and qualified in its entirety by reference to, the detailed provisions of the Corporate Services Agreement, the Servicing Facilitator Agreement and the other Transaction Documents (See "*DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS*").

## TERMS AND CONDITIONS OF THE NOTES

The following terms and conditions (each a "**Condition**", and together the "**Conditions**") govern the rights and obligations of the Issuer (as defined below) and each Noteholder (as defined below) in relation to the CHF 215,000,000 Class A 2.9775 per cent. fixed rate asset-backed notes (the "**Notes**"), issued by Auto lease-now 2023-1 AG (the "**Issuer**"), a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland with register number CHE-243.864.317, on the Issue Date.

Pursuant to a claims pledge agreement (the "**Claims Pledge Agreement**") dated on or about the Signing Date between the Issuer, ProServices Trustees (Switzerland) AG as Bondholders' Representative (as defined below), acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of each Noteholder and other Secured Creditors, the Issuer provided the Security (as defined below) to the Bondholders' Representative, acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of each Noteholder and other Secured Creditor (see "**MATERIAL TERMS OF THE CLAIMS PLEDGE AGREEMENT**").

Pursuant to a principal paying agency agreement (the "**Principal Paying Agency Agreement**") dated on or about the Signing Date between the Issuer, the Trustee and Bondholders' Representative, the Sole Arranger and Credit Suisse AG as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression shall include any Successor Principal Paying Agent) provision is made for the payment of principal and interest in respect of the Notes.

Any reference to "**Noteholders**" or "**Holders**" in relation to any Notes shall mean if such Notes are held in the form of Intermediated Securities (as defined herein), the person holding such Note in a securities account (*Effektenkonto*) that is in such person's name or, in the case of intermediaries (*Verwahrungsstellen*), the intermediary holding such Notes for its own account in a securities account that is in its name.

These Conditions include summaries of, and are subject to the detailed provisions of, the other Transaction Documents. Copies of the Trust Agreement, the Principal Paying Agency Agreement, the Claims Pledge Agreement and the other Transaction Documents (other than copies of the Subscription Agreement) are available in physical form for inspection during usual business hours at the office of the Issuer and the Specified Office of the Principal Paying Agent for the life of the Notes. References to each of the Transaction Documents are to the relevant Transaction Document as from time to time amended in accordance with its provisions and/or any agreement or other document expressed to be supplemental to it, as from time to time so modified.

Capitalised terms and expressions used and not otherwise defined in these Conditions shall have the meanings given to them in Condition 22 (*Definitions*) and if not defined in Condition 22 (*Definitions*) in the "**GLOSSARY OF DEFINED TERMS**".

### 1. FORM AND DENOMINATION

- (a) The Notes are issued in the initial aggregate principal amount of CHF 215,000,000 and are divided into Notes with denominations of CHF 5,000 and integral multiples thereof.
- (b) The Notes are issued in the form of simple uncertificated securities (*einfache Wertrechte*) within the meaning of article 973c CO (the "**Uncertificated Notes**"). The Uncertificated Notes will be entered into the main register (*Hauptregister*) of SIX SIS AG (the "**SIX SIS**") or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (SIX SIS or any other such intermediary, the "**Intermediary**") on or prior to the Issue Date. Once the Uncertificated Notes are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Uncertificated Notes will constitute intermediated securities (*Bucheffekten*) (the "**Intermediated Securities**") within the meaning of the FISA.
- (c) So long as the Uncertificated Notes constitute Intermediated Securities, they may only be transferred or otherwise disposed of by the entry of the transferred Uncertificated Note in a securities account (*Effektenkonto*) of the transferee in accordance with the FISA.
- (d) The records of the Intermediary will determine the nominal amount of the Notes and the number of Notes held through each participant in the Intermediary.
- (e) No individually certificated Notes (*Wertpapiere*) will be printed or delivered. None of the Issuer, the Noteholders, the Principal Paying Agent, the Issuer or any other party will at any time have the right to effect or demand the conversion of the Uncertificated Notes into, or the delivery of a

permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*).

## 2. STATUS AND PRIORITY

- (a) The Notes constitute direct, secured and (subject to Condition 3.2 (*Limited recourse; extinguishment of claims*)) unconditional obligations of the Issuer.
- (b) The Notes rank *pari passu* without preference or priority amongst themselves. With respect to the other obligations of the Issuer, the obligations of the Issuer under the Notes rank in accordance with the applicable Priority of Payments as set out in Condition 9 (*Priority of Payments*).

## 3. PROVISION OF SECURITY; LIMITED PAYMENT OBLIGATION; NON-PETITION

### 3.1 Security

- (a) The Issuer provides the Security Interests pursuant to the Claims Pledge Agreement and may provide further Security Interests under any other Security Agreements (if any) (the "**Security**"). In addition, the Claims Pledge Agreement includes certain other provisions related to the Security, including enforcement (see "*MATERIAL TERMS OF THE CLAIMS PLEDGE AGREEMENT*").
- (b) Pursuant to Clause 6 (*Pledge of Pledged Claims*) and Clause 7 (*Pledge of Securities Account Assets*) of the Claims Pledge Agreement and on the other terms and conditions set out in the Claims Pledge Agreement, the Issuer Pledges (as defined in the Claims Pledge Agreement) to the Bondholders' Representative (acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) of the Noteholders and the other Secured Creditors): (i) all assets held in the Securities Account and all monies standing from time to time to the credit of the Cash Accounts (i.e. the Issuer's claims against the Account Bank); (ii) all existing and future Lease Receivables held by the Issuer together with related Ancillary Rights; (c) all existing and future Dealer Receivables held by the Issuer together with related Ancillary Rights; (d) all existing and future rights and claims of the Issuer in connection with the Residual Value Proceeds together with related Ancillary Rights; and (e) all existing and future rights and claims of, and proceeds accruing to, the Issuer under or in connection with the Transaction Documents to the extent capable of being pledged (other than the Claims Pledge Agreement).

### 3.2 Limited recourse; extinguishment of claims

- (a) All payments of principal, interest or any other amounts to be made by the Issuer in respect of the Notes will be payable only from, and to the extent of, the sums paid to, or recovered by or on behalf of, the Issuer and shall be limited to the Issuer's Assets available to meet such obligations from time to time and as applied pursuant to the relevant Priority of Payments.
- (b) Upon distribution of all Available Post-Enforcement Funds in accordance with the Post-Enforcement Priority of Payments, the Noteholders shall have no further claims and neither the Trustee and Bondholders' Representative nor the Noteholders or any other Transaction Party shall take any further steps against the Issuer to recover any sum still unpaid and any remaining obligations to pay such amount shall be extinguished.
- (c) The limitations set forth in this Condition 3.2 shall also apply after the initiation of bankruptcy proceedings against the Issuer, provided that it is understood that the competent liquidator, administrator or similar official appointed in respect of the Issuer shall be competent to calculate the relevant amounts set forth in this Condition 3.2

### 3.3 Non-petition

- (a) As a condition to subscribing for any Note, each Noteholder agrees that for so long as the Notes are outstanding and until the expiry of a period ending 366 days after the Final Discharge Date:
  - (i) it will not take any legal steps nor institute any legal proceedings against the Issuer or its assets or corporate bodies for the purpose of asserting or enforcing any of its rights or claims against the Issuer; in particular, it will not:
    - (A) file a request for payment (*Betriebsbegehren*) under the DEBA or otherwise initiate any debt collection, attachment or enforcement proceedings against the Issuer or support any such proceedings; or
    - (B) initiate any arbitration, court, administrative or other proceedings against the Issuer, its assets or executive bodies, or support any such proceedings, except for

- any such action (a) solely seeking declaratory relief without requesting the adjudication of damages, or (b) solely seeking specific performance of the Issuer's obligations under the Transaction Documents; or
- (C) except as explicitly provided for in the Transaction Documents, exercise any right of set-off;
- (ii) it will not take any steps nor institute any proceedings to procure or initiate the bankruptcy, winding up, liquidation, restructuring, administration or any similar procedure in respect of the Issuer, and, in particular, it will not initiate or support any Insolvency Proceedings against the Issuer; and
- (iii) other than by virtue of filing any of its claims in an insolvency of the Issuer, it will not claim, rank, prove or vote as creditor of the Issuer or its estate in competition with any prior ranking creditors in the relevant Priority of Payments until all amounts then due and payable to creditors who rank higher in the relevant Priority of Payments have been paid in full,
- (b) provided, however, that Conditions 1.1(a)(i)(A), 31.1(a)(i)(B) and 1.1(a)(i)(C) shall become inapplicable if the Issuer is adjudicated bankrupt by a competent Swiss court. In such case, the Bondholders' Representative, acting for itself and as direct representative (*direkter Stellvertreter*) of the Noteholders and each Noteholder shall submit its claims against the Issuer with the bankruptcy administrator of the Issuer and clarify that the claims are subject to rights of higher ranking creditors pursuant to the Post-Enforcement Priority of Payments.

#### 4. EVENTS OF DEFAULT AND ENFORCEMENT

##### 4.1 Events of Default relating to the Issuer

- (a) An "**Issuer Event of Default**" means any of the following events:
- (i) an Insolvency Event occurs with respect to the Issuer;
- (ii) the Issuer defaults in the payment of any interest on the Notes then outstanding when the same becomes due and payable and such default continues for a period of three (3) Business Days;
- (iii) the Issuer defaults in the payment of principal in respect of the Notes then outstanding when the same becomes due and payable and such default continues for a period of three (3) Business Days; and/or
- (iv) the Issuer fails to perform any of its material obligations under the Transaction Documents, other than any obligation referred to in Condition 4.1(a)(ii) or Condition 4.1(a)(iii) and any obligation to pay the Subordinated Loan Provider, and such failure remains unremedied for thirty (30) calendar days after written notification by the Bondholders' Representative requiring such default to be remedied.
- (b) If any Issuer Event of Default occurs (other than the occurrence of an Insolvency Event with respect to the Issuer pursuant to Condition 4.1(a)(i)), the Bondholders' Representative may in its sole discretion (after being notified of the occurrence of such event by the Issuer (subject to being indemnified and/or pre-funded and/or secured to its satisfaction) (such notice, the "**Issuer Event of Default Notice**")), and
- (i) if so directed in writing by the Holders of at least 25 per cent. of the Aggregate Note Principal Amount Outstanding then outstanding; or
- (ii) if so directed by an Extraordinary Resolution of the Noteholders,
- the Bondholders' Representative shall, deliver a notice to the Issuer (with a copy to the Trustee and Bondholders' Representative, the Cash Manager, the Account Bank, the Servicing Facilitator and the Principal Paying Agent, provided that failure to deliver any such copy shall not invalidate such notice) declaring the Notes to be immediately due and payable (such notice, the "**Acceleration Notice**").
- (c) Upon the occurrence of an Insolvency Event with respect to the Issuer pursuant to Condition 4.1(a)(i), the Notes shall be automatically declared to be and become immediately due and payable (without any requirement to deliver an Acceleration Notice).



- (d) The delivery of an Acceleration Notice pursuant to Condition 4.1(b) or the occurrence of an Insolvency Event pursuant to Condition 4.1(c), shall constitute an "**Enforcement Event**". Upon the occurrence of an Enforcement Event:
  - (i) the Notes shall become due and payable at their then current Note Principal Amount Outstanding together with accrued but unpaid interest in accordance with the Post-Enforcement Priority of Payments; and
  - (ii) the Security shall become enforceable in accordance with Clause 14 (*Enforcement*) of the Claims Pledge Agreement, and any other Security Agreements (if any).

## 5. RESTRICTED ACTIVITIES OF THE ISSUER

As long as the Notes remain outstanding, the Issuer shall not be permitted to issue further securities, or to enter into related transaction documents, unless the board of directors of the Issuer shall have approved the issuance of such securities and the entry into such related transaction documents and the Issuer shall have notified the Rating Agencies in writing of such approval.

## 6. PAYMENTS ON THE NOTES

### 6.1 Interest Payment Dates

Payments of interest in respect of the Notes to the Noteholders shall become due and payable on each Interest Payment Date subject to the applicable Priority of Payments.

### 6.2 Principal Payment Dates

Payments of principal on the Notes will be made on each Payment Date in accordance with Condition 8 (*Redemption*) and subject to the applicable Priority of Payments. For the avoidance of doubt, no payments of principal on the Notes shall be made on any Monthly Payment Date falling during the Revolving Period.

### 6.3 Payments and discharge

- (a) Payments of principal and interest in respect of the Notes shall be made by the Issuer, through the Principal Paying Agent or otherwise provided for, in accordance with the applicable Priority of Payments, on each Payment Date for subsequent transfer to the Noteholders in accordance with Condition 7 (*Payments of Interest*) or Condition 8 (*Redemption*), as applicable.
- (b) Each payment of principal or interest in respect of the Notes made by the Issuer to the Principal Paying Agent, in the manner provided in the Principal Paying Agency Agreement, shall satisfy the relevant payment obligation of the Issuer, except to the extent that the Principal Paying Agent defaults in the subsequent payment thereof to the Noteholders under these Conditions.
- (c) If any payment of principal or interest in respect of the Notes is made after the due date, payment shall be deemed not to have been made until the date on which the full amount (together with interest accrued to that date) has been received by the Principal Paying Agent.

## 7. PAYMENTS OF INTEREST

### 7.1 Interest Calculation

- (a) Subject to the limitations set forth in Condition 3.2 (*Limited recourse; extinguishment of claims*) and subject to Condition 9.2 (*Pre-Enforcement Priority of Payments*) and, upon the occurrence of an Enforcement Event, the Post-Enforcement Priority of Payments, each Note shall bear interest on its Note Principal Amount Outstanding at the applicable Interest Rate from (and including) the Initial Purchase Date until (but excluding) the Business Day on which such Note has been redeemed in full, and shall be payable for each Interest Period in arrears in CHF on the immediately following Interest Payment Date.
- (b) On each Interest Payment Date for the relevant Interest Period, the Note Interest Amount will be equal to the product of:
  - (i) the applicable Interest Rate for the Notes;
  - (ii) the Day Count Fraction; and
  - (iii) the Note Principal Amount Outstanding of the Notes immediately following the preceding Interest Payment Date,

rounded to the nearest CHF 0.01 (with CHF 0.005 being rounded upwards).

(c) For the purposes of these Conditions:

**"Day Count Fraction"** means, with respect to each Interest Period, the number of days in such Interest Period *divided by* 360 (the number of days to be calculated on the basis that each calendar month falling in such Interest Period comprises no more than thirty (30) calendar days);

**"Interest Payment Date"** means (a) 23 February of each year during the Revolving Period (provided no Early Amortisation Event has occurred) and (b) on and following the end of the Revolving Period, the Optional Redemption Date and each Monthly Payment Date thereafter, or in each case, in the event that such day is not a Business Day, the next following Business Day unless that day falls in the next calendar month in which case the day will be the first preceding day that is a Business Day. The first Interest Payment Date shall be 23 February 2024;

**"Interest Period"** means the period commencing on (and including) an Interest Payment Date (or, in the case of the first Interest Period, the Initial Purchase Date) and ending on (but excluding) the next succeeding Interest Payment Date; and

**"Interest Rate"** means the interest rate payable in respect of the Notes for each Interest Period, which is 2.9775 per cent. per annum prior to the Step-Up Date and from and including the Step-Up Date 3.1775 per cent. per annum.

## 7.2 Calculation and notification of the Note Interest Amount

In accordance with the Cash Management Agreement, the Cash Manager shall, as soon as practicable on or after each relevant Calculation Date, determine the relevant Interest Period, the Note Interest Amount and Interest Payment Date with respect to each Note and shall notify the Principal Paying Agent thereof. The Issuer shall cause the Principal Paying Agent to prepare a communication to the Noteholders in accordance with Condition 19 (*Form of Notices*) based on the information it receives from the Cash Manager.

## 7.3 Calculations during a Servicer Report Unavailability Period

During a Servicer Report Unavailability Period, the Cash Manager shall calculate the amounts payable pursuant to the applicable Priority of Payments in accordance with Clause 8.2 (*Calculations during a Servicer Report Unavailability Period*) of the Cash Management Agreement. Upon receipt of the Servicer Report delivered at the end of a Servicer Report Unavailability Period, the Cash Manager shall calculate the amounts payable in accordance with the then applicable Priority of Payments on any Payment Date that occurred during the Servicer Report Unavailability Period by reference to such Servicer Report. In the event that the Cash Manager identifies any differences between the amounts paid in accordance with the applicable Priority of Payments during the Servicer Report Unavailability Period and the amounts payable pursuant to the Transaction Documents as specified in such Servicer Report the Cash Manager shall, notwithstanding any other provision in the Servicing Agreement, reconcile such differences (other than in respect of the amounts payable to the Servicer), to the extent possible by (i) crediting and debiting the Ledgers as necessary and (ii) increasing or decreasing the amounts payable to the relevant parties in accordance with applicable Priority of Payments on the Payment Date immediately following the Cash Manager's receipt of such Servicer Report. Notwithstanding the foregoing, any payments of principal of the Notes during a Servicer Report Unavailability Period shall be a permanent redemption of such Notes and the Aggregate Note Principal Amount Outstanding shall be calculated accordingly.

## 8. REDEMPTION

### 8.1 Mandatory repayment

Prior to the end of the Revolving Period, no redemption of the Notes will occur. Following the end of the Revolving Period, on each Payment Date (that is not the Optional Redemption Date and is prior to the occurrence of an Enforcement Event) the Issuer shall apply the Available Distribution Amount to redeem the Notes in an amount up to the Note Principal Required Amount in accordance with the Pre-Enforcement Priority of Payments. Following the occurrence of an Enforcement Event, on each Payment Date, the Issuer or the Trustee and Bondholders' Representative shall, or shall cause the Cash Manager to, apply the Available Distribution Amount to redeem the Notes until the Aggregate Note Principal

Amount Outstanding has been reduced to zero in each case in accordance with the Post-Enforcement Priority of Payments.

## 8.2 Optional early redemption on the Optional Redemption Date

The Issuer may at its option redeem all but not part of the Notes on the Optional Redemption Date by giving not less than 30 (thirty) calendar days' notice to the Trustee and Bondholders' Representative and the Noteholders in accordance with Condition 19 (*Form of Notices*). An early redemption of the Notes pursuant to this Condition 8.2 (*Optional early redemption on the Optional Redemption Date*) will be at an amount equal to the then Aggregate Note Principal Amount Outstanding, together with accrued (and unpaid) interest on the Aggregate Note Principal Amount Outstanding up to but excluding the Optional Redemption Date, plus the sum required to discharge in full all amounts ranking in priority to or *pari passu* with the Notes on such Optional Redemption Date in accordance with the Pre-Enforcement Priority of Payments.

## 8.3 Optional early redemption following the end of the Revolving Period

- (a) Following the end of the Revolving Period and upon giving not less than 30 (thirty) calendar days' notice to the Trustee and Bondholders' Representative and the Noteholders in accordance with Condition 19 (*Form of Notices*), the Issuer may redeem all but not part of the Notes, provided that:
  - (i) on or prior to the Interest Payment Date on which such notice expires, no Enforcement Event has occurred;
  - (ii) the Issuer has, immediately prior to giving such notice, provided to the Trustee and Bondholders' Representative a certificate signed by two (2) Board Members to the effect that the Issuer will have the necessary funds to pay the Aggregate Note Principal Amount Outstanding and interest due in respect of the Notes to be redeemed on the relevant Interest Payment Date and to discharge all other amounts required to be paid in priority to or *pari passu* with the Notes on such Interest Payment Date in accordance with the Pre-Enforcement Priority of Payments; and
  - (iii) the date of redemption (the "**Early Redemption Date**") will be an Interest Payment Date.
- (b) Any Note redeemed pursuant to Condition 8.3 (*Optional early redemption following the end of the Revolving Period*) will be redeemed in accordance with the Pre-Enforcement Priority of Payments at an amount equal to its Note Principal Amount Outstanding together with accrued (and unpaid) interest on the Note Principal Amount Outstanding of such Note up to but excluding the Early Redemption Date.
- (c) Early redemption of the Notes pursuant to this Condition 8.3 (*Optional early redemption following the end of the Revolving Period*) may not be effected if the Issuer is unable to fully satisfy its obligations as specified under Condition 8.3(a) above.
- (d) Upon payment in full of the amounts pursuant to Condition 8.3(b) to the Noteholders, the Noteholders shall not receive any further payments of interest or principal.

## 8.4 Optional redemption for taxation reasons

Upon the occurrence of a Tax Event which is continuing, the Issuer may redeem all but not part of the Notes at their Note Principal Amount Outstanding together with accrued (and unpaid) interest on the Note Principal Amount Outstanding of such Notes up to but excluding the date of such redemption (the "**Tax Event Redemption Date**"), subject to the following:

- (a) the Issuer satisfies the Trustee and Bondholders' Representative immediately before giving the notice referred to below that such Tax Event is continuing and the substitution of the Issuer or a change in its tax residence to another jurisdiction would not avoid the effect of the Tax Event or that, having used its reasonable endeavours, the Issuer is unable to arrange such a substitution;
- (b) the Issuer has given not more than sixty (60) nor less than thirty (30) calendar days' notice to the Noteholders in accordance with Condition 10 (*Notifications*) and to the Trustee and Bondholders' Representative; and
- (c) prior to publication of any notice of redemption pursuant to this Condition 8.4 (*Optional redemption for taxation reasons*), the Issuer shall deliver to the Trustee and Bondholders' Representative a certificate signed by two (2) Board Members stating that (A) the Tax Event is

continuing and the substitution of the Issuer or a change of its tax residence to another jurisdiction would not avoid the effect of the Tax Event or that, having used its reasonable endeavours, the Issuer is unable to arrange such a substitution; and (B) the Issuer will have the necessary funds to pay all principal and interest due in respect of the Notes on the relevant Payment Date and any amounts required under the relevant Priority of Payments to be paid in priority to, or *pari passu* with, the Notes outstanding in accordance with the terms and conditions thereof and the Trustee and Bondholders' Representative shall be entitled to accept the certificate as sufficient evidence of the satisfaction of the conditions precedent set out above, and, if it does so, it shall be conclusive and binding on the Noteholders.

#### 8.5 Final Maturity Date

On the Monthly Payment Date falling in February 2032 (the "**Final Maturity Date**"), the Notes shall, subject to the applicable Priority of Payments, unless previously redeemed and cancelled, be redeemed in full at the then-current Aggregate Note Principal Amount Outstanding together with accrued (and unpaid) interest up to but excluding the Final Maturity Date subject to Condition 3.2 (*Limited recourse; extinguishment of claims*).

#### 8.6 Purchase

The Issuer may not purchase any Notes.

#### 8.7 Cancellation

All Notes redeemed pursuant to the foregoing provisions shall be cancelled forthwith and may not be reissued or resold.

### 9. PRIORITY OF PAYMENTS

#### 9.1 Available Distribution Amount

"Available Distribution Amount" means:

- (a) subject to (b) below, for each Monthly Payment Date, the sum (without duplication) of the following amounts (calculated by the Cash Manager pursuant to the Cash Management Agreement, which shall, in the absence of manifest error be binding on Noteholders pursuant to Condition 11 (*Principal Paying Agent and Cash Manager; Determinations Binding*)) as of the immediately preceding Calculation Date, which shall be applied by the Issuer or the Cash Manager according to the applicable Priority of Payments on such Monthly Payment Date:
  - (i) if such Monthly Payment Date is an Interest Payment Date, any amounts standing to the credit of the Note Interest Account;
  - (ii) any amounts standing to the credit of the Subordinated Loan Ledger;
  - (iii) any Collections collected or received, as the case may be, during the immediately preceding Determination Period;
  - (iv) any amounts standing to the credit of the Payment Account;
  - (v) any VAT Recovery received during the immediately preceding Determination Period and standing on the credit of the Collection Account on such Payment Date;
  - (vi) any Investment Earnings accrued during the immediately preceding Determination Period and standing to the credit of the Transaction Accounts on such Payment Date;
  - (vii) if such Monthly Payment Date is the first Payment Date falling on the final day of, or following the end of, the Revolving Period, any amount standing to the credit of the Replenishment Ledger on such Payment Date;
  - (viii) any amounts standing to the credit of the Cash Reserve Account; or
- (b) on the Optional Redemption Date (provided that the Issuer has elected to exercise its option to redeem the Notes in full pursuant to Condition 8.2 (*Optional early redemption on the Optional Redemption Date*)), the Early Redemption Date, the Tax Event Redemption Date, the Final Maturity Date or following the occurrence of an Enforcement Event, all amounts standing to the credit of the Collection Account, the Note Interest Account, the Cash Reserve Account and the Deposit Account, other than:

- (i) the amount necessary (if any) to cause the balance standing to the credit of the Deposit Account to equal the Deposit Required Amount, and
- (ii) any amount standing to the credit of the VAT Ledger.

## 9.2 Pre-Enforcement Priority of Payments

On each Monthly Payment Date falling prior to the occurrence of an Enforcement Event, the Issuer shall, or shall cause the Cash Manager to, apply the Available Distribution Amount as of the Calculation Date immediately preceding such Monthly Payment Date in accordance with the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full and to the extent permitted by applicable law) (the "**Pre-Enforcement Priority of Payments**"):

- (a) *first*, to pay the relevant Tax Authority any taxes that are due and payable by the Issuer;
- (b) *second*, to pay:
  - (i) if such Monthly Payment Date occurs prior to a VAT Trigger Event, an amount up to the VAT Output Reimbursement to the Servicer; or
  - (ii) if such Monthly Payment Date occurs following a VAT Trigger Event, the amount required to cause the balance standing to the credit of the VAT Ledger to equal to the VAT Aggregate Required Amount to the VAT Ledger;
- (c) *third*, to pay or provide for payment of, on a *pro rata* and *pari passu* basis all amounts due and payable to the Trustee and Bondholders' Representative pursuant to the Transaction Documents;
- (d) *fourth*, to pay, on a *pro rata* and *pari passu* basis, to each applicable party, the Senior Expenses;
- (e) *fifth*, if such Monthly Payment Date (i) is not an Interest Payment Date, to credit to the Note Interest Account, the amount required to cause the balance standing to the credit of the Note Interest Account to equal the Note Interest Required Amount; or (ii) is an Interest Payment Date, to pay *pro rata* and *pari passu* to the Noteholders, the amount equal to the Note Interest Amount;
- (f) *sixth*, to credit to the Cash Reserve Account, the amount required to cause the balance standing to the credit of the Cash Reserve Account to equal the Cash Reserve Required Amount to the extent required pursuant to the terms of the Cash Management Agreement;
- (g) *seventh*, if such Monthly Payment Date occurs (i) during the Revolving Period, to credit to the Replenishment Ledger, the amount required to cause the balance standing to the credit of the Replenishment Ledger to equal to the Required Replenishment Amount, and (ii) following the Revolving Period, to pay *pro rata* and *pari passu* to the Noteholders the amount equal to the Note Principal Required Amount;
- (h) *eighth*, to pay, *pro rata* and *pari passu*, any party for any amounts due and payable thereto under any Transaction Document (other than pursuant to the Subordinated Loan Agreement) to the extent such amount is not satisfied by an item ranking higher in priority hereto;
- (i) *ninth*, if such Monthly Payment Date occurs during the Revolving Period, to pay to the Subordinated Loan Provider in respect of the Subordinated Loan, the Fixed Disbursement Amount and an amount up to the Permitted Disbursement Amount for such Monthly Payment Date; and
- (j) *tenth*, to credit any remaining amounts to the Subordinated Loan Ledger.

## 9.3 Post-Enforcement Priority of Payments

On each Payment Date following the occurrence of an Enforcement Event, the Issuer or the Bondholders' Representative shall, or shall cause the Cash Manager to apply the Available Distribution Amount (including any amounts standing to the credit of the Transaction Accounts and all monies received or recovered by the Bondholders' Representative acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of each Noteholder and other Secured Creditor in respect of the Security pursuant to the Claims Pledge Agreement (see "**MATERIAL TERMS OF THE CLAIMS PLEDGE AGREEMENT**") or any other Security Agreement (if any)) as of the Calculation Date immediately preceding such Payment Date in accordance with the following order of priority (in each case if and to the extent payments of a higher order of priority have been made in full and to the extent permitted by applicable law) (the "**Post-Enforcement Priority of Payments**", together

with the Pre-Enforcement Priority of Payments, the "**Priorities of Payments**", each a "**Priority of Payments**"):

- (a) *first*, to pay to the relevant Tax Authority any taxes that are due and payable by the Issuer on such Business Day;
- (b) *second*, to pay:
  - (i) if such Monthly Payment Date occurs prior to a VAT Trigger Event, an amount up to the VAT Output Reimbursement to the Servicer; or
  - (ii) if such Monthly Payment Date occurs following a VAT Trigger Event, the amount required to cause the balance standing to the credit of the VAT Ledger to equal to the VAT Aggregate Required Amount to the VAT Ledger;
- (c) *third*, to pay, or provide for payment of, on a *pro rata* and *pari passu* basis all amounts due and payable to the Trustee and Bondholders' Representative (or a person delegated by the Bondholders' Representative pursuant to the Claims Pledge Agreement or/and by Trustee pursuant to the Trust Agreement) pursuant to the Transaction Documents;
- (d) *fourth*, to pay, on a *pro rata* and *pari passu* basis, to each applicable party, the Senior Expenses;
- (e) *fifth*, to pay *pro rata* and *pari passu* to the Noteholders all amounts due and payable in respect of accrued and unpaid interest on the Notes (including overdue interest);
- (f) *sixth*, to pay *pro rata* and *pari passu* to the Noteholders an amount equal to the Aggregate Note Principal Amount Outstanding;
- (g) *seventh*, to pay, *pro rata* and *pari passu*, any party for any amounts due and payable thereto under any Transaction Document (other than pursuant to the Subordinated Loan Agreement) to the extent such amount is not satisfied by an item ranking higher in priority hereto; and
- (h) *eighth*, to credit any remaining amounts to the Subordinated Loan Ledger.

#### 10. NOTIFICATIONS

- (a) The Principal Paying Agent shall notify (i) the Servicer, the Trustee and Bondholders' Representative and the Cash Manager in accordance with the Principal Paying Agency Agreement and (ii) the Noteholders, on behalf of the Issuer, in accordance with Condition 19 (*Form of Notices*):
  - (i) with respect to each Interest Payment Date, of the aggregate Note Interest Amount payable on such Interest Payment Date calculated pursuant to Condition 7.1 (*Interest Calculation*); and
  - (ii) in the event that the payments to be made on any Payment Date constitute the final payment with respect to the Notes pursuant to Condition 8.1 (*Mandatory repayment*), Condition 8.2 (*Optional early redemption on the Optional Redemption Date*), Condition 8.3 (*Optional early redemption following the end of the Revolving Period*), Condition 8.4 (*Optional redemption for taxation reasons*) or Condition 8.5 (*Final Maturity Date*) of the fact that such is the final payment.
- (b) In each case, such notification shall be made by the Principal Paying Agent as soon as practicable on or after the Calculation Date preceding the relevant Payment Date or Interest Payment Date, as applicable.

#### 11. PRINCIPAL PAYING AGENT AND CASH MANAGER; DETERMINATIONS BINDING

- (a) The Issuer has appointed Credit Suisse AG as Principal Paying Agent pursuant to the Principal Paying Agency Agreement and Amicorp Switzerland AG as Cash Manager pursuant to the Cash Management Agreement.
- (b) The Issuer shall procure that for as long as any Notes are outstanding there shall always be a Principal Paying Agent and a Cash Manager to perform the functions assigned to it in these Conditions. Pursuant to the Principal Paying Agency Agreement and the Cash Management Agreement, the Issuer may at any time, by giving not less than thirty (30) calendar days' notice by publication in accordance with Condition 19 (*Form of Notices*), replace the Principal Paying Agent or the Cash Manager by one or more other banks or other financial institutions which assume such functions. Pursuant to the Principal Paying Agency Agreement and the Cash

Management Agreement, each of the Principal Paying Agent or the Cash Manager shall act solely as agent for the Issuer and following the occurrence of an Enforcement Event, if so requested by the Bondholders' Representative, the Bondholders' Representative or such other person as it may designate from time to time and shall not have any agency, trustee or other fiduciary relationship with the Noteholders.

- (c) All Note Interest Amounts determined and other calculations and determinations made by the Cash Manager for the purposes of these Conditions shall, in the absence of manifest error, be final and binding.

## 12. TAXES

- (a) All payments in respect of the Notes will be made by the Issuer or the Principal Paying Agent (as the case may be) after the deduction and withholding of current or future Taxes, regardless of their nature, which are imposed, levied or collected under any Applicable Law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or Tax Authority, to the extent that such deduction or withholding is required by Applicable Law. The Issuer or the Principal Paying Agent (as the case may be) shall account for the deducted or withheld Taxes with the relevant Tax Authority and shall, upon request of a Noteholder, provide proof thereof. Neither the Issuer, the Principal Paying Agent nor any other person would be obliged to pay any additional amounts with respect to any Notes as a result of the deduction or imposition of such withholding or any other Tax.
- (b) In accordance with applicable Swiss laws in force at the Closing Date, the interest on the Notes shall be subject to the Swiss withholding tax, which is currently 35 per cent., calculated on the amount of interest payable on the Notes. The Swiss withholding tax will be deducted by the Issuer from the gross payment and paid directly to the Swiss Federal Tax Administration.
- (c) In accordance with applicable Swiss law in force at the Closing Date, any discount or premium on the issue price, if any, paid out upon redemption of the Notes shall be subject to the Swiss withholding tax, which is currently 35 per cent., calculated on the amount of discount or premium paid out upon redemption on the Notes. The Swiss withholding tax will be deducted by the Issuer upon redemption from the amount of principal payable pursuant to Condition 9.2 (*Pre-Enforcement Priority of Payments*) or 9.3 (*Post-Enforcement Priority of Payments*) (as applicable) and paid directly to the Swiss Federal Tax Administration.

## 13. APPOINTMENT OF BONDHOLDERS' REPRESENTATIVE

- (a) Each Noteholder and the Issuer hereby appoints and authorises ProServices Trustees (Switzerland) AG to act as bondholders' representative in the sense of article 1158 et seq. CO (*Anleihensvertreter*) for the purposes of the Conditions, the Claims Pledge Agreement and any other Security Agreement (if any) (the "**Bondholders' Representative**", which expression shall include any Successor Bondholders' Representative).
- (b) The Bondholders' Representative is hereby authorised in the sense of article 1159 CO by each Noteholder, in each case acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of each Noteholder and other Secured Creditor (i) to enter into the Claims Pledge Agreement and any other Security Agreement (if any) and accept, the Pledges pursuant to the Claims Pledge Agreement and any other accessory Security Interest (*akzessorische Sicherheit*) under any other Security Agreement (if any), (ii) to hold, administer, and, upon the occurrence of an Enforcement Event or if otherwise necessary, enforce the Pledges pursuant to the Claims Pledge Agreement and any other accessory Security Interest (*akzessorische Sicherheit*) under any other Security Agreement (if any), (iii) to effect any release of the Pledges pursuant to the Claims Pledge Agreement and any Security Interest under any other Security Agreement (if any), (iv) to exercise any other rights of the Bondholder Representative, the Noteholders and any other Secured Creditor under the Claims Pledge Agreement and any other Security Agreement (if any), (v) to hold the Pledges created pursuant to the Claims Pledge Agreement and any Security Interest pursuant to any other Security Agreement (if any) and any proceeds from the Pledges and Security Interests and (vi) to provide waivers, authorisations and determinations in respect, agree to amendments of and exercise additional rights of modification with respect to the Claims Pledge Agreement and any other Security Agreement (if any) pursuant to the Claims Pledge Agreement or other Security Agreement, as applicable, and Condition 16 (*Waiver, Authorisation and Determination*), Condition 17 (*Modification*) or Condition 18 (*Additional Right of Modification*), as applicable.

- (c) As a condition to subscribing for or purchasing any Note, each Noteholder acknowledges and agrees that pursuant to article 1159(3) CO to the extent that the Bondholders' Representative is entitled to act as bondholders' representative pursuant to this Condition 13 (*Appointment of Bondholders' Representative*), no Noteholder may independently exercise any rights under the Conditions, the Claims Pledge Agreement and any other Security Agreement (if any).
- (d) Without limiting the generality of Condition 13(c), each Noteholder further acknowledges and agrees that:
  - (i) the enforcement of payment obligations or any other obligations of the Issuer under the Notes shall only be effected by the Bondholders' Representative for the benefit of all Noteholders, and
  - (ii) the enforcement of the Pledges under the Claims Pledge Agreement and the exercise of any other rights thereunder as well as the enforcement of any Security Interest under any other Security Agreement (if any) shall only be effected by the Bondholders' Representative acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of the Noteholders and the other Secured Creditors. Consequently, no person (and in particular, no Noteholder) other than the Bondholders' Representative shall be entitled to (a) enforce any Security Interest, (b) exercise any rights claims, remedies or powers under any Security Agreement or in respect of any Security Interest and/or have otherwise any direct recourse to any Security Interest, in each case except through the Bondholders' Representative.
- (e) The Issuer and each Noteholder acknowledges and agrees that:
  - (i) the Bondholders' Representative may seek directions from or resolutions of the Noteholders in the form of Extraordinary Resolutions at any time pursuant to Condition 14 (*Meetings of Noteholders*) and shall not be liable for any action taken or omitted to be taken in accordance with such direction or resolution;
  - (ii) the Bondholders' Representative shall be protected and shall incur no Liability for or in respect of any action taken or not taken by it, except for Liabilities as a result of wilful misconduct, wilful default or gross negligence of the Bondholders' Representative; and
  - (iii) the Bondholders' Representative shall not be responsible for (a) supervising the performance of the Issuer and its obligations under the Conditions and the Bondholders' Representative will be entitled to assume, until it has received written notice to the contrary, that the Issuer is properly performing its duties; or (b) considering the basis on which approvals or consents are granted by the Issuer.
- (f) As long as any Notes are outstanding, the Issuer shall ensure that a Bondholders' Representative is appointed at all times as representative of the Noteholders pursuant to the Bondholder Provisions who undertakes to perform substantially the same functions and obligations as the Bondholders' Representative pursuant to the Conditions, the Claims Pledge Agreement and any other Security Agreement (if any).

#### **14. MEETINGS OF NOTEHOLDERS**

- (a) The Issuer may convene Meetings at any time and will be obliged to do so within 20 calendar days upon a request in writing from the Bondholders' Representative or by Noteholders representing not less than 5 per cent. of the Aggregate Note Principal Amount Outstanding.
- (b) Meetings of the Noteholders in accordance with the Bondholder Provisions may consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of any modification of these Conditions, provided that in case any requirement to obtain consent of all Noteholders on the basis of article 1173 CO is not mandatorily applicable at the relevant time due to a change of Swiss law or the interpretation thereof (which is to be confirmed to the Bondholders' Representative by a legal opinion issued by a reputable Swiss law firm in a form satisfactory to the Bondholders' Representative), any resolution subject to a mandatory consent requirement by all Noteholders prior to such change shall be taken by a two thirds majority of the Aggregate Note Principal Amount Outstanding.



- (c) Any resolution approved at a Meeting held in accordance with this Condition 14 (*Meetings of Noteholders*) shall be conclusive and binding on the Issuer and on all present and future Noteholders, whether present or not at the Meeting, regardless of whether such Noteholders have approved such resolution. However, any resolution approved at a Meeting, which increases any of the obligations of the Issuer under the Conditions and/or any Transaction Document, shall only become effective after written approval of the Issuer.

**15. TRUST AGREEMENT AND ROLE OF THE TRUSTEE**

- (a) Each Noteholder takes note that the Issuer has appointed ProServices Trustees (Switzerland) AG, Mühlebachstrasse 54, 8008 Zurich, Switzerland, as Trustee with a view to safeguard the interests of the Noteholders, subject to and in accordance with the terms and conditions of the Trust Agreement.
- (b) As long as any Notes are outstanding, the Issuer shall ensure that a trustee is appointed at all times who undertakes to perform substantially the same functions and obligations as the Trustee pursuant to the Trust Agreement.
- (c) The role of the Trustee is separate and different from the role of the Bondholders' Representative. The parties to the Trust Agreement and each Noteholder acknowledge and agree that the role of the Trustee and the role of the Bondholders' Representative should, to the extent possible, at all times be held by the same person. Therefore, if a new Bondholders' Representative is appointed with respect to the Notes pursuant to the Bondholder Provisions, such Bondholders' Representative shall be appointed as Trustee pursuant to the Trust Agreement, provided that the Issuer shall have the right to appoint any other person as Trustee in case it is not feasible in the view of the Issuer, acting reasonably, for such new Bondholders' Representative to be appointed as Trustee, in each case subject to any provisions of mandatory Swiss law applicable at the relevant time. In this case the role of such Bondholders' Representative appointed pursuant to the Bondholder Provisions shall be limited strictly to its authorisation pursuant to Condition 13(a) (*Appointment of Bondholders' Representative*).

**16. WAIVER, AUTHORISATION AND DETERMINATION**

- (a) Subject to paragraph (b) of this Condition 16, the Bondholders' Representative may, and each Noteholder hereby authorises the Bondholders' Representative to, on behalf of the Noteholders, without further consent of any Noteholder and without prejudice to its rights in respect of any subsequent breach and/or Issuer Event of Default from time to time and at any time but only if and in so far as in its sole opinion the interests of the Noteholders will not be materially prejudiced thereby, on such terms and subject to such conditions as it shall seem expedient, waive or authorise any breach or proposed breach by the Issuer of any of the covenants or provisions contained in the Conditions or the Claims Pledge Agreement or determine that any Issuer Event of Default shall not be treated as such, provided that the Bondholders' Representative shall not exercise any powers conferred on it by this Condition 16 (*Waiver, Authorisation and Determination*) in contravention of any express direction given by Extraordinary Resolution but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made. Any such waiver or authorisation may be given or made on such terms and subject to such conditions (if any) as the Bondholders' Representative may determine and shall be notified by the Issuer to the Noteholders in accordance with Condition 10 (*Notifications*) and in any event to the Rating Agency, as soon as practicable thereafter.
- (b) The Bondholders' Representative shall not be bound to waive or authorise any breach or proposed breach, unless the Bondholders' Representative has, to the fullest extent permitted by law, been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities which it may thereby render itself liable for or which it may incur by so doing (either by reimbursement of costs, its ranking in the relevant Priority of Payments or in any other way it deems appropriate), except for liabilities as a result of wilful misconduct, wilful default or gross negligence of the Bondholders' Representative.
- (c) Pursuant to the Trust Agreement, the Trustee may and is authorised, without further consent of any Noteholder, at any time and from time to time, to waive or authorise any breach or proposed breach of any of the covenants or provisions contained in the Transaction Documents (other than the Conditions and the Claims Pledge Agreement) in accordance with and subject to the terms of the Trust Agreement.

- (d) This Condition 16 (*Waiver, Authorisation and Determination*) shall be subject to provisions of mandatory Swiss law applicable at the relevant time.

## 17. MODIFICATION

- (a) The Bondholders' Representative may, and each Noteholder hereby authorises the Bondholders' Representative, on behalf of the Noteholders, without further consent of any Noteholder, at any time and from time to time to concur with the Issuer or any other person in any modification to the Conditions and the Claims Pledge Agreement, which in the opinion of the Bondholders' Representative may be proper to make, provided that the Bondholders' Representative is of the opinion (in its sole and absolute discretion) that such modification, (i) will not be materially prejudicial to the interests of the Noteholders, or (ii) is of a formal, minor or technical nature or (iii) is necessary to correct a manifest error or an error which is, in the opinion of the Bondholders' Representative, not materially prejudicial to the interests of the Noteholders; and further provided that the Bondholders' Representative shall not exercise any powers conferred on it by this Condition 17 (*Modification*) in contravention of any express direction given by Extraordinary Resolution or by a request under Condition 4 (*Events of Default and Enforcement*) but so that no such direction or request shall affect any waiver, authorisation or determination previously given or made.
- (b) Pursuant to the Trust Agreement, the Trustee is authorised, without further consent of any Noteholder, to agree to modifications of Transaction Documents (other than the Conditions and the Claims Pledge Agreement) in accordance and subject to the terms of the Trust Agreement.
- (c) This Condition 17 (*Modification*) shall be subject to any provisions of mandatory Swiss law applicable at the relevant time.

## 18. ADDITIONAL RIGHT OF MODIFICATION

Each Noteholder hereby authorises and instructs the Bondholders' Representative to, without further consent of any Noteholder, agree on any modification of the Conditions and the Claims Pledge Agreement that the Issuer considers necessary:

- (a) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time;
- (b) for the purpose of complying with any changes in the requirements of the Risk Retention Rules after the Initial Purchase Date, including as a result of the adoption of any other risk retention legislation, technical standards, regulations or official guidance in relation thereto;
- (c) for the purpose of enabling the Notes to be (or to remain) listed on the SIX Swiss Exchange;
- (d) for the purposes of enabling the Issuer to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto) and/or CRS;
- (e) for the purpose of complying with any changes in any Applicable Law and/or Requirement of Law relating to Swiss tax law or in any requirement of any Tax Authority after the Initial Purchase Date,

in each case provided that:

- (a) at least thirty (30) calendar days' prior written notice of any such proposed modification has been given to the Bondholders' Representative;
- (b) the Issuer certifies to the Bondholders' Representative in writing that such modification is required solely for one or more purposes set out in (a) to (f) above and has been drafted solely to such effect (a "**Modification Certificate**");
- (c) the proposed modification complies with Condition 17 (*Modification*) mutatis mutandis;
- (d) either:
  - (i) the Issuer obtains from the Rating Agencies written confirmation (or certifies in the Modification Certificate that it has been unable to obtain written confirmation, but has received oral confirmation from an appropriately authorised person at such Rating Agency) that such modification would not result in (a) a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by the Rating Agencies or (b) such Rating Agency placing any Notes on rating watch negative (or equivalent); or

- (ii) the Issuer certifies in the Modification Certificate that it has informed the Rating Agencies of the proposed modification and none of the Rating Agencies have indicated that such modification would result in (a) a downgrade, withdrawal or suspension of the then current ratings assigned to the Notes by such Rating Agency or (b) such Rating Agency placing any Notes on rating watch negative (or equivalent),

provided however that it is understood that the Rating Agencies shall be under no obligation to provide a rating agency confirmation and if any Rating Agency (such Rating Agency, a "**Non-Responsive Rating Agency**") (A) indicates that it does not consider such confirmation or response necessary in the circumstances or that it does not, as a matter of practice or policy, provide such confirmation or response or (B) within thirty (30) Business Days of delivery of such request, no confirmation or response is received and/or such request elicits no statement by such Rating Agency that such confirmation or response could not be given; then this condition shall be modified so that there shall be no requirement for a confirmation or response from any Non-Responsive Rating Agency if the Issuer provides to the Bondholders' Representative a certificate signed by two (2) directors certifying and confirming that the events in sub-paragraph (A) or (B) have occurred following the delivery by or on behalf of the Issuer of a written request to the Rating Agencies;

- (e) the Issuer has provided at least thirty (30) calendar days' notice to the Noteholders of the proposed modification in accordance with Condition 19 (Form of Notices) and the Bondholders' Representative has not been directed in accordance with the Transaction Documents by Noteholders representing at least the Requisite Percentage within such notification period not to consent to the modification; and
- (f) the Bondholders' Representative shall not be obliged to agree to any amendments which would, in the sole opinion of the Bondholders' Representative, increase the duties, obligations or liabilities, or reduce the rights or protections, of the Bondholders' Representative.
- (g) Pursuant to the Trust Agreement, the Trustee is authorised, without further consent of any Noteholder, to agree to any modifications of Transaction Documents (other than the Conditions and the Claims Pledge Agreement) set out in this Condition 18 (*Additional Right of Modification*).
- (h) This Condition 18 (*Additional Right of Modification*) shall be subject to any provisions of mandatory Swiss law applicable at the relevant time.

## 19. FORM OF NOTICES

The Issuer shall cause the Principal Paying Agent to publish any notice in respect of the Notes in accordance with the relevant provisions under these Conditions and on behalf of and at the expense of the Issuer or the Bondholders' Representative, as the case may be, (a) on the internet site of the SIX Swiss Exchange (where notices are currently published under the address [www.six-exchange-regulation.com/en/home/publications/official\\_notices.html](http://www.six-exchange-regulation.com/en/home/publications/official_notices.html)) or (b) otherwise in accordance with the regulations of the SIX Swiss Exchange. Any notice so given shall be deemed to be validly given on the date of such publication or, if published more than once, on the date of the first such publication. In addition, any notice relating to a Meeting or the result of the voting on any Extraordinary Resolution shall be published by the Issuer in the Swiss Official Gazette of Commerce.

## 20. MISCELLANEOUS

### 20.1 Trustee and Bondholders' Representative's right to indemnity

Under the Transaction Documents, each of the Trustee and Bondholders' Representative is entitled:

- (a) to be indemnified and relieved from responsibility in certain circumstances;
- (b) to be paid or reimbursed for any Liabilities incurred by it in priority to the claims of the Noteholders; and
- (c) to enter into business transactions with the Issuer and any entity relating to the Issuer without accounting for any profit.

### 20.2 No responsibility for loss or for monitoring

The Trustee and the Bondholders' Representative shall not be responsible for monitoring the compliance

by any of the other Transaction Parties with their obligations under the Transaction Documents.

### 20.3 Obligations of the Issuer only

The Notes represent obligations of the Issuer only and do not represent an interest in or obligation of the Trustee and Bondholders' Representative, any other party to the Transaction Documents or any other third party.

### 20.4 Prescription

In respect of the Notes, claims for (a) principal shall become void where application for payment is made more than ten (10) years; and (b) interest shall become void where application for payment is made more than five (5) years, in each case, after the due date therefor.

### 20.5 Severability

If at any time any one or more of the provisions of the Conditions is or becomes unlawful, invalid, illegal or unenforceable in any respect under any law, the validity, legality and enforceability of the remaining provisions shall not be in any way affected or impaired thereby.

## 21. GOVERNING LAW AND JURISDICTION

### 21.1 Governing law

These Conditions and the Notes are governed by, and shall be construed in accordance with, the substantive laws of Switzerland.

### 21.2 Jurisdiction

- (a) Any dispute that might arise based on these Conditions or the Notes shall fall within the exclusive jurisdiction of the ordinary courts of the city of Zurich (Zurich 1), Switzerland.
- (b) The above-mentioned jurisdiction is also exclusively valid for the declaration of cancellation of the Notes.

## 22. DEFINITIONS

In these Conditions, the following expressions have the following meanings:

**"Account Bank"** means Credit Suisse (Schweiz) AG, any successor thereof or any other person appointed as account bank in accordance with the Account Bank Agreement from time to time as the bank with whom the Issuer holds the Transaction Accounts;

**"Account Bank Agreement"** means the account bank agreement dated on or about the Signing Date between the Issuer, the Account Bank, the Cash Manager and the Trustee and Bondholders' Representative, amongst others, pursuant to which the Account Bank will provide the Issuer with certain banking functions including the establishment and operation of the Transaction Accounts.

**"Additional Account"** means any additional bank account or replacement bank account opened and operated by the Issuer in accordance with the terms of the Account Bank Agreement;

**"Additional Cut Off Date"** means the last day of each calendar month;

**"Aggregate Note Principal Amount Outstanding"** means on any day, the aggregate Note Principal Amount Outstanding in respect of all Notes then outstanding;

**"Annual Note Interest Amount"** means:

- (a) in respect of a Note for the Interest Period beginning on the Initial Purchase Date, interest calculated in respect of the Notes in accordance with Condition 7.1 (*Interest Calculation*) for the entirety of such Interest Period; and
- (b) in respect of a Note for any subsequent Interest Period, the aggregate of:
  - (i) the interest calculated in respect of the Notes in accordance with Condition 7.1 (*Interest Calculation*) for the entirety of such Interest Period; and
  - (ii) the amount of any interest payable but unpaid in respect of any Note on the preceding Interest Payment Date, together with accrued interest on such unpaid amount;

"**Applicable Law**" means with respect to a person, all provisions of any law, treaty, rule or regulation, or a final determination of a Governmental Authority applicable to such person;

"**Available Post-Enforcement Funds**" means the Available Distribution Amounts available following an Enforcement Event (including, for the avoidance of doubts, after the enforcement of all Security);

"**BA**" means the Swiss Federal Banking Act of 8 November 1934;

"**Board Members**" means members of the board of directors of the Issuer, each a "**Board Member**";

"**Bondholder Provisions**" means articles 1157 to 1186 CO.

"**Bondholders' Representative**" means ProServices Trustees (Switzerland) AG as appointed pursuant to Condition 13 (*Appointment of Bondholders' Representative*) or any Successor Bondholders' Representative.

"**Business Day**" means a day, other than a Saturday or Sunday, on which commercial banks are open for general business in Zurich, Switzerland;

"**Calculation Date**" means (a) at any time prior to an Enforcement Event, the 15<sup>th</sup> calendar day of each calendar month and if such day is not a Business Day, the immediately preceding Business Day and (b) at any time following an Enforcement Event, the Business Day immediately preceding each Monthly Payment Date;

"**Cash Management Agreement**" means the cash management agreement dated on or about the Signing Date between the Cash Manager, the Issuer and the Trustee and Bondholders' Representative pursuant to which the Cash Manager will provide certain cash management and bank account operation services to the Issuer.

"**Cash Manager**" means Amicorp Switzerland AG, or any successor appointed pursuant to the Cash Management Agreement;

"**Cash Reserve Account**" means the Swiss Francs denominated interest-bearing bank account with the account number 0848-1805285-41-4, held in the name of the Issuer at the Account Bank, IBAN CH70 0483 5180 5285 4100 4, as well as any other Swiss Francs denominated bank accounts specified as such by or on behalf of the Issuer with the consent of the Trustee and Bondholders' Representative in the future in addition to or in substitution for such Cash Reserve Account in accordance with the Account Bank Agreement and the Claims Pledge Agreement;

"**Cash Reserve Release Event**" means the earlier to occur of (a) the redemption of the Notes in full, (b) any Monthly Payment Date on which the Aggregate Note Principal Amount Outstanding is equal to or less than the Cash Reserve Required Amount, or (c) the Final Maturity Date;

"**Cash Reserve Required Amount**" means (a) for the Initial Purchase Date and any Monthly Payment Date prior to a Cash Reserve Release Event that the Notes remain outstanding, the amount equal to 1.40 per cent. of the aggregate Outstanding Balance of Purchased Lease Assets as of the Initial Purchase Date, and (b) on any Monthly Payment Date following a Cash Reserve Release Event, zero;

"**Claims Pledge Agreement**" means the claims pledge agreement dated on or about the Signing Date between, amongst others, the Issuer and the Bondholders' Representative pursuant to which the Issuer will pledge the Collateral Assets (as defined in the Claims Pledge Agreement);

"**Collection Account**" means the Swiss Francs denominated interest-bearing bank account with the account number 0848-1805285-41 held in the name of the Issuer at the Account Bank, IBAN CH81 0483 5180 5285 4100 0 as well as any other Swiss Francs denominated bank accounts specified as such by or on behalf of the Issuer with the consent of the Trustee and Bondholders' Representative in the future in addition to or in substitution for such Collection Account in accordance with the Account Bank Agreement and the Claims Pledge Agreement;

"**Collections**" means, with respect to any Purchased Lease Asset, all amounts (including any amounts related to VAT, if any) received by the Seller (prior to a Lease Asset being sold, assigned and transferred to the Issuer) or the Servicer (on behalf of the Issuer) after a Lease Asset has been sold, assigned and transferred to the Issuer including, without limitation (but without double-counting):

- (a) all payments of principal and interest by Lessees with respect to any Lease Receivable (including, for the avoidance of doubt prior to the appointment of a Successor Servicer, Deemed Collections);

- (b) all payments with respect to any Dealer Receivables;
- (c) all Residual Value Proceeds (including, for the avoidance of doubt, the proceeds from the repossessed Leased Vehicles);
- (d) all amounts and proceeds arising in respect of any Ancillary Rights;
- (e) the Deposit if and when applied against any amounts owed but unpaid by a Lessee or otherwise; and
- (f) any proceeds from the repurchase by the Seller of any Purchased Lease Assets pursuant to the Lease Asset Sale Agreement;

**"Corporate Servicer"** means Amicorp Switzerland AG or any other person or persons from time to time acting as corporate servicer under the Corporate Services Agreement;

**"Corporate Services Agreement"** means the corporate services agreement dated on or about the Signing Date between the Issuer, the Corporate Servicer and the Trustee and pursuant to which the Corporate Servicer will provide the Issuer with certain corporate and administrative functions

**"Corporate Sub Servicer"** means BANK-now AG or any other person or persons from time to time acting as corporate sub servicer under the Corporate Sub Services Agreement;

**"Corporate Sub Services Agreement"** means the agreement so named dated on or about the Signing Date between the Issuer, the Corporate Servicer, the Corporate Sub Servicer and the Trustee;

**"Cut Off Date"** means either of the Initial Cut Off Date or an Additional Cut Off Date;

**"Dealer Agreement"** means a vehicle sale and purchase agreement substantially in the form of the Seller's Standard Contracts (originally entered into) between the Seller as purchaser and a Dealer as seller relating to the sale of a Leased Vehicle to the Seller that will be the subject of a Lease Agreement and which includes a Dealer Repurchase Obligation. The Seller will sell and transfer (by way of transfer of contract (*Vertragsübernahme*)) to the Issuer all Dealer Agreements.

**"Dealer Receivables"** means any rights and claims of the purchaser under a Dealer Agreement existing now or in the future;

**"Dealer Repurchase Obligation"** means a Dealer's obligation under a Dealer Agreement to repurchase any related Leased Vehicle at the Dealer Repurchase Price, upon maturity of the related Lease Agreement;

**"Dealer Repurchase Price"** means the price (whether stated in the Dealer Agreement and/or Lease Agreement or derivable in the framework of the Dealer Agreement and/or Lease Agreement) at which a Dealer is obliged to repurchase a Leased Vehicle under a Dealer Agreement according to the Dealer Repurchase Obligation;

**"DEBA"** means the Swiss Federal Debt Collection and Bankruptcy Act (*Bundesgesetz über Schuldbetreibung und Konkurs*) dated 11 April 1889, as amended from time to time.

**"Deemed Collections"** means:

- (a) as of a relevant date, the Outstanding Balance of a Purchased Lease Asset that consists of a Purchased Lease Agreement that:
  - (i) has been terminated early; and
  - (ii) has been substituted by a new Lease Agreement entered into either (A) between the Seller and the relevant Lessee, but in relation to a different Lease Vehicle (in the case of a change of Lease Vehicle) or (B) between the Seller and another Lessee, but in relation to the same Lease Vehicle (in the case of a change of lessee in relation to a certain Lease Vehicle); or
- (b) prior to the appointment of a Successor Servicer, as of the date on which a Deposit Reduction Amount is applied towards any unpaid amount under a Purchased Lease Agreement in accordance with the terms and conditions of the relevant Purchased Lease Agreement and the Credit and Collection Policies and Procedures, the amount of such Deposit Reduction Amount;

**"Deposit"** means any security deposit made by a Lessee to the Seller under a Lease Agreement;

**"Determination Period"** means a period beginning on (but excluding) a Cut Off Date and ending on (and including) the next following Cut Off Date;

**"Early Amortisation Date"** means the date on which an Early Amortisation Event occurs in accordance with the Lease Asset Sale Agreement and the Conditions;

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

- (a) a Servicer Termination Event;
- (b) a Seller Event of Default;
- (c) an Enforcement Event;
- (d) a Performance Trigger Event; or
- (e) the Issuer determines that it is unable to adequately service the Purchased Lease Assets by itself or through a third party, unless, within thirty (30) Business Days from the occurrence of such determination, a Successor Servicer is appointed in accordance with the Servicing Facilitator Agreement;

**"Extraordinary Resolution"** means a resolution passed by percentage of the relevant Noteholders required to pass such resolution as determined in accordance with the Bondholder Provisions at a Meeting duly convened and held in accordance with Condition 14 (*Meetings of Noteholders*) and, if required under article 1176 CO, approved by the competent higher cantonal composition authority (*obere kantonale Nachlassbehörde*) in Switzerland.

**"Final Discharge Date"** means the date on which the Trustee and Bondholders' Representative notifies (having first received evidence to its satisfaction) the Issuer and the Secured Creditors that it is satisfied that all the Secured Obligations and/or all other monies and other liabilities due or owing by the Issuer have been paid or discharged in full;

**"Fixed Disbursement"** means, with respect to each Monthly Payment Date, a disbursement under and pursuant to the terms of the Subordinated Loan Agreement in an amount of the Fixed Disbursement Amount;

**"Fixed Disbursement Amount"** means, as of any date of determination, an amount equal to the product of (a) the nominal amount of the Subordinated Loan, (b) 1.00 per cent. per annum and (c) the Day Count Fraction;

**"Governmental Authority"** means any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

**"Initial Cut Off Date"** means 30 April 2023;

**"Initial Purchase Date"** means 23 May 2023;

**"Insolvency Event"** means the occurrence of any of the following circumstances:

- (a) with respect to a Swiss person which is not subject to the insolvency rules of the BA:
  - (i) such person is, or states in writing that it is, unable to pay its debts as they fall due or otherwise is, or admits that it is, insolvent (*zahlungsunfähig*), or files a petition for the opening of bankruptcy proceedings (*Konkursverfahren*) pursuant to article 191 al. 1 of the DEBA or an application for provisional or definitive moratorium (*provisorische oder definitive Nachlassstundung*) pursuant to article 293 et seq. DEBA because of insolvency (*Zahlungsunfähigkeit*);
  - (ii) such person is deemed to be over indebted (*überschuldet*) within the meaning of article 725b CO unless creditors have to the extent of any over indebtedness or insufficient coverage subordinated their claims to those of all other creditors;
  - (iii) by a final court decision: (A) bankruptcy proceedings (*Konkursverfahren*) are declared over such person pursuant to the DEBA; (B) a composition proceedings (*Nachlassverfahren*)

- including but not limited to a moratorium (*Nachlassstundung*) is declared over or granted to such person pursuant to the DEBA; (C) an emergency moratorium (*Notstundung*) is granted to that person pursuant to the DEBA; or (D) the recognition of a non-Swiss bankruptcy or composition agreement with creditors or similar non-Swiss proceedings regarding such person (*Anerkennung ausländischer Konkursdekrete; Anerkennung ausländischer Nachlassverträge und ähnlicher Verfahren*) under the Swiss Statute on Private International law of 18 December 1987, unless (i) such person is satisfied that such actions are vexatious or frivolous and (ii) such actions are permanently set aside within seven days of their commencement;
- (iv) such person is dissolved for any of the reasons described in article 736 CO (*Auflösung der Gesellschaft*) or article 821 CO, as applicable;
  - (v) any similar event as may be described in any supplementing legislation and any implementation legislation and any ordinance or other rules and regulations regarding (i) to (iv) above; or
- (b) with respect to a Swiss person which is a subject to the insolvency rules of the BA:
- (i) the ordering of restructuring proceedings pursuant to article 28 et seq. BA are declared over such person;
  - (ii) the ordering of liquidation proceedings pursuant to article 33 et seq. BA are declared over such person;
  - (iii) the ordering of protective measures pursuant to article 26 al. 1 section (g) and/or section (h) BA are declared over such person;
  - (iv) the opening of proceedings following the recognition of non-Swiss bankruptcy decrees and liquidation and restructuring measures (*Anerkennung ausländischer Konkursdekrete und Massnahmen*) pursuant to article 37g BA with respect to such person;
  - (v) any similar event as may be described in any supplementing legislation and any implementation legislation and any ordinance or other rules and regulations regarding (i) to (iv) above; or
- (c) with respect to any other person the dissolution, bankruptcy, insolvency, winding-up, liquidation, administration, examination, amalgamation, reconstruction, reorganisation, arrangement, adjustment, administrative or other receivership or dissolution of that person, the official management of all of its revenues or other assets or the seeking of protection or relief of debtors and any equivalent or analogous proceeding by whatever name known and in whatever jurisdiction;

**"Insolvency Proceedings"** means the (i) issuance of a bankruptcy warning (*Konkursandrohung*) in the meaning of article 159 DEBA, (ii) the filing of a request to open bankruptcy proceedings (*Konkursbegehren*) in the meaning of article 166, 188, 190 or 191 DEBA, (iii) the adjudication of bankruptcy (*Konkureröffnung*) pursuant to article 171, 189 or 191 DEBA, and (iv) an application for, or the granting of, a provisional or definitive stay of execution (*provisorische oder definitive Nachlassstundung*) pursuant to articles 293 et seq. DEBA. It is understood and agreed that none of (a) any debt collection proceedings pursuant to articles 38 et seq. DEBA which have not resulted in any of the foregoing or (b) proceedings in connection with a freezing order (*Arrestverfahren*) pursuant to article 271 et seq. DEBA with respect to the Issuer and (c) any consequences resulting from any of the foregoing do itself constitute Insolvency Proceedings.

**"Investment Earnings"** means the net interest paid on the Transaction Accounts on each Monthly Payment Date in respect of the interest accrued, in each case, during the preceding Determination Period and any gain, interest or other earning received on Authorised Investments;

**"Issuer Covenants"** means the covenants of the Issuer set out in clause 5.2 (*Covenants*) and Schedule 2 (*Issuer Covenants*) of the Trust Agreement;

**"Issuer's Assets"** means the Purchased Lease Assets and any other Secured Assets;



**"Lease Agreement"** means a lease agreement substantially in the form of the Seller's Standard Contracts (originally) entered into between the Seller as lessor and a Lessee as lessee under which a Leased Vehicle is leased to the Lessee;

**"Lease Asset Sale Agreement"** means the lease asset sale agreement entered into on or about the Signing Date between the Issuer, the Seller, the Servicer and the Trustee;

**"Lease Receivable"** means any and all rights and claims of the lessor under a Lease Agreement existing now or in the future.

**"Lessee Notification Event"** means the occurrence of any of the following:

- (a) an Enforcement Event;
- (b) a Servicer Termination Event; or
- (c) an event or a circumstance which makes a notification to the Lessees (in particular, the Lessees under the Purchased Lease Agreements) or any other debtor of the transfer and assignment of the Purchased Lease Assets to the Issuer necessary or advisable in the reasonable discretion of the Issuer in order to protect the effectiveness of the sale, transfer and assignment of the Purchased Lease Assets or if otherwise required under any Transaction Document.

**"Liabilities"** means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes) and legal fees and expenses on a full indemnity basis;

**"Master Definitions and Framework Agreement"** means the agreement so named dated on or about the Signing Date between the Seller, the Servicer, the Subordinated Loan Provider, the Trustee and Bondholders' Representative, the Cash Manager, the Corporate Servicer, the Servicing Facilitator, the Principal Paying Agent and the Account Bank;

**"Meetings"** means meetings of all Noteholders whether originally convened or resumed following an adjournment and in respect of which minutes have been taken in accordance with the Bondholder Provisions, if applicable, and each a **"Meeting"**;

**"Monthly Advance Disbursement Amount"** means, with respect to each Monthly Payment Date that does not fall in January, an amount equal to (a) 90 per cent. *multiplied by* (b) the monthly net income of the Issuer pre disbursements (except for the Fixed Disbursement Amount) pursuant to the Subordinated Loan Agreement, as determined in accordance with the Issuer's accounting scheme approved by its auditor for the immediately preceding Determination Period as calculated by the Cash Manager as of the immediately preceding Calculation Date.;

**"Monthly Payment Date"** means the 23<sup>rd</sup> calendar day of each calendar month with the first such date falling on 23 June 2023 or in the event such day is not a Business Day, then the next following Business Day;

**"Note Discharge Date"** means the date on which the Notes have been redeemed in full;

**"Note Interest Account"** means the Swiss Francs denominated interest-bearing bank account with the account number 0848-1805285-41-2 held in the name of the Issuer at the Account Bank, IBAN CH27 0483 5180 5285 4100 2 as well as any other Swiss Francs denominated bank accounts specified as such by or on behalf of the Issuer with the consent of the Trustee and Bondholders' Representative in the future in addition to or in substitution for such Note Interest Account in accordance with the Account Bank Agreement and the Claims Pledge Agreement for purposes of the Note Interest Required Amount;

**"Note Interest Amount"** means, in respect of any Interest Period, all interest calculated in respect of that Interest Period for the Notes in accordance with Condition 7.1 (*Interest Calculation*) on the related Calculation Date (including the amount of any interest payable and remaining unpaid in respect of any Note on the preceding Interest Payment Date, together with accrued interest on such arrears);

**"Note Interest Required Amount"** means, for any Monthly Payment Date falling in an Interest Period during the Revolving Period, an amount equal to (a) the product of (i) 30 *divided by* 360, and (ii) the Annual Note Interest Amount for the applicable Interest Period, plus (b) the aggregate of the amount

calculated in part (a) of this definition on each prior Monthly Payment Date for the applicable Interest Period;

**"Note Principal Amount Outstanding"** means, in relation to a Note, on any day, the principal amount of such Note upon issue as reduced by all amounts paid prior to such date on the Notes in respect of principal;

**"Note Principal Required Amount"** means for any Monthly Payment Date (falling prior to the occurrence of an Enforcement Event), with respect to the Notes, an amount equal to:

- (a) if such Monthly Payment Date occurs during the Revolving Period or following the Note Discharge Date, an amount equal to zero; or
- (b) if such Monthly Payment Date occurs following the end of the Revolving Period, an amount equal to the *lesser* of:
  - (i) the Note Principal Amount Outstanding; and
  - (ii) the Available Distribution Amount remaining after the payment of items (a) to (f) of the Pre-Enforcement Priority of Payments;

**"Optional Redemption Date"** means 23 February 2026;

**"Payment Date"** means any Monthly Payment Date, the Optional Redemption Date, the Final Maturity Date or any date following the occurrence of an Enforcement Event, as applicable;

**"Payment Report"** means a payment report prepared by the Cash Manager based upon information provided in the Servicer Report (or during a Servicer Report Unavailability Period as set out in Clause 8.2 (*Calculations during a Servicer Report Unavailability Period*)) and substantially in the form set out in Schedule 1 (*Form of Payment Report*) of the Cash Management Agreement;

**"Performance Trigger Event"** means the occurrence of any of the following:

- (a) the Cumulative Gross Loss Ratio exceeds:
  - (i) 1.2 per cent. for any Purchase Date falling on or before the Purchase Date falling twelve (12) months after the Initial Purchase Date;
  - (ii) 2.2 per cent. for any Purchase Date falling on or before the Purchase Date twenty-four (24) months after the Initial Purchase Date but no less than twelve (12) months after the Initial Purchase Date;
  - (iii) 3 per cent. for any Purchase Date falling on or before the Purchase Date falling thirty-three (33) months after the Initial Purchase Date but no less than twenty-four (24) months after the Initial Purchase Date;
- (b) on two (2) consecutive Purchase Dates, the Delinquency Percentage exceeds 2.0 per cent.; or
- (c) on two (2) consecutive Purchase Dates, the amount standing to the credit of the Replenishment Ledger, following the satisfaction of the payments, transfers and provisions to be made on such Purchase Date, exceeds 10 per cent. of the aggregate Outstanding Balance of the Purchased Lease Assets.

**"Permitted Disbursement Amount"** means (a) for any Monthly Payment Date (including the Final Maturity Date) that does not fall in January, the Monthly Advance Disbursement Amount, and (b) for any Monthly Payment Date (including the Final Maturity Date) that falls in January, the Adjusted Advance Disbursement Amount;

**"Pledge"** means a regular pledge right (*reguläres Pfandrecht*) in terms of article 884 et seq. CC to Pledge means the establishment of a regular pledge right (*Errichtung eines regulären Pfandrechts*) in terms of article 884 et seq. CC.

**"Purchased Ancillary Rights"** means, in relation to a Purchased Lease Asset, all Ancillary Rights;

**"Purchased Dealer Agreement"** means a Dealer Agreement that is part of a Purchased Lease Asset;

**"Purchased Lease Agreement"** means a Lease Agreement that is part of a Purchased Lease Asset;

**"Purchased Lease Assets"** means all Lease Assets purchased, transferred and assigned by the Seller to the Issuer in accordance with the Lease Asset Sale Agreement, which has not become a Repurchased Lease Asset;

**"Purchased Leased Vehicle"** means a Leased Vehicle that is part of a Purchased Lease Asset;

**"Rating Agencies"** means Fitch, Moody's and DBRS, and **"Rating Agency"** means either one of the three.

**"Replenishment Ledger"** means the ledger maintained on the Collection Account by the Cash Manager for recording amounts available, subject to the Priority of Payments, to purchase Lease Assets on each Additional Purchase Date;

**"Required Replenishment Amount"** means, for any Monthly Payment Date during the Revolving Period an amount equal to the difference (if any) between (a) the Aggregate Note Principal Amount Outstanding, plus the Required Stated Amount, and (b) the Outstanding Balance of the Purchased Lease Assets;

**"Required Stated Amount"** means, at any time,

- (a) if the Aggregate Note Principal Amount Outstanding is greater than zero, an amount equal to (i) the Outstanding Balance of the Purchased Lease Assets less (ii) the Aggregate Note Principal Amount Outstanding, in each case, as of the Initial Purchase Date, or
- (b) if the Aggregate Note Principal Amount Outstanding is equal to zero, zero;

**"Requisite Percentage"** means the percentage of Noteholders required to pass an Extraordinary Resolution as determined in accordance with the Bondholder Provisions;

**"Residual Value Proceeds"** means all amounts by way of proceeds under a sale of the Leased Vehicle, whether under the Dealer Agreements (i.e. in exercising the Dealer Repurchase Obligation) to the Dealer or whether in connection with a sale to the Lessee or to any other third party;

**"Revolving Period"** means the period from the Initial Purchase Date until (but excluding) the earlier of (i) the Early Amortisation Date and (ii) the Optional Redemption Date, provided that, in each case, if such day is not a Business Day, the next following Business Day, unless that day falls in the next calendar month in which case the day will be the immediately preceding day that is a Business Day;

**"Secured Creditors"** means the Trustee, the Bondholders' Representative, the Noteholders, the Servicer (acting only in such capacity), the Account Bank, the Cash Manager, the Principal Paying Agent, the Corporate Servicer and the Servicing Facilitator and any other present and future party that becomes a successor of any (present and future) Secured Creditor pursuant to Clause 2.2 (*Secured Creditors after the Signing Date*) of the Claims Pledge Agreement. See "*MATERIAL TERMS OF THE CLAIMS PLEDGE AGREEMENT*";

**"Secured Obligations"** means all monies, Liabilities and other obligations which from time to time are or may become due, owing or payable by the Issuer to each of the Secured Creditors under the Conditions and the other Transaction Documents;

**"Securities Account"** means the securities account with the account number 0848-1805285-45 held in the name of the Issuer at the Account Bank, as well as any other securities account specified as such by or on behalf of the Issuer with the consent of the Trustee in the future in addition to or in substitute for such Securities Account in accordance with the Account Bank Agreement and the Claims Pledge Agreement;

**"Security Agreements"** means the Claims Pledge Agreement and any other agreement or document entered into from time to time (if any) to grant a Security Interest;

**"Security"** means the Pledge granted by the Issuer to the Bondholders' Representative acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) of the Noteholders and other Secured Creditors and any other Security Interests granted by the Issuer pursuant to any other Security Agreement (if any) to secure the Secured Obligations;

**"Security Interest"** means a guarantee, mortgage, charge, pledge, assignment, transfer by way of security, lien, encumbrance, security power of attorney or other security interest or right (including a right in rem in an asset or right or a right *in personam* against a person securing any obligation of any

person) or any other agreement or arrangement having a similar effect of securing the payment of any obligation or performance of any action, including for the avoidance of doubt the Security;

"**Seller**" means BANK-now AG, with its registered office at Neugasse 18, 8810 Horgen, Switzerland, as seller under the Lease Asset Sale Agreement;

"**Seller's Credit and Collection Policies and Procedures**" means the Seller's directives and credit and collection policies and procedures, practices and underwriting criteria relating to Lease Agreements and Dealer Agreements in force and effect as of the date of the Lease Asset Sale Agreement a copy of which is attached as Schedule 12 (*Seller's Credit and Collection Policies and Procedures*) to the Lease Asset Sale Agreement, as amended, supplemented and restated from time to time by the Seller in accordance with the Lease Asset Sale Agreement;

"**Seller's Standard Contracts**" means the standard contracts used by the Seller for the Lease Agreements and the Dealer Agreements substantially in the form of Schedule 11 (*Form of Seller's Standard Contracts*) of the Lease Asset Sale Agreement (as amended, supplemented and restated by the Seller from time to time to the extent permitted by the Lease Asset Sale Agreement) subject to insertions of the details of the Lessee and any key commercial terms and other minor variations that could not reasonably be expected to have a material adverse effect on the enforceability of such contract;

"**Senior Expenses**" means the amounts payable by the Issuer (a) to the Corporate Servicer under the Corporate Services Agreement, (b) to the Board Members, (c) to the Account Bank under the Account Bank Agreement, (d) to the Principal Paying Agent under the Principal Paying Agency Agreement, (e) to the Cash Manager under the Cash Management Agreement, (f) to the Servicer, the Servicing Fee and all other amounts payable to the Servicer under the Servicing Agreement, (g) to the Successor Servicer, the Successor Servicer Fee and all other amounts payable to the Successor Servicer under the Servicing Agreement and (h) to the Servicing Facilitator, the Servicing Facilitator Fee and all other amounts payable to the Servicing Facilitator under the Servicing Facilitator Agreement;

"**Servicer**" means BANK-now AG or any other person or persons from time to time acting as servicer under the Servicing Agreement;

"**Servicer Report**" means the report prepared by the Servicer on each Servicer Report Date substantially in the form set out in Schedule 1 (*Form of Servicer Report*) of the Servicing Agreement or as amended from time to time pursuant to and in accordance with the Servicing Agreement;

"**Servicer Report Date**" means the 12<sup>th</sup> day of each calendar month, or in case such day is not a Business Day, the next following Business Day. The first Servicer Report shall be available on 12 June 2023;

"**Servicer Report Unavailability Period**" means a period commencing on a Servicer Report Date in the event that the Servicer fails to deliver the relevant Servicer Report pursuant to Clause 7 (*Servicer Report*) of the Servicing Agreement and continuing until such time as the Cash Manager receives a copy of the relevant Servicer Report from the Servicer or replacement servicer (as applicable);

"**Servicer Termination Event**" means the occurrence of any of the following events:

- (a) any Insolvency Event occurs with respect to the Servicer;
- (b) the Servicer fails to transfer, deposit or pay any amount to be transferred, deposited or paid under the Servicing Agreement within five (5) Business Days of the due date for transfer, deposit or payment, unless such failure is caused by administrative difficulties, settlement error or a Force Majeure Event;
- (c) the Servicer fails to deliver a Servicer Report by the due date for delivery thereof, unless such failure is remedied within the following five (5) Business Days or is caused by technical difficulties not imputable to the Servicer;
- (d) the Servicer fails to observe or perform any of its material obligations under the Servicing Agreement (other than any obligation referred to in paragraphs (b) or (c) of this definition) and such failure (i) would have a Material Adverse Effect on the ability of the Servicer to perform its material obligations under the Servicing Agreement and (ii) if capable of remedy, continues unremedied for a period of thirty (30) Business Days from the date the Servicer becomes aware of such breach;

- (e) any Servicer Representation and Warranty proves to be incorrect in any material respect, or if repeated at any time with reference to the facts and circumstances existing at such time would not be accurate in all material respects, provided that, if curable, it is cured within thirty (30) Business Days of the Servicer becoming aware of it; and
- (f) the Servicer fails to (i) maintain all authorisation, approvals, consents and registrations necessary to carry out its activities under the Servicing Agreement; or (ii) comply with any applicable obligations, requirements, instructions or guidelines provided by law or otherwise, provided that failure to do so would have a Material Adverse Effect and further provided that such failure is not remedied by the Servicer on or prior to the 30<sup>th</sup> Business Day from the day on which such failure occurred.

**"Servicing Agreement"** means the servicing agreement dated on or about the Signing Date between the Issuer, the Seller, the Servicer and the Trustee the pursuant to which BANK-now will be instructed to act as Servicer and to provide services to the Issuer in relation to the Purchased Lease Assets, to collect payments thereunder and otherwise, to administer all such Purchased Lease Assets for the Issuer in relation to the property held by the Issuer, all on the terms and subject to the conditions set out in the Servicing Agreement.

**"Servicing Facilitator"** means Amicorp Switzerland AG;

**"Servicing Facilitator Agreement"** means the agreement so named dated on or about the Signing Date between the Issuer, the Seller, the Servicing Facilitator and the Trustee;

**"Step-Up Date"** means the Optional Redemption Date;

**"Subordinated Loan Agreement"** means the agreement so named and dated on or about the Signing Date between the Subordinated Loan Provider, the Issuer and the Trustee;

**"Subordinated Loan Ledger"** means the subordinated loan ledger maintained on the Collection Account by the Cash Manager;

**"Subordinated Loan Provider"** means BANK-now;

**"Subscription Agreement"** means the agreement so named and dated on or about the Signing Date between the Issuer, the Seller and the Sole Arranger and Lead Manager;

**"Successor Bondholders' Representative"** means any successor Bondholders' Representative appointed pursuant to the Bondholder Provisions and the Claims Pledge Agreement.

**"Successor Principal Paying Agent"** means any party designated as such in accordance with the terms of the Principal Paying Agency Agreement.

**"Successor Trustee"** means any party designated as such in accordance with the terms of the Trust Agreement.

**"Tax"** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying the same) and **"Taxes"** and **"Taxation"** shall be construed accordingly;

**"Tax Authority"** means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, taxation customs or excise function;

**"Tax Event"** means if at any time the Issuer is or becomes required by law to deduct or withhold in respect of any payment under the Notes additional current or future taxes, levies or governmental charges, regardless of their nature, but in each case other than deductions or withholdings that apply as of the Closing Date (in particular, without limitation, other than 35 per cent. Swiss withholding tax on interest payments under the Notes) and which are imposed under any Applicable Law or in any country which claims fiscal jurisdiction by, or for the account of, any political subdivision thereof or Governmental Authorities therein authorised to levy taxes;

**"Transaction Accounts"** means the Collection Account, the Payment Account, the Note Interest Account, the Deposit Account, the Cash Reserve Account, the Securities Account and any Additional Account opened with the Account Bank;

**"Transaction Documents"** means the Conditions, the Lease Asset Sale Agreement, the Servicing Agreement, the Claims Pledge Agreement, the Cash Management Agreement, the Account Bank

Agreement, the Principal Paying Agency Agreement, the Subscription Agreement, the Subordinated Loan Agreement, the Corporate Services Agreement, the Corporate Sub Services Agreement, the Servicing Facilitator Agreement, the Master Definitions and Framework Agreement, the Trust Agreement and any amendments, replacements or supplements relating to any such document;

"**Transaction Party**" means any party to a Transaction Document;

"**VAT**" means any tax levied under the Swiss VAT Act of 12 June 2009;

"**Trustee**" means ProServices Trustees (Switzerland) AG or any other person or persons from time to time acting as trustee under the Trust Agreement;

"**VAT Aggregate Required Amount**" means, for each Payment Date following a Lessee Notification Event, an amount equal to the sum of (a) the VAT Required Amount for such Payment Date, and (b) the VAT Required Amount in relation to any preceding VAT Determination Period not related to such Payment Date and for which the related VAT Payment Date has not occurred;

"**VAT Determination Period**" means, with respect to any Payment Date, the calendar quarter in which the Determination Period immediately preceding such Payment Date falls;

"**VAT Input Receivable**" means, with respect to each Payment Date (following a VAT Trigger Event), the aggregate input VAT recoverable by the Issuer from the relevant Tax Authority for the relevant VAT Determination Period as of the Cut Off Date immediately preceding such Payment Date (including any VAT paid in relation to the Purchase Price relating to the purchase of additional Purchased Lease Assets and the Servicing Fee);

"**VAT Ledger**" means the ledger maintained on the Collection Account by the Cash Manager for the purposes of recording any VAT Required Amount;

"**VAT Output Reimbursement**" means, with respect to each Payment Date, the aggregate output VAT payable by the Servicer (as estimated by or on behalf of the Issuer from its records) to the relevant Tax Authority in relation to the Lease Assets as of the Cut Off Date for the Determination Period immediately preceding such Payment Date (including the portion of the Monthly Instalments and from the proceeds of any sale of a Leased Vehicle attributable to VAT received by the Issuer during such VAT Determination Period);

"**VAT Recovery**" means, as of any VAT Recovery Date, any amounts received by, or on behalf of, the Issuer from the relevant Tax Authority for the reimbursement of any VAT Input Receivable;

"**VAT Recovery Date**" means any date on which the Issuer is entitled to receive a VAT Recovery from the relevant Tax Authority; and

"**VAT Trigger Event**" means the occurrence of an event of or step towards enforcement into the Purchased Lease Assets (under any of the Security Agreements) or notification of Lessees and Dealers with respect to the sale, transfer and assignment of the Lease Assets in accordance with the terms of the Servicing Facilitator Agreement and/or the Lease Asset Sale Agreement or any other event whereby the transfer of the Lease Assets from the Seller to the Issuer matures into a true sale transaction for VAT purposes.

## MATERIAL TERMS OF THE CLAIMS PLEDGE AGREEMENT

The following is the text of the material terms of the Claims Pledge Agreement. In case of any overlap or inconsistency in the definitions and expressions in the Claims Pledge Agreement and elsewhere in this Prospectus, the definitions and expressions in the Claims Pledge Agreement will prevail. For purposes of this Prospectus, the following schedules to the Claims Pledge Agreement have been omitted: Schedule 1 (Form of Notification letters to third party debtors), Schedule 2 (Form of Cash Accounts Control Agreement), Schedule 3 (Form of Securities Account Control Agreement), Schedule 4 (Issuer Representations and Warranties), Schedule 5 (Form Release Request) and Schedule 6 (Data Sharing Agreement).

The descriptions in this section refer to certain material terms of the Claims Pledge Agreement. These descriptions do not purport to be complete and are subject to, and are qualified in their entirety by, the detailed provisions of the Claims Pledge Agreement. Copies of the Claims Pledge Agreement are available in physical form for inspection during usual business hours at the office of the Issuer and the Specified Office of the Principal Paying Agent for the life of the Notes.

The Claims Pledge Agreement is made on or before the Issue Date between (i) the Issuer, (ii) BANK-now AG as Servicer, (iii) Amicorp Switzerland AG as Corporate Servicer, (iv) ProServices Trustees (Switzerland) AG as Bondholders' Representative, acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of the Noteholders, (v) Credit Suisse (Schweiz) AG as Account Bank, (vi) Amicorp Switzerland AG as Cash Manager, (vii) Credit Suisse AG as Principal Paying Agent and (viii) BANK-now AG as Servicing Facilitator. The Noteholders and parties (ii) through (viii) are the Secured Creditors (the "**Secured Creditors**").

### 1. DEFINITIONS AND INTERPRETATION

#### 1.1 Definitions

Capitalised terms used in this Claims Pledge Agreement shall, except where otherwise defined in this Agreement, have the meaning given to them in clause 1.1 (*Definitions*) of the Master Definitions and Framework Agreement executed by, *amongst others*, Auto lease-now 2023-1 AG as Issuer, BANK-now AG as Seller, Servicer, Corporate Sub Servicer and Subordinated Loan Provider (each such term as defined therein), ProServices Trustees (Switzerland) AG as Trustee and Bondholders' Representative (each such term as defined therein), Amicorp Switzerland AG as Cash Manager, Corporate Servicer and Servicing Facilitator (each such term as defined therein), Credit Suisse AG as Principal Paying Agent (as defined therein) and Credit Suisse (Schweiz) AG as Account Bank (as defined therein), dated on or around the date hereof (the "**Master Definitions and Framework Agreement**").

#### 1.2 Interpretation

- (a) The Principles of Construction of the Master Definitions and Framework Agreement shall be expressly and specifically incorporated into this Claims Pledge Agreement as though they were set out in full in this Claims Pledge Agreement.
- (b) Unless the context otherwise requires, any references made in this Claims Pledge Agreement to the Bondholders' Representative shall be read as references to the Bondholders' Representative acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of the Noteholders and all other Secured Creditors.

#### 1.3 Common Terms

- (a) The Common Terms of the Master Definitions and Framework Agreement shall be expressly and specifically incorporated into this Claims Pledge Agreement, as though they were set out in full in this Claims Pledge Agreement.
- (b) If there is any conflict between the provisions of the Common Terms and the provisions of this Claims Pledge Agreement, the provisions of this Claims Pledge Agreement shall prevail, subject always to compliance with clause 3.3 (*Limited Recourse and Non Petition*) of the Common Terms.
- (c) Nothing in this Claims Pledge Agreement shall be construed as to prevail over or otherwise alter the applicable Priority of Payments.

## 2. SECURED CREDITORS

### 2.1 Secured Creditors as of the Signing Date

It is hereby confirmed and acknowledged that:

- (a) each Party (other than the Issuer) signing this Claims Pledge Agreement; and
- (b) each Noteholder represented by the Bondholders' Representative acting as direct representative (*direkter Stellvertreter*) in the name and for the account of the Noteholders pursuant to Condition 13 (*Appointment of Bondholders' Representative*),

is a direct party to this Agreement, including for purpose of the Security Interest created under Clause 6 (*Pledge of Pledged Claims*) and Clause 7 (*Pledge of Securities Account Assets*).

### 2.2 Secured Creditors after the Signing Date

It is hereby confirmed and acknowledged that:

- (a) Each present and future party that becomes a successor of any (present and future) Secured Creditor and each future Noteholder (represented by the Bondholders' Representative as direct representative (*direkter Stellvertreter*) pursuant to Condition 13 (*Appointment of Bondholders' Representative*)), becomes a Secured Creditor and a direct party to this Claims Pledge Agreement, including for purpose of the Security Interests created under Clause 6 (*Pledge of Pledged Claims*) and Clause 7 (*Pledge of Securities Account Assets*), upon the succession becoming effective or upon such party becoming a Noteholder pursuant to the Conditions (as applicable), automatically without further action being required; and
- (b) each party that transfers its contractual role (on the basis of which it was a Secured Creditor) to a successor pursuant to the Transaction Documents and each party no longer holding any Notes, will cease to be a Secured Creditor and a direct party to this Claims Pledge Agreement in their respective capacity, automatically without further action being required.

## 3. BONDHOLDERS' REPRESENTATIVE

(a) It is hereby confirmed and acknowledged that:

- (i) Pursuant to paragraph (a) of Condition 13 (*Appointment of Bondholders' Representative*), each present and future Noteholder and the Issuer appoint and authorise the Trustee to act as bondholders' representative in the sense of article 1158 et seq. CO (the "**Bondholders' Representative**").
- (ii) Pursuant to paragraph (b) of Condition 13 (*Appointment of Bondholders' Representative*), the Bondholders' Representative is authorised in the sense of article 1159 CO by each Noteholder, in each case acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) in the name and for the account of each Noteholder and other Secured Creditor (i) to enter into the Claims Pledge Agreement and any other Security Agreement (if any) and accept, the Pledges pursuant to the Claims Pledge Agreement and any other accessory Security Interest (*akzessorische Sicherheit*) under any other Security Agreement (if any), (ii) to hold, administer, release and, upon the occurrence of an Enforcement Event or if otherwise necessary, enforce the Pledges pursuant to the Claims Pledge Agreement and any other accessory Security Interest (*akzessorische Sicherheit*) under any other Security Agreement (if any), (iii) to effect any release of the Pledges pursuant to the Claims Pledge Agreement and any Security Interest under any other Security Agreement (if any), (iv) to exercise any other rights of the Bondholders' Representative, the Noteholders or any other Secured Creditor under the Claims Pledge Agreement or any other Security Agreement (if any) and (iii) to provide waivers, authorisations and determinations in respect of and agree to amendments of the Claims Pledge Agreement and any other Security Agreement (if any) pursuant to the Claims Pledge Agreement or other Security Agreement (if any), (v) to hold the Pledges created pursuant to this Claims Pledge Agreement and any Security Interest pursuant to any other Security Agreement (if any) and any proceeds from the Pledges and Security Interests, and (vi) to provide waivers, authorisations and determinations in respect of, agree to modifications of and exercise additional rights of modification with respect to the Claims Pledge Agreement and any other Security Agreement (if any) pursuant to the Claims Pledge Agreement or other Security Agreement, as applicable, and Condition 16



(*Waiver, Authorisation and Determination*), Condition 17 (*Modification*) or Condition 18 (*Additional Right of Modification*), as applicable.

- (iii) Pursuant to paragraph (c) of Condition 13 (*Appointment of Bondholders' Representative*), as a condition to subscribing for or purchasing any Note, each Noteholder acknowledges and agrees that pursuant to article 1159(3) CO to extent that the Bondholders' Representative is entitled to act as bondholders' representative pursuant to Condition 13 (*Appointment of Bondholders' Representative*), no Noteholder may independently exercise any rights under the Conditions, the Claims Pledge Agreement and any other Security Agreement (if any).
- (b) The Bondholders' Representative hereby accepts the appointment as Bondholders' Representative pursuant to the Conditions and this Claims Pledge Agreement.
- (c) Without limiting any other rights of the Bondholders' Representative as Trustee under the Trust Agreement and under this Claims Pledge Agreement, each Secured Creditor (in case of the Noteholders, represented by the Bondholders' Representative acting as direct representative (*direkter Stellvertreter*)) in the name and for the account of the Noteholders pursuant to Condition 13 (*Appointment of Bondholders' Representative*) and each future Secured Creditor becoming a party hereto (in each case other than the Bondholders' Representative) hereby authorises and mandates the Bondholders' Representative (for the avoidance of doubt, in each case acting for itself as Secured Creditor and as direct representative (*direkter Stellvertreter*) of the Noteholders and other Secured Creditors) to:
  - (i) enter into the Claims Pledge Agreement and accept the Pledges created under Clause 6 (*Pledge of Pledged Claims*) and Clause 7 (*Pledge of Securities Account Assets*)
  - (ii) hold, administer and, upon the occurrence of an Enforcement Event or if otherwise necessary, enforce such Pledges pursuant to this Claims Pledge Agreement;
  - (iii) to effect any release of the Pledges created under this Claims Pledge Agreement;
  - (iv) to exercise any other rights granted to the Bondholders' Representative or any other Secured Creditor under this Claims Pledge Agreement;
  - (v) to hold the Pledges created under this Claims Pledge Agreement and any proceeds of such Pledges; and
  - (vi) to provide waivers, authorisations and determinations and agree to amendments of and exercise additional rights of modification in respect of this Claims Pledge Agreement.

To the extent that the Bondholders' Representative is entitled to act direct representative pursuant to this Clause 3 (*Bondholders' Representative*), no Secured Creditor may individually exercise any rights under this Claims Pledge Agreement.

#### **4. ISSUER'S COVENANT TO PAY AND PERFORM**

The Issuer undertakes and covenants to the Bondholders' Representative that it will:

- (a) duly, unconditionally and punctually pay and discharge, or procure the payment or discharge of, the Secured Obligations to each of the Secured Creditors at the time and in the manner provided in the relevant Transaction Document for their payment or discharge by the Issuer; and
- (b) observe, perform and satisfy all its other obligations and liabilities under each Transaction Document to which it is a party.

For the avoidance of doubt, the obligations of the Issuer under the Transaction Documents shall remain unaffected by the above.

#### **5. ISSUER'S COVENANT TO SELL PURCHASED LEASE VEHICLES**

- (a) Pursuant to the terms of the Trust Agreement, the Issuer will covenant that it shall, or procure that the Servicer shall, sell a Purchased Leased Vehicle in accordance with the Credit and Collection Policies and Procedures if: (i) the lease maturity date for the related Lease Agreement has occurred (in that instance the Purchased Leased Vehicle shall be sold to (A) a Dealer in accordance with its Dealer Repurchase Obligation (if any) under the related Dealer Agreement, (B) the Lessee or (C) any other third party (other than the Lessee or the Dealer); or (ii) the

Lessee has defaulted under the related Lease Agreement; or (iii) any other scenarios where a Purchased Leased Vehicle would have to be sold and transferred in accordance with the Credit and Collection Policies and Procedures (including in the case of death of the Lessee or a change by a Lessee of its Leased Vehicle).

- (b) For the avoidance of doubt, the obligations of the Issuer under the Transaction Documents shall remain unaffected by the above.

## 6. PLEDGE OF PLEDGED CLAIMS

As a continuing security, in order to exclusively secure and provide for the payment and discharge of the Secured Obligations, the Issuer herewith undertakes to Pledge and herewith Pledges (*verpfändet*) to the Bondholders' Representative, acting for itself as Secured Creditor, to the Noteholders (represented by the Bondholders' Representative as a direct representative (*direkter Stellvertreter*)) and to the other Secured Creditors the rights, claims and proceeds set out in paragraphs (a) through (e) below, collectively referred to as the pledged claims (the "**Pledged Claims**") and each a "**Pledged Claim**":

- (a) all monies standing from time to time to the credit of the Cash Accounts (i.e. the respective claims against the Account Bank), now and in the future (the "**Account Claim**");
- (b) all Lease Receivables held by the Issuer now or in the future together with any related Ancillary Rights;
- (c) all Dealer Receivables held by the Issuer now or in the future together with any related Ancillary Rights;
- (d) to the extent not covered by sub-paragraph (c) above, all existing and future rights and claims of the Issuer in connection with the Residual Value Proceeds (the "**Vehicle Receivables**") together with any related Ancillary Rights; and
- (e) to the extent not covered by the preceding paragraphs (a) through (d), all existing and future rights and claims of, and proceeds accruing to, the Issuer under or in connection with the Transaction Documents (other than this Claims Pledge Agreement) to the extent they are capable of being Pledged (the "**Transaction Receivables**"),

in each case free of any Security Interests or any other encumbrance, except for the Security Interests created under the Transaction Documents.

For purposes of this Claims Pledge Agreement, to "**Pledge**" means a regular pledge right (*reguläres Pfandrecht*) in terms of article 884 et seq. of the Swiss Civil Code "**CC**" and a "**Pledge**" means the establishment of a regular pledge right (*Errichtung eines regulären Pfandrechts*) in terms of article 884 et seq. CC.

## 7. PLEDGE OF SECURITIES ACCOUNT ASSETS

- (a) As a continuing security, in order to exclusively secure and provide for the payment and discharge of the Secured Obligations, the Issuer shall grant a Security Interest pursuant to article 25 para. 2(b) FISA in the form of a Pledge over the Intermediated Securities held in the Securities Account (the "**Pledged Securities Account Assets**", together with the Pledged Claims, the "**Collateral Assets**").
- (b) In order to perfect the Pledge of the Pledged Securities Account Assets, the Issuer, the Bondholders' Representative and the Account Bank shall as of the date hereof enter into the Securities Account Control Agreement in order to irrevocably instruct the Account Bank in accordance with and as further described in article 25 para. 1 FISA and the parties hereto agree to be bound and act in accordance with the Securities Account Control Agreement.

## 8. REPRESENTATIONS AND WARRANTIES OF THE ISSUER

On the date of this Claims Pledge Agreement and on each date on which the Issuer acquires new Lease Assets under the Lease Asset Sale Agreement, the Issuer will make the Issuer Representations and Warranties to the Bondholders' Representative in Schedule 4 (*Issuer Representations and Warranties*) of the Claims Pledge Agreement with reference to the facts and circumstances then subsisting. These representations and warranties will be in addition and not in lieu of the representations and warranties of the Issuer in any other Transaction Document.

**9. UNDERTAKINGS AND COVENANTS OF THE ISSUER**

The Issuer undertakes and covenants to the Bondholders' Representative that, during the term of this Agreement, unless explicitly permitted or contemplated to the contrary by any Transaction Document, it shall:

- (a) comply with the covenants and undertakings set out in the Trust Agreement and the Conditions and the Issuer's obligations thereunder;
- (b) not create, or agree to create or permit to subsist (in favour of any person other than the Bondholders' Representative) any security interest over the Collateral Assets (other than any Security Interest created pursuant to the Transaction Documents);
- (c) not sell, assign, or transfer any of the Collateral Assets to any third party (other than the Bondholders' Representative) or otherwise deal with any of the Collateral Assets (including factoring or discounting any of the Pledged Claims or enter into any agreement for such factoring or discounting) except by collecting and realizing such Pledged Claims in a prudent manner (for the benefit of the Bondholders' Representative) as contemplated by the Transaction Documents and, to the extent not inconsistent therewith, the Seller's Credit and Collection Policies and Procedures;
- (d) not take or permit to be taken any other action whereby the rights of the Bondholders' Representative or the other Secured Creditors as pledgee and security taker of the Collateral Assets are adversely affected;
- (e) maintain the Transaction Accounts in full force and effect with the Account Bank for the entire term of this Agreement and it shall not without the prior consent of the Bondholders' Representative maintain any bank account other than the Transaction Accounts (other than permitted under the Transaction Documents);
- (f) not, without the prior written consent of the Bondholders' Representative (partially or in full) revoke the Authorised Signatories List of the Bondholders' Representative in relation to the Transaction Accounts;
- (g) not set-off amounts payable by it to any third party debtor under any agreements relating to any Pledged Claims against any payment obligation of such third party debtor to it;
- (h) following the occurrence of an Enforcement Event, cooperate with the Bondholders' Representative in the event of the collection of payments under or the enforcement of any of the Collateral Assets and to join in or assist at its own expense in any legal proceedings brought by the Bondholders' Representative against any person (other than the Issuer) relating to any Collateral Assets to the extent this is necessary to enforce a Collateral Asset;
- (i) take such actions as are necessary to remove any security interest, claim or right in, to or on the Collateral Assets and defend the right, title and interest of the Secured Creditors in and to the Collateral Assets against any security interest thereon or any claims and demands of any person in respect of breaches of representations and warranties in this Claims Pledge Agreement;
- (j) inform the Bondholders' Representative promptly, in reasonable detail, (A) of any security interest or claim asserted against any of the Collateral Assets, (B) of the occurrence of any breach by the Issuer of any of its representations, warranties and covenants contained herein, (C) of the occurrence of any other event or circumstance which would materially impair the value of the Collateral Assets or the effectiveness or enforceability of this Claims Pledge Agreement and (D) of the occurrence of an Issuer Event of Default;
- (k) execute, file, deliver or provide to the Bondholders' Representative or any other person at any time, at its own expense, any and all documents and information reasonably requested by the Bondholders' Representative that are necessary for the purpose of this Agreement (including to validly create and to fully preserve and protect the Security Interest of the Bondholders' Representative in and to the Collateral Assets under this Claims Pledge Agreement and to enable the Bondholders' Representative to exercise and enforce any of its rights and remedies under this Claims Pledge Agreement); and
- (l) give notice in writing to the Bondholders' Representative of any contemplated redemption of the Notes.

These undertakings and covenants of the Issuer shall be in addition and not in lieu of the undertakings and covenants of the Issuer in any other Transaction Document and the obligations of the Issuer under the Transaction Documents shall remain unaffected.

## **10. TRANSACTION ACCOUNTS**

### **10.1 Operation of Transaction Accounts**

- (a) The Bondholders' Representative authorises and grants the Issuer a power of attorney to use any balance of any Cash Account and/or any assets held in the Securities Account in accordance with and subject to the terms and conditions of this Claims Pledge Agreement and the other Transaction Documents, for as long as no Enforcement Event has occurred.
- (b) The Issuer shall not, without the prior written consent of the Bondholders' Representative, dispose of any Collateral Assets (including, for the avoidance of doubt, any monies standing to the credit of a Cash Account and any assets held in the Securities Account) on any of the Transaction Accounts after the occurrence of an Enforcement Event.
- (c) With respect to and for the benefit of the Bondholders' Representative, the Issuer hereby irrevocably and unconditionally waives any banking secrecy and confidentiality rights in relation to the Transaction Accounts and the Collateral Assets.
- (d) It is understood and agreed by the Bondholders' Representative and the Issuer that the Issuer will appoint the Cash Manager and the Bondholders' Representative to dispose over the Collateral Assets and the Transaction Accounts and will grant to it signatory power in relation to the Transaction Accounts, all in accordance with and subject to the Account Bank Agreement and the Cash Management Agreement.

### **10.2 Cash Accounts Control Agreement and Securities Accounts Control Agreement**

On the date of this Agreement, the Issuer shall deliver a signed Cash Accounts Control Agreement and Securities Account Control Agreement and thereby obtaining a waiver of any right of set-off, pledge, retention or similar right or charge in respect of the Transaction Accounts in favour of the Account Bank which are either created by Applicable Law or pursuant to the Applicable Terms and Practices and the parties hereto agree to be bound and act in accordance with the Cash Accounts Control Agreement and the Securities Account Control Agreement.

### **10.3 Information duties**

The Issuer shall provide the Bondholders' Representative with account statements for each Transaction Account evidencing all then existing account balances or securities held in an account on a semi-annual basis, commencing as of 30 June 2023, and then as of 30 June and 31 December of each year (in each case within 10 (ten) days following such dates), and in any event immediately following the occurrence of an Enforcement Event and upon request by the Bondholders' Representative thereafter. Such lists of account balances are of declaratory nature and account balances are pledged irrespective of whether or not the account balances have been or will be listed in such account statements.

## **11. LEASE RECEIVABLES, DEALER RECEIVABLES, VEHICLE RECEIVABLES AND TRANSACTION RECEIVABLES**

### **11.1 Right to dispose over the Pledged Claims**

- (a) Prior to the occurrence of an Enforcement Event the Issuer may take all measures to establish, maintain, secure, collect and enforce the Pledged Claims. The Issuer may continue to use the proceeds from the collection or enforcement of the Pledged Claims in accordance with and subject to the terms and conditions of the Transaction Documents and may continue to exercise its rights and obligations under the Pledged Claims and the underlying Lease Agreements, Dealer Agreements and Transaction Documents in accordance with and subject to the terms of the Transaction Documents.
- (b) It is understood and agreed by the Bondholders' Representative that the Issuer will, subject to the terms and conditions set out in the Servicing Agreement, sub delegate the collection and application and more generally the servicing of all Lease Receivables, Dealer Receivables, Vehicle Receivables and Transaction Receivables held by it to the Servicer under the Servicing Agreement.

## 11.2 Notification of third party debtors under Lease Receivables, Dealer Receivables and Vehicle Receivables

- (a) Upon the occurrence of an Enforcement Event, the Bondholders' Representative shall be authorised to: (i) notify (and the Issuer hereby grants a power of attorney to the Bondholders' Representative for these purposes); or (ii) request that the Issuer notifies, any debtor of Lease Receivables, Dealer Receivables and Vehicle Receivables of the Pledge. All notices to be given by the Issuer (or the Bondholders' Representative) shall be substantially in the form of Schedule 1 (*Form of Notification letters to third party debtors*) of this Agreement and be made in either German, French or Italian language, depending of the original language of the relevant Purchased Dealer Agreements and Purchased Lease Agreements.
- (b) Irrespective of anything to the contrary in this Claims Pledge Agreement, the Bondholders' Representative shall be entitled (but, subject to any provisions of the Transaction Documents to the contrary, not be obliged) to notify the debtors of Lease Receivables, Dealer Receivables and Vehicle Receivables of the pledge of such Lease Receivables, Dealer Receivables and Vehicle Receivables under this Claims Pledge Agreement at any time where an event or a circumstance makes a notification necessary in the reasonable discretion of the Bondholders' Representative in order to protect the Security Interest under this Claims Pledge Agreement.

## 11.3 Information duties

The Issuer shall provide the Bondholders' Representative upon request on a monthly basis, commencing as of 30 June 2023 (in each case within 10 (ten) days following such dates), and in any event following an Enforcement Event and upon request by the Bondholders' Representative thereafter with an up-to-date list of all Lease Receivables, Dealer Receivables and Vehicle Receivables of the Issuer evidencing all then existing Lease Receivables, Dealer Receivables and Vehicle Receivables of the Issuer (which shall, for the avoidance of doubt, include the necessary information in relation to each Lessee and each Dealer in order to be able to duly notify such Lessee and such Dealer and any other relevant party as contemplated in Clause 11.2 of the Claims Pledge Agreement) in the form set out in Schedule 2 (*Form of List Purchased Lease Assets held by the Issuer*) identifying Purchased Lease Assets as of the immediately preceding Cut Off Date, unless such Purchased Lease Asset has become a Repurchased Lease Asset and/or has been terminated and all respective Monthly Instalments (and all other amounts outstanding) have been paid or waived by the Issuer (in accordance with the Seller's Credit and Collection Policies and Procedures) and the Bondholders' Representative shall have access at any time to the lists of Purchased Lease Assets held by the Issuer pursuant to clause 8 of the Servicing Agreement. Such lists of Lease Receivables, Dealer Receivables and Vehicle Receivables are of declaratory nature and Lease Receivables, Dealer Receivables and Vehicle Receivables are pledged irrespective of whether or not the Lease Receivables, Dealer Receivables and Vehicle Receivables have been or will be listed in such lists.

## 12. RELEASE OF THE PLEDGES

### 12.1 Following the Final Discharge Date

Following the Final Discharge Date, the Bondholders' Representative shall, at the Issuer's cost, release all Security Interests created under this Claims Pledge Agreement and inform the Account Bank of the release of the Security Interest created under this Claims Pledge Agreement, provided that the rights of the Bondholders' Representative under this Claims Pledge Agreement shall be fully reinstated in the event that the discharge of the Secured Obligations has been successfully challenged by any insolvency official or any creditor of the Issuer. Neither the Bondholders' Representative nor the Secured Creditors shall be deemed to have made and shall not be obliged to make any representation or warranty with respect to any of the Collateral Assets or the Security Interests so released. The Bondholders' Representative undertake to do all acts which are required by Applicable Law to release the Security Interests in relation to the Collateral Assets to the Issuer.

### 12.2 Upon a repurchase under the Lease Asset Sale Agreement

- (a) Upon the Issuer wishing and/or being obliged to resell, retransfer and reassign (any) Purchased Lease Agreement(s) and the respective Purchased Dealer Agreement(s) in accordance with and subject to the Lease Asset Sale Agreement (a "**Contemplated Repurchase**"), the Issuer may serve a Release Request substantially in the form of Schedule 5 (*Form Release Request*) of the Claims Pledge Agreement on the Bondholders' Representative, requesting the release of the Lease Receivables, the Dealer Receivables and the Vehicle Receivables and any other Pledged

Claim relating to the Purchased Lease Agreements and the Purchased Dealer Agreements which are the subject of the Contemplated Repurchase.

- (b) Subject to: (i) the Issuer confirming in the Release Request that the Contemplated Repurchase is in accordance with the Lease Asset Sale Agreement; and (ii) the Release Request identifying the Purchased Lease Agreement(s) and the Purchased Dealer Agreement(s) that will be retransferred, the Bondholders' Representative hereby agrees to release and hereby releases with effect upon consummation of the Contemplated Repurchase, each Pledged Claim that is the subject of the Contemplated Repurchase from the Pledges and any other Security Interest created hereunder.

### 13. OBLIGATIONS OF THE ISSUER UPON THE OCCURRENCE OF AN ENFORCEMENT EVENT

Upon the occurrence of an Enforcement Event:

- (a) the Issuer shall immediately provide the Bondholders' Representative with a list setting forth in reasonable detail all Lease Agreements, Dealer Agreements and the Leased Vehicles related thereto and, upon request, any and all such further information, agreements and documents (including original copies thereof) evidencing the Lease Agreements, Dealer Agreements and Lease Vehicles as the Bondholders' Representative may reasonably require in order to allow the Bondholders' Representative to collect and enforce the Pledge created under this Claims Pledge Agreement; and
- (b) the Issuer shall upon request by the Bondholders' Representative, instruct, at its own expense, but in the Bondholders' Representative's name and in form and substance as the Bondholders' Representative may in its discretion see fit, the counterparties of the relevant Lease Agreements and Dealer Agreements to make all payments thereunder into an account specified by the Bondholders' Representative.

### 14. ENFORCEMENT

- (a) Without prejudice to any other right or remedy available to the Bondholders' Representative or any other Secured Creditor, upon the occurrence of an Enforcement Event, the Bondholders' Representative shall be entitled (but not obligated), without prior notification of the Issuer or any further formality, at its full discretion and notwithstanding any right of set-off of the Bondholders' Representative or the other Secured Creditors (provided the Bondholders' Representative has been indemnified, secured and/or been prefunded against costs, expenses and liabilities which it may incur in doing so pursuant to this Claims Pledge Agreement), to:
  - (i) effect Enforcement by either (A) private realization (*Private Verwertung*, including, to the extent legally permissible, self-sale (*Selbsteintritt*)) of the Collateral Assets, or (B) Enforcement proceedings pursuant to the Swiss Debt Collection and Bankruptcy Act under the exclusion of art. 41 para. 1<sup>bis</sup> of the Swiss Debt Collection and Bankruptcy Act (i.e. waiver of *beneficium excussionis realis*) or any analogous provisions under applicable foreign law and the parties agree in advance that a discretionary sale (*Freihandverkauf*) shall be permitted, including a sale of a part or the entire portfolio of Purchased Lease Assets, including the Purchased Lease Agreements and receivables thereunder by way of change of party (*Parteiwechsel*) and assignment, the purchased Dealer Agreements and receivables thereunder by way of change of party (*Parteiwechsel*) together with the ownership (*Eigentum*) and indirect possession in each Purchased Lease Vehicle;
  - (ii) act as Bondholders' Representative contracting in its own name and in the name of the other Secured Creditors and on its and their accounts for the accounts of third persons in private or official Enforcement; and/or
  - (iii) apply all moneys arising from the Collateral Assets as though they were the proceeds of an Enforcement under this Claims Pledge Agreement.

In foreclosing on the Collateral Assets, the Bondholders' Representative enjoys full discretion as to the manner, time and place at which such execution is to take place.

- (b) Failure by the Bondholders' Representative to sell Collateral Assets or to exercise any right or remedy including the acceptance of partial or delinquent payments shall not result in any liability of the Bondholders' Representative or any other Secured Creditor and shall not

prejudice any of the rights the Bondholders' Representative may have under this Claims Pledge Agreement or any other Transaction Document nor be a waiver of any obligation of the Issuer hereunder and/or thereunder.

- (c) Notwithstanding previous sales or transfers of Collateral Assets without formality or notice, the Bondholders' Representative retains the right at all times to take any measure they deem necessary or appropriate in accordance with the Swiss Debt Collection Act or any analogous provisions under applicable foreign law.
- (d) The Bondholders' Representative shall be entitled to enforce the Pledges in full or in part only. Partial Enforcement shall not affect the Pledges on the remaining Collateral Assets.
- (e) If the currency of the Secured Obligations is different from that of the Enforcement proceeds, the Bondholders' Representative shall determine at its discretion the conversion rate to be used in applying the Enforcement proceeds to the payment of the Secured Obligations.
- (f) The Issuer agrees that the Bondholders' Representative can instruct a third party to conduct the Enforcement of the Pledges in its name and for its account.
- (g) If the Security created under this Claims Pledge Agreement is enforced or if Secured Obligations have been discharged, no legal subrogation of claims (*Subrogation*) shall occur and no related rights of the Bondholders' Representative or any Secured Creditor shall pass on by subrogation or otherwise until all the Secured Obligations have been discharged in full.

"**Enforcement**" means the foreclosure or any other kind of realisation of the Collateral Assets, including by way of set-off, sale, transfer or otherwise.

#### 15. CONTINUING AND INDEPENDENT SECURITY

The Security Interests granted by the Issuer hereunder shall remain in full force and effect as continuing security for the Secured Obligations until the Final Discharge Date.

To the fullest extent permitted by applicable law, the Issuer waives any right it may have of first requiring the Bondholders' Representative to proceed against, or claim payment from, any person or enforce any guarantee or security granted by any person before enforcing this Claims Pledge Agreement and/or its rights hereunder or pursuant hereto.

The Pledge granted by the Issuer hereunder:

- (a) shall be cumulative, in addition to and independent of any other Security Interest now or subsequently granted to the Bondholders' Representative or any other Secured Creditor for any of the Secured Obligations or any rights, powers and remedies provided by law; and
- (b) shall not be affected in any way by any variation, amendment, restatement, novation, assumption of debt, transfer (including by way of novation), extension, compromise or release of any or all of the Secured Obligations or of any Security Interest from time to time therefore.

#### 16. APPLICATION OF PROCEEDS

Any monies received by the Bondholders' Representative (or any of its delegates appointed under Clause 18.2 (*Delegation*)) pursuant to this Claims Pledge Agreement and/or under the powers hereby conferred shall be applied in or towards satisfaction of the Secured Obligations, all in accordance with and subject to the Transaction Documents and in particular in accordance with the applicable Priority of Payments.

#### 17. AVOIDANCE OF PAYMENTS

If the Bondholders' Representative considers that any amount paid or credited to it in respect of any Secured Obligations is capable of being avoided or reduced by virtue of any applicable law, the liability of the Issuer under this Claims Pledge Agreement and the Security Interest granted hereunder shall, to the extent legally permitted and provided such avoidance or reduction is not caused by gross negligence, willful default or misconduct of the Bondholders' Representative, continue and such amount shall not be considered to have been irrevocably paid.

**18. FURTHER RIGHTS OF THE BONDHOLDERS' REPRESENTATIVE**

**18.1 Power of attorney**

The Bondholders' Representative, on behalf of the Issuer, shall have the right, but not the obligation, to execute, deliver and perfect all documents in the Issuer's name and do all things which the Bondholders' Representative may consider to be required for

- (i) carrying out any obligation imposed on the Issuer under this Claims Pledge Agreement (including the execution and delivery of any deeds, notices, charges, assignments or other security and any transfers of any Collateral Assets); and
- (ii) enabling it to exercise, or delegate the exercise of, any of the rights, powers and authorities conferred on it by or pursuant to this Claims Pledge Agreement or by law, provided that, subject to the right of the Bondholders' Representative to notify, the right of the Bondholders' Representative hereby granted cannot be exercised by the Bondholders' Representative unless either (A) an Enforcement Event occurred or (B) the Issuer has failed to comply with a further assurance or perfection obligation within 5 (five) Business Days of being notified of that failure and being requested to comply by the Bondholders' Representative.

**18.2 Delegation**

- (a) The Bondholders' Representative may delegate to any person, at any time and from time to time, the exercise of any of its rights, powers or discretions (including the enforcement of the Security Interests created hereunder) under, and/or, to the fullest extent legally permitted, the performance of any of its obligations pursuant to this Claims Pledge Agreement. Any such delegation may be made upon the terms (including power to sub-delegate) which the Bondholders' Representative may in its discretion see fit in the interests of the Secured Creditors or any of them. A delegation under this paragraph shall not preclude the subsequent exercise of those rights by the Bondholders' Representative itself nor preclude the Bondholders' Representative from making a subsequent delegation of them to another person or from revoking that delegation.
- (b) Provided that the Bondholders' Representative exercises reasonable care in selecting and instructing such delegate or sub-delegate, the Bondholders' Representative shall not be bound to supervise the proceedings or acts of, and shall not in any way or to any extent be responsible for any Liabilities incurred by reason of the misconduct, omission or default on the part of, such delegate or sub-delegate.

**19. AGENTS OF THE BONDHOLDERS' REPRESENTATIVE**

**19.1 Principal Paying Agent as agent for the Bondholders' Representative**

At any time after the occurrence of an Enforcement Event, the Bondholders' Representative may by notice in writing to the Issuer (with a copy to the Principal Paying Agent) require:

- (a) the Principal Paying Agent to:
  - (i) cease to act as agent of the Issuer and act thereafter as agent of the Bondholders' Representative on the terms provided in the Principal Paying Agency Agreement (with consequential amendments as necessary) save that the Bondholders' Representative's liability under any provisions of the Principal Paying Agency Agreement for the indemnification, remuneration and payment of out-of-pocket expenses of the Principal Paying Agent shall be limited to amounts for the time being held by the Bondholders' Representative on the trust pursuant to this Claims Pledge Agreement and available to the Bondholders' Representative for such purpose and thereafter to hold all sums, documents and records held by it in respect of the Notes on behalf of the Bondholders' Representative; and/or
  - (ii) deliver up all sums, documents and records held by it in respect of the Notes to the Bondholders' Representative or as the Bondholders' Representative shall direct in such notice; provided that such notice shall be deemed not to apply to any document or record which it is obliged not to release by any law or regulation; and
- (b) the Issuer to make all subsequent payments in respect of the Notes to or to the order of the Bondholders' Representative and not to the Principal Paying Agent.



## **19.2 Cash Manager as agent for the Bondholders' Representative**

At any time after the occurrence of an Enforcement Event, the Bondholders' Representative may by notice in writing to the Issuer (with a copy to the Cash Manager) require the Cash Manager to:

- (a) cease to act as agent of the Issuer and act thereafter, until otherwise instructed by the Bondholders' Representative, as the agent of the Bondholders' Representative in relation to payments and calculations to be made by or on behalf of the Bondholders' Representative under the Cash Management Agreement and thereafter to hold all sums, documents and records held by it pursuant to the Transaction Documents on behalf of the Bondholders' Representative; and/or
- (b) deliver up all sums, documents and records held by it pursuant to the Transaction Documents to the Bondholders' Representative or as the Bondholders' Representative shall direct in such notice; provided that such notice shall be deemed not to apply to any document or record which it is obliged not to release by any law or regulation.

## **20. ROLE OF THE BONDHOLDERS' REPRESENTATIVE**

### **20.1 Reliance on information**

- (a) **Advice:** The Bondholders' Representative may act on the opinion or advice of, or a certificate or any information obtained from, any lawyer, banker, valuer, surveyor, broker, auctioneer, accountant or other expert (whether obtained by the Bondholders' Representative or the Issuer and whether containing any limitation on liability or not) and shall not be responsible for any loss occasioned by so acting and whether or not addressed to the Bondholders' Representative.
- (b) **Transmission of advice:** Any opinion, advice, certificate or information referred to above may be sent or obtained by letter, telegram, e-mail or fax transmission and the Bondholders' Representative shall not be liable for acting on any opinion, advice, certificate or information purporting to be so conveyed although the same contains some error or is not authentic.
- (c) **Notices and statements:** The Bondholders' Representative may rely on: any representation, notice, document or other communication believed by it to be genuine, correct and appropriately authorised as sufficient evidence that such is the case; and/or any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his or her knowledge or within his or her power to verify.
- (d) **Bondholders' Representative not responsible for investigations:** The Bondholders' Representative shall not be responsible for, or for investigating any matter which is the subject of, any recital, statement, representation, warranty or covenant of any person or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof and shall assume the accuracy and correctness thereof nor shall the Bondholders' Representative, by execution of this Claims Pledge Agreement or any other agreement or document relating to the transactions herein, be deemed to make any representation as to the validity, sufficiency or enforceability of either the whole or any part of such agreement or document including in respect of this Claims Pledge Agreement, the validity or sufficiency of the security interest granted hereunder.
- (e) **Information:** Except where expressly provided otherwise, the Bondholders' Representative receives any information provided to it for information purposes only and the Bondholders' Representative will not and is not expected routinely to review or monitor such information.
- (f) **Confirmation from Rating Agencies:** The Bondholders' Representative shall be entitled to take into account, in respect of the exercise of any power, trust, authority, duty or discretion under or in relation to this Claims Pledge Agreement, the Notes and the other Transaction Documents, among other things, any confirmation or affirmation from the Rating Agencies that the then current ratings of the Notes will not be withdrawn or adversely affected by such exercise provided that it is acknowledged that the Rating Agencies are not obliged to provide such confirmation or affirmation.

### **20.2 Bondholders' Representative's rights**

- (a) **Consideration of the interests of the Secured Creditors:** The Bondholders' Representative shall, as regards all of its rights, except where expressly provided otherwise in this Claims Pledge Agreement, have regard to the interests of the Secured Creditors as a whole provided that if, in

the opinion of the Bondholders' Representative there is a conflict between the interests of the Noteholders and those of any of the other Secured Creditors it shall act solely in the interests of the Noteholders.

- (b) Bondholders' Representative's discretion:
  - (i) Save as expressly otherwise provided in this Claims Pledge Agreement, the Bondholders' Representative shall have absolute and uncontrolled discretion as to the exercise or non-exercise as regards all of its rights. The Bondholders' Representative shall not be responsible for any Liability that may result from the exercise or non-exercise of such discretion, but whenever the Bondholders' Representative is bound to act at the request or direction of the Noteholders or the Secured Creditors, the Bondholders' Representative shall nevertheless not be so bound unless first indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all Liabilities which it may incur by so doing.
  - (ii) In relation to any discretion to be exercised or action to be taken by the Bondholders' Representative under any Transaction Document, the Bondholders' Representative may, at its discretion and without further notice or shall, upon instructions of the Requisite Percentage of the Noteholders, exercise such discretion or take such action, provided that, in either case, the Bondholders' Representative shall not be obliged to exercise such discretion or take such action unless it shall first have been indemnified and/or secured and/or prefunded to its satisfaction in respect of all Liabilities to which it may render itself liable or which it may incur by so doing and provided that the Bondholders' Representative shall not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Noteholders.
- (c) Bondholders' Representative's consent: Any consent given by the Bondholders' Representative for the purposes of the Transaction Documents may be given on such terms and subject to such conditions (if any) as the Bondholders' Representative may require (including that it has first been indemnified and/or secured and/or prefunded to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable in giving such consent) and (notwithstanding any provision to the contrary) may be given retrospectively.
- (d) No duty to monitor performance: The Bondholders' Representative shall be under no obligation to monitor or supervise the performance by the Issuer or any of the other Transaction Parties of their respective obligations under the Transaction Documents or under the Notes or any other agreement or document relating to the transactions herein or therein contemplated and shall be entitled, in the absence of actual knowledge of a breach of obligation, to assume that each such person is properly performing and complying with its obligations.
- (e) Illegality: Notwithstanding anything else contained in the Transaction Documents, the Bondholders' Representative may refrain from doing anything which would or might in its opinion be contrary to any law of any jurisdiction or any directive or regulation of any agency of any state or which would or might otherwise render it liable to any person and may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.
- (f) Events: The Bondholders' Representative shall not be responsible for: (i) identifying the occurrence of a Cash Manager Termination Event, an Issuer Event of Default, an Early Amortisation Event, a Servicer Termination Event or a Seller/Servicer Warranty Breach or determining whether such could be expected to have a Material Adverse Effect and shall assume that no such event or eventuality has occurred unless notified thereof by or on behalf of the Issuer; or (ii) serving any notice in relation to a Cash Manager Termination Event, an Early Amortisation Event, a Servicer Termination Event or a Seller/Servicer Warranty Breach.
- (g) Maintenance of Ratings: The Bondholders' Representative shall not be responsible for the maintenance of the Ratings.
- (h) Clearing systems: The Bondholders' Representative shall be able to rely on any information and certification provided by the clearing systems.
- (i) Matters relating to the Collateral Assets: The Bondholders' Representative:

- (i) may accept without investigation, requisition or objection such right and title as the Issuer may have to any of the Collateral Assets and shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to all or any of the Collateral Assets whether such defect or failure might have been discovered upon examination or enquiry and whether capable of remedy or not;
- (ii) except in case of wilfull misconduct or gross negligence, shall not be liable for any failure, omission or defect in protecting or further assuring the Collateral Assets;
- (iii) shall not be responsible for any unsuitability, inadequacy or unfitness of any Collateral Assets and shall not be obliged to make any investigation into, and shall be entitled to assume, the suitability, adequacy and fitness of the Secured Assets as security for the Secured Obligations;
- (iv) shall not be responsible for investigating, monitoring or supervising the observance or performance by any person in respect of the Collateral Assets or otherwise;
- (v) shall not be responsible for any Liabilities occasioned to the Collateral Assets however caused, whether by an act or omission of the Issuer or any other party to the Transaction Documents or any other person (including any bank, broker, depository, or other intermediary or the Common Depository or operator thereof) acting in accordance with or contrary to the provisions of any of the Transaction Documents or otherwise and irrespective of whether the Collateral Assets is held by or to the order of any of such persons;
- (vi) shall not be under any obligation to insure any of the Issuer's Assets or any deeds or documents of title or other evidence in respect of the Collateral Assets or to require any other person to maintain any such insurance or monitor the adequacy of any such insurance and shall not be responsible for any Liability which may be suffered by any person as a result of the lack of or inadequacy of any such insurance;
- (vii) shall not be responsible for any Liability suffered by any person, whether by reason of depreciation in value or by fluctuation in exchange rates or otherwise in relation to any Transaction Account;
- (viii) except in case of wilfull misconduct or gross negligence, shall not be liable for any decline in the value nor any loss realised upon any sale or other disposition pursuant to the Transaction Documents of any of the Collateral Assets. In particular and without limitation, the Bondholders' Representative shall not be liable for any such decline or loss directly or indirectly arising from its acting or failing to act as a consequence of an opinion reached by it in good faith based on advice received by it in accordance with this Claims Pledge Agreement and the Conditions;
- (ix) shall have no responsibility whatsoever to the Issuer, any Noteholder or any other Secured Creditor as regards any deficiency which might arise because the Bondholders' Representative is subject to any Tax in respect of all or any of the Collateral Assets, the income therefrom or the proceeds thereof;
- (x) shall not be responsible for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or suitability of any of the Lease Agreements and Dealer Agreements or other documents entered into in connection therewith, nor shall it be responsible or liable to any person because of any invalidity of any provisions of such documents or the unenforceability thereof, whether arising from statute, law or decision of any court.

**21. LIABILITY OF THE BONDHOLDERS' REPRESENTATIVE**

Save in relation to its own gross negligence, wilful default or fraud, the Bondholders' Representative shall not be liable to the Issuer, the Noteholders or any other Secured Creditor for taking any action permitted pursuant to this Claims Pledge Agreement.

**22. BONDHOLDERS' REPRESENTATIVE'S DISCRETION**

- (a) When taking any action pursuant to the provisions of the Transaction Documents, the Bondholders' Representative can rely on the provisions for its benefit as set out in this Claims Pledge Agreement and the other Transaction Documents.

- (b) Save as expressly otherwise provided in this Claims Pledge Agreement, the Bondholders' Representative shall be entitled to seek directions from a Requisite Percentage of the Noteholder or the Secured Creditors (if no Notes are outstanding) and may in its discretion elect not to act pending receipt of such direction and/or clarification to its satisfaction from such party and shall not be liable to any person for any loss occasioned thereby.

## 23. REMUNERATION

### 23.1 Normal remuneration

The Issuer shall pay to the Bondholders' Representative remuneration for its services as from the date of this Claims Pledge Agreement, such remuneration to be at such rate as may from time to time be agreed between the Issuer and the Bondholders' Representative pursuant to and in accordance with the Trustee and Bondholders' Representative Fee Letter. Such remuneration shall accrue from day to day and be payable in accordance with the applicable Priority of Payments until the Final Discharge Date.

### 23.2 Additional remuneration

In the event of the occurrence of an Issuer Event of Default or the Bondholders' Representative considering it expedient or necessary or being requested by the Issuer or any Noteholder to undertake duties which the Bondholders' Representative and the Issuer reasonably agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Bondholders' Representative, the Issuer shall pay to the Bondholders' Representative such additional remuneration as shall be agreed between them.

### 23.3 Failure to agree

In the event of the Bondholders' Representative and the Issuer failing to agree:

- (a) (in a case to which Clause 23.1 (*Normal remuneration*) applies) upon the amount of the remuneration; or
- (b) (in a case to which Clause 23.2 (*Additional remuneration*) applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Bondholders' Representative under the Transaction Documents or upon such additional remuneration,

such matters shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Bondholders' Representative and approved by the Issuer or, failing such approval, nominated (on the application of the Bondholders' Representative) by the chairman of the Zurich Chamber of Commerce (the expenses involved in such nomination and the fees of such investment bank being payable by the Issuer) and the determination of any such investment bank shall be final and binding upon the Bondholders' Representative and the Issuer.

### 23.4 Expenses

The Issuer shall on demand pay or discharge:

- (a) all costs and expenses properly incurred by the Bondholders' Representative in relation to the preparation and execution of, the exercise of its rights and the performance of its duties under, and in any other manner in relation to, this Claims Pledge Agreement including but not limited to legal fees and other out-of-pocket expenses; and
- (b) any stamp, issue, registration, documentary and other Taxes (other than any Taxes on the net income of the Bondholders' Representative), or duties paid or payable in connection with any action taken or contemplated by or on behalf of the Bondholders' Representative for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Claims Pledge Agreement,

except to the extent that such costs, expenses and Taxes arise out of the wilful default, fraud or gross negligence of the Bondholders' Representative.

### 23.5 Indemnity

The Issuer covenants with and undertakes to the Bondholders' Representative to indemnify the Bondholders' Representative, its officers, employees and directors (the "**Indemnified Parties**", and each, an "**Indemnified Party**") on demand against any Liabilities which are incurred by the Bondholders' Representative or any other person appointed by any Indemnified Party under the Transaction Documents

to whom any trust, power, authority or discretion may be delegated by the Bondholders' Representative in the execution, or the purported execution, of the rights vested in it by this Claims Pledge Agreement except where that liability is incurred as a result of the wilful default, fraud or gross negligence of the Bondholders' Representative or that person.

### 23.6 Payment of amounts due

All amounts due and payable pursuant to this Clause 23 (*Remuneration*) shall be payable by the Issuer on the Payment Date relating to the Calculation Date immediately following a demand by the Bondholders' Representative (which may not be earlier than the date on which the Liability was incurred). The rate of interest applicable to such payments shall be three (3) per cent. per annum above SARON and interest shall accrue:

- (a) in the case of payments made by the Bondholders' Representative prior to the date of the demand, from the date on which the payment was made or such later date as specified in such demand; or
- (b) in the case of payments made by the Bondholders' Representative on or after the date of the demand, from the date specified in such demand, which date shall not be a date earlier than the date such payments are made.

All remuneration payable to the Bondholders' Representative shall carry interest at the rate specified above from the due date thereof.

### 24. APPOINTMENT AND RETIREMENT OF BONDHOLDERS' REPRESENTATIVE

- (a) The Issuer has the power to appoint a successor Bondholders' Representative provided that the appointment of any Successor Bondholders' Representative remains subject to the consent of the Noteholders by way of an Extraordinary Resolution approved at a Meeting.
- (b) Subject to the appointment of a Successor Bondholders' Representative, the Bondholders' Representative may retire at any time on giving not less than three months' prior written notice to the Issuer. Any termination by the Bondholders' Representative prior to the appointment of a Successor Bondholders' Representative shall be deemed to be effected at an improper time and that Bondholders' Representative shall become liable to the Issuer and the other Secured Creditors for any damage caused thereby.
- (c) The Parties agree that if a Successor Bondholders' Representative is appointed in accordance with this Clause 24 (*Appointment and Retirement of Bondholders' Representative*),
  - (i) all rights and obligations of the Bondholders' Representative under this Agreement shall be automatically transferred to such Successor Bondholders' Representative; and
  - (ii) the Bondholders' Representative shall automatically cease to be party to this Agreement,

in each case as of the effective date of the appointment of such Successor Bondholders' Representative pursuant to this Agreement.

- (d) All Parties hereby agree in advance to such assumption of contract (*Vertragsübernahme*) by the Successor Bondholders' Representative.
- (e) Moreover, the Issuer and the Trustee agree to negotiate in good faith any changes to this Agreement that may be required by the Successor Bondholders' Representative.

### 25. DATA PROTECTION

In the context of this Agreement the parties shall share and/or exchange information and personal data. For this purpose, the parties have concluded a separate data sharing agreement.

### 26. ACKNOWLEDGEMENT

The Bondholders' Representative and all other Secured Creditors hereby acknowledge that the Issuer will retain agents to act on its behalf, and hereby waives any defences it may have against such agents for the enforcement of this Agreement in the event of an exercise by such agent of the Issuer's rights under this Agreement. Accordingly, the parties hereto agree that such agents shall have the right to enforce this Agreement and the full performance by the parties hereto of their obligations and undertakings set forth herein.

**27. APPLICABLE LAW AND JURISDICTION**

This Claims Pledge Agreement and the Security Interests created hereunder shall in all respects, including the Pledges over the Collateral Assets, be governed by, and construed in accordance with, the substantive laws of Switzerland (to the exclusion of conflict of laws provisions). All disputes arising out of or in connection with this Claims Pledge Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies shall be resolved by the courts of Zurich 1, Canton of Zurich, Switzerland.

## DESCRIPTION OF CERTAIN TRANSACTION DOCUMENTS

The following is a description of the principal terms of the Trust Agreement, the Lease Asset Sale Agreement, the Servicing Agreement, the Servicing Facilitator Agreement, the Cash Management Agreement, the Account Bank Agreement, the Principal Paying Agency Agreement, the Corporate Services Agreement, the Corporate Sub Services Agreement, the Subscription Agreement and the Subordinated Loan Agreement, and is qualified in its entirety by the actual terms of such Transaction Documents. It does not purport to be complete and investors should read the full terms of such Transaction Documents for a better understanding of its contents. Copies of the Transaction Documents are available in physical form for inspection during usual business hours at the offices of the Issuer and the Specified Office of the Principal Paying Agent for the life of the Notes.

### TRUST AGREEMENT

#### General

On the Signing Date, amongst others, the Issuer, the Trustee and the Secured Creditors (other than the Noteholders) will enter into a trust agreement (the "**Trust Agreement**"). All parties to the Trust Agreement agree to be bound by, and concur that their rights are subject to the Conditions. The Trustee shall have only those duties, obligations and responsibilities expressly specified in the Trust Agreement and shall not have any implied duties, obligations and responsibilities.

Pursuant to paragraph (a) of Condition 13 (*Appointment of Bondholders' Representative*), the Issuer and each Noteholder will appoint and authorise ProServices Trustees (Switzerland) AG to act as bondholders' representative in the sense of the Bondholder Provisions (*Anleihensvertreter*) (the "**Bondholders' Representative**") for purposes of the Conditions, the Claims Pledge Agreement and any other Security Agreement. Pursuant to Condition 15 (*Trust Agreement and Role of the Trustee*), each Noteholder will acknowledge and agree that ProServices Trustees (Switzerland) AG has been appointed as Trustee under the Trust Agreement and that the role of the Trustee is separate and different from the role of Bondholders' Representative. The Trust Agreement contains provisions relating to, but not limited to:

- (a) the Covenant to Pay;
- (c) the Issuer Representations and Warranties and the Issuer Covenants;
- (d) the modification of Transaction Documents other than the Conditions; and
- (e) the appointment, powers and responsibilities of the Trustee and the circumstances in which the Trustee may resign or retire or be removed.

Subject to the provisions of the Trust Agreement, the Trustee has sole and absolute discretion as to the exercise or non-exercise any of its rights. The Trustee will not be responsible for any Liability that may result from the exercise or non-exercise of this discretion, but whenever the Trustee is bound to act at the request or directions of the Noteholders, the Trustee will not be bound unless indemnified, prefunded and/or secured to its satisfaction against all Liabilities to which it may thereby become liable and/or which it may incur by so doing.

The Trust Agreement also contains provisions pursuant to which the Trustee is not bound to give notice to any person of the execution of the Transaction Documents or to take any steps to ascertain whether any Issuer Event of Default has occurred and, until it will have actual knowledge or express notice to the contrary, the Trustee will be entitled to assume that no Issuer Event of Default has occurred and that the Issuer is observing and performing all the obligations on its part contained in the Notes and the other Transaction Documents and no event has occurred that results in any of the Notes becoming repayable.

#### Covenant to pay and perform

In accordance with the Trust Agreement, the Issuer will make covenants to the Trustee regarding fulfilment of the Issuer's obligations under the Conditions and the Transaction Documents.

#### Covenant to sell Purchased Lease Vehicles

Pursuant to the terms of the Trust Agreement, the Issuer will covenant that it shall, or procure that the Servicer shall, sell a Purchased Leased Vehicle in accordance with the Credit and Collection Policies and Procedures if: (i) the lease maturity date for the related Lease Agreement has occurred (in that instance the Purchased Leased Vehicle shall be sold to (A) a Dealer in accordance with its Dealer Repurchase Obligation (if any) under the related Dealer Agreement, (B) the Lessee or (C) any other third party (other than the Lessee or the Dealer); or (ii) the Lessee has defaulted under the related Lease Agreement; or (iii) any other scenarios where a Purchased Leased

Vehicle would have to be sold and transferred in accordance with the Credit and Collection Policies and Procedures (including in the case of death of the Lessee or a change by a Lessee of its Leased Vehicle).

### **Issuer Representations and Warranties and Issuer Covenants**

In the Trust Agreement, the Issuer will make as of the date of the Trust Agreement, the Closing Date and each Payment Date certain general representations and warranties with respect to itself and the Transaction Documents.

In addition, the Issuer will give the Issuer Covenants to the Trustee. The Issuer will undertake, *inter alia*, to:

- (a) prepare financial statements for each of its financial years starting at the end of 2023 in such form as will comply with the listing rules and other applicable regulations of SIX Swiss Exchange and (the "**Listing Rules**");
- (b) carry on and conduct its affairs in a proper and efficient manner in compliance with any Requirement of Law and any Regulatory Direction from time to time in force in the Issuer Jurisdiction or in any other jurisdiction in which it carries on business and in compliance with the Issuer's Articles;
- (c) at all times comply with and perform all its obligations under the relevant Transaction Documents and the Notes and use all reasonable endeavours to procure that the other Transaction Parties, other than the Trustee, comply with and perform all their respective obligations under the relevant Transaction Documents;
- (d) at all times give to the Trustee such information, opinions, certificates and other evidence as the Trustee and any persons appointed by the Trustee shall reasonably require (and which it is reasonably practicable to produce) for the purposes of the discharge of the rights vested in the Trustee by or pursuant to the Trust Agreement;
- (e) for as long as any Notes are outstanding there shall always be a Servicer to perform the functions assigned to it under the Servicing Agreement;
- (f) immediately notify the Servicer and the Trustee if the Issuer becomes aware of any breach of the Issuer Representations and Warranties or of any breach of any undertaking given by, or any obligation of, the Issuer in or under any relevant Transaction Documents;
- (g) if any legal proceedings are instituted against it by any of its creditors or in respect of any of the Purchased Lease Assets, including any litigation or claim calling into question in any material way the Issuer's interest therein, immediately: (i) notify the Servicer and the Trustee of such proceedings; and (ii) notify the court and any receiver appointed in respect of the property the subject of such proceedings of the interests of the Trustee in the Lease Assets;
- (h) perform any act required by any Requirement of Law or any Regulatory Direction to be performed, and so far as permitted by applicable law, execute such further documents and perform such further acts as may be incidental to, or necessary in the opinion of the Trustee to give effect to, the relevant Transaction Documents;
- (i) use all reasonable endeavours to procure the admission of the Notes to listing on the SIX Swiss Exchange and to maintain such admission until none of the Notes are outstanding;
- (j) while any of the Notes remain outstanding, give notice, or use all reasonable endeavours to procure that notice is given, to the Rating Agencies and the Trustee of:
  - (i) any proposed Amendment to the Transaction Documents which is not of a formal, minor or technical nature or made to correct a manifest error (including any Amendment of any material term of a Transaction Document made in connection with the appointment of a replacement counterparty);
  - (ii) any Extraordinary Resolution in respect of a Noteholder Reserved Matter;
  - (iii) the Notes being repaid in full;
  - (iv) the occurrence of an Early Amortisation Event;
  - (v) any repurchase of any asset by the Seller pursuant to clause 6 (*Repurchase of Purchased Lease Assets*) of the Lease Asset Sale Agreement;
  - (vi) the occurrence of a Servicer Termination Event and the appointment of a Successor Servicer;
  - (vii) the appointment of a successor Trustee, successor trustee or the appointment of a new or replacement Principal Paying Agent;



- (viii) the occurrence of any Issuer Event of Default; and
- (ix) the occurrence of an Enforcement Event.

#### **Actions and Proceedings by the Trustee**

In relation to any discretion to be exercised or action to be taken by the Trustee under any Transaction Document, the Trustee may, at its discretion and without further notice or will, if it has been so directed by way of an Extraordinary Resolution passed by the Requisite Percentage, exercise such discretion or take such action, provided that, in either case, (i) the Trustee will not be obliged to exercise such discretion or take such action unless it will have been indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby become liable and/or which it may incur by so doing and (ii) the Trustee will not be held liable for the consequences of exercising its discretion or taking any such action and may do so without having regard to the effect of such action on individual Noteholders.

The Trustee may at its discretion and without further notice, institute such proceedings as it thinks fit to enforce its rights under the Trust Agreement in respect of the Notes and under the other Transaction Documents on behalf and in the interests of the Noteholders, but it will not be bound to do so unless so requested by the Requisite Percentage of the Noteholders and in any such case, only if it will have been indemnified, prefunded and/or secured to its satisfaction against all Liabilities to which it may thereby become liable and/or which it may incur by so doing.

#### **Waiver and Modification**

The Trust Agreement sets out the basis on which the Trustee may waive or authorise any breach or proposed breach by the Issuer or any other person of any of the covenants or provisions contained in any Transaction Document (other than the Conditions and the Claims Pledge Agreement), in each case subject to applicable provisions of mandatory Swiss law applicable at the relevant time. In particular, the Trustee may, without the consent of any of the Noteholders make a determination, waive or authorise any breach or proposed breach by the Issuer or any other person of any of the covenants or provisions contained in any Transaction Document (other than the Conditions and the Claims Pledge Agreement), provided that in the sole opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced.

Furthermore, the Trust Agreement sets out the basis on which the Trustee can effect or agree to modifications to the Transaction Documents other than the Conditions and the Claims Pledge Agreement to which it is a party, in each case subject to applicable provisions of mandatory Swiss law applicable at the relevant time. In particular, the Trustee shall, without the consent of the Noteholders at any time agree with the Issuer or any other person to modifications, which in its opinion are proper to make, provided that such modifications are, in the sole opinion of the Trustee, (i) not materially prejudicial to the interests of the Noteholders, (ii) of a formal, minor or technical nature, or (iii) to correct a manifest error or an error which is, in the opinion of the Trustee, proven. In addition, the Trustee shall, without the consent of the Noteholders or any other person, agree to modifications of any Transaction Document (other than the Conditions and the Claims Pledge Agreement) that are requested by the Issuer:

- (a) for the purpose of complying with, or implementing or reflecting, any change in the criteria of one or more of the Rating Agencies which may be applicable from time to time;
- (b) for the purpose of complying with any changes in the requirements of the Risk Retention Rules after the Initial Purchase Date, including as a result of the adoption of any other risk retention legislation, technical standards, regulations or official guidance in relation thereto;
- (c) for the purpose of enabling the Notes to be (or to remain) listed on the SIX Swiss Exchange;
- (d) for the purposes of enabling the Issuer to comply with FATCA (or any voluntary agreement entered into with a taxing authority in relation thereto) and/or CRS;
- (e) for the purpose of complying with any changes in any Applicable Law and/or Requirement of Law relating to Swiss tax law or in any requirement of any Tax Authority after the Initial Purchase Date.

The Trustee shall not be obliged to agree to any amendments which would, in the sole opinion of the Trustee, increase the duties, obligations or liabilities, or reduce the rights or protections, of the Trustee.

Furthermore, the parties to the Trust Agreement shall use reasonable endeavours to negotiate and agree (in the case of the Trustee at the cost of the Issuer) in good faith any amendments to the Transaction Documents (other than the Conditions) that may be required (i) for the proper servicing of the Purchased Lease Assets and (ii) for the appointment of a Replacement Servicer and for the proper servicing of the Purchased Lease Assets by such

Replacement Servicer in accordance with the terms of the agreement to be entered in accordance with the Servicing Agreement. See "*—Servicing Agreement*".

Pursuant to the Trust Agreement, if the Bondholders' Representative, on behalf of the Noteholders, (i) waives or authorises certain breaches or proposed breaches by the Issuer of the Conditions and the Claims Pledge Agreement pursuant to Condition 16 (*Waiver, Authorisation and Determination*) and/or (ii) agrees to certain modifications of any provisions contained in the Conditions and the Claims Pledge Agreement pursuant to Condition 17 (*Modification*), the Trustee, in its capacity as Trustee, shall, and is authorised without further consent of any Noteholder to, agree to such waiver, authorisation and/or modifications (as applicable) in any other Transaction Document.

### **Normal Remuneration**

The Issuer shall pay to the Trustee remuneration for its services as from the date of the Trust Agreement, such remuneration to be at such rate as may from time to time be agreed between the Issuer and Trustee pursuant to and in accordance with the Trustee and Bondholders' Representative Fee Letter. Such remuneration shall accrue from day to day and be payable in accordance with the applicable Priority of Payments until the Final Discharge Date.

### **Additional remuneration**

In the event of the occurrence of an Issuer Event of Default or the Trustee considering it expedient or necessary or being requested by the Issuer or any Noteholder to undertake duties which the Trustee and the Issuer reasonably agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee, the Issuer shall pay to the Trustee such additional remuneration as shall be agreed between them.

### **Failure to agree**

In the event that the Trustee and the Issuer fail to agree:

- (a) (in a case to which clause 9.1 (*Normal remuneration*) applies) upon the amount of the remuneration; or
- (b) (in a case to which clause 9.2 (*Additional remuneration*) applies) upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Trustee under the Transaction Documents or upon such additional remuneration,

such matters shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Trustee and approved by the Issuer or, failing such approval, nominated (on the application of the Trustee) by the chairman of the Zurich Chamber of Commerce (the expenses involved in such nomination and the fees of such investment bank being payable by the Issuer) and the determination of any such investment bank shall be final and binding upon the Trustee and the Issuer.

### **Expenses**

The Issuer shall on demand pay or discharge:

- (a) all costs and expenses properly incurred by Trustee in relation to the preparation and execution of, the exercise of its rights and the performance of its duties under, and in any other manner in relation to, this Trust Agreement including but not limited to legal fees and other out-of-pocket expenses; and
- (b) any stamp, issue, registration, documentary and other Taxes (other than any Taxes on the net income of the Trustee), or duties paid or payable in connection with any action taken or contemplated by or on behalf of the Trustee for enforcing, or resolving any doubt concerning, or for any other purpose in relation to, this Trust Agreement,

except to the extent that such costs, expenses and Taxes arise out of the wilful default, fraud or gross negligence of the Trustee.

### **Appointment and Retirement of Trustee**

Pursuant to the Trust Agreement, the power to appoint a Successor Trustee shall be vested solely in the Issuer.

Subject to the appointment of a Successor Trustee, the Trustee may retire at any time on giving not less than three months' prior written notice to the Issuer. The Trust Agreement provides that any termination by the Trustee prior to the appointment of a Successor Trustee shall be deemed to be effected at an improper time and that Trustee shall become liable to the Issuer for any damage caused thereby.

The parties agree that if a Successor Trustee is appointed in accordance with clause 10 of the Trust Agreement,

- (i) all rights and obligations of the Trustee under the Trust Agreement shall be automatically transferred to such Successor Trustee; and
- (ii) the Trustee shall automatically cease to be party to the Trust Agreement,

in each case as of the effective date of the appointment of such Successor Trustee pursuant to the Trust Agreement.

All parties thereby agree in advance to such assumption of contract (*Vertragsübernahme*) by the Successor Trustee.

Moreover, the Issuer and the Trustee agree to negotiate in good faith any changes to the Trust Agreement that may be required by the Successor Trustee.

#### **Applicable law and jurisdiction**

The Trust Agreement shall in all respects be governed by, and construed in accordance with, the substantive laws of Switzerland. Any dispute, controversy or claim arising under, out of or in connection therewith, including, without limitation, disputes, claims or controversies regarding its existence, validity, interpretation, performance, breach or termination, shall be subject to the exclusive jurisdiction of the ordinary courts of the city of Zurich (Zurich 1), Switzerland.

### **LEASE ASSET SALE AGREEMENT**

#### **General**

On or prior to the Signing Date, the Issuer, the Seller, the Servicer and the Trustee will enter into a lease asset sale agreement (the "**Lease Asset Sale Agreement**") pursuant to which, on the Initial Purchase Date (but with economic effect from the Economic Effective Date) and on each Additional Purchase Date during the Revolving Period (but with economic effect as of the immediately preceding Economic Effective Date), the Issuer will purchase the Lease Assets listed in the Initial Listing or the Additional Listing (as applicable) attached to each Offer Letter submitted by the Seller to the Issuer on any Offer Date from the Seller.

On each Purchase Date, the Seller will also transfer to the Issuer, in relation to the Lease Assets sold, transferred and assigned as of such Initial Purchase Date and as of such Additional Purchase Date, the Collections received by the Seller and applied with a booking date to the respective Lease Assets from (and including) the Economic Effective Date and to (and including) the date which is three (3) Business Days prior to the Purchase Date (the "**Pre Purchase Date Collections**") and the amount of the Deposits as of the relevant Cut Off Date relating to such Lease Assets.

The Seller will be obliged to repurchase the Purchased Lease Assets in certain specific circumstances set out in the Lease Asset Sale Agreement, see "*—Repurchase of Purchased Lease Assets*" below.

#### **Consideration**

The consideration for the sale of a Lease Asset will be the Outstanding Balance of such Lease Asset as of the relevant Cut Off Date (the "**Purchase Price**"). Subject to the terms and conditions of the Lease Asset Sale Agreement and in particular all relevant conditions precedent being satisfied to the full satisfaction of the Issuer on each Purchase Date the Issuer will pay or procure payment to the Seller (in cash) of the aggregate sum of the Purchase Prices for all Lease Assets offered for sale, transfer and assignment as of such Purchase Date.

On the Initial Purchase Date, the Purchase Price for the Lease Assets will be funded from the subscription proceeds and any Subordinated Loan advance made on such Purchase Date provided that the amounts due to BANK-now in its capacity as Seller may be set-off against the Subordinated Loan advance.

On each Additional Purchase Date, the Issuer will use amounts standing to the credit of the Replenishment Ledger to fund the purchase of Additional Lease Assets, provided that the Purchase Price payable in respect of such Additional Lease Assets will not be greater than the amount standing to the credit of the Replenishment Ledger which is available to be applied to pay such Purchase Price.

#### **Conditions to sale**

The agreement of the Issuer to purchase the Eligible Lease Assets will in all cases also be subject to the satisfaction of certain conditions precedent as at the Initial Purchase Date or the relevant Additional Purchase Date including (but not limited to):

- (a) the Seller Representations and Warranties and the Issuer Representations and Warranties are true and correct in all material respects according to the facts and circumstances then existing;

- (b) no Early Amortisation Event, no Servicer Termination Event and no Enforcement Event has occurred;
- (c) following the purchase of such Additional Purchased Lease Assets, the Replenishment Criteria would not be breached as of the previous Cut Off Date;
- (d) following application of the Pre-Enforcement Priority of Payments on the related Payment Date, the Issuer would have sufficient funds available to it, and designated for such purpose, to pay the Purchase Price of such Additional Purchased Lease Assets;
- (e) the Seller has delivered to the Issuer an Offer Letter attaching the Initial Listing or the Additional Listing (as applicable).

#### **Lease Asset Representations and Warranties**

Pursuant to the Lease Asset Sale Agreement, the Seller will make the following representations and warranties (the "**Lease Asset Representations and Warranties**") to the Issuer on any relevant Offer Date and any relevant Purchase Date in each case with regard to the Lease Assets to be sold, transferred and assigned on the relevant Purchase Date with reference to the facts and circumstances existing as of the Initial Cut Off Date or the Additional Cut Off Date (as applicable) unless explicitly stated otherwise:

- (a) as of the Initial Purchase Date (in relation to the initial Lease Assets) and as of any relevant Additional Cut Off Date preceding the relevant Additional Purchase Date (in relation to the relevant Additional Lease Assets) the Seller is the sole legal and beneficial owner of each Lease Asset offered for sale, transfer and assignment as of the Initial Purchase Date or any Additional Purchase Date and upon payment of the Purchase Price in relation to any such Lease Asset, the Issuer will acquire from the Seller the ownership of such Lease Asset, free from any security interest, right of set-off or other claim of any other person;
- (b) each Lease Asset offered for sale, transfer and assignment is – as of the Cut Off Date preceding the relevant Purchase Date – an Eligible Lease Asset and following the purchase of such Lease Asset the Replenishment Criteria would not be breached as of the preceding Cut Off Date;
- (c) ownership (*Eigentum*) and indirect possession (*Besitz*) in each Leased Vehicle offered for sale and transfer is freely transferable from the Seller to the Issuer (as contemplated under the Lease Asset Sale Agreement) without obtaining Lessees' specific consent and without notifying the Lessees;
- (d) each sale, transfer and assignment of the Lease Asset pursuant to the Lease Asset Sale Agreement (A) constitutes a valid sale, transfer and assignment, (B) shall be enforceable against creditors of the Seller, and (C) is neither prohibited nor invalid (in each case subject to any laws from time to time in effect relating to bankruptcy, insolvency, moratorium, reorganisation or any other laws or procedures affecting generally the enforcement of creditors' rights);
- (e) the information set out in any Initial Listing or any Additional Listing is – as of the relevant Cut Off Date – true and accurate;
- (f) as of the relevant Cut Off Date, the Leased Vehicles offered for sale and transfer are not recorded in the records of the Seller as having been (a) a total loss for insurance purposes or (b) to the best of its knowledge, stolen and the Leased Vehicles are duly registered in accordance with the regulations as applied by the department of motor vehicles (*Strassenverkehrsämter*) of the relevant Cantons in Switzerland (including, for the avoidance of doubt, the registration of the transfer restrictions pursuant to Code 178 with respect to the Leased Vehicles) and the transfer of the Leased Vehicles by the Seller to the Issuer according to Clause 2 (*Offer, acceptance, sale and transfer of Lease Assets*) of the Lease Asset Sale Agreement does not need to be registered with the competent department of motor vehicles (*Strassenverkehrsämter*) of the relevant Cantons;
- (g) the Seller has maintained Records relating to each Lease Asset offered for sale, transfer and assignment which are true and accurate in all material respects and such Records are held by or to the order of the Seller and each Purchased Lease Asset is clearly identified and marked as sold to the Issuer in the Seller's Records;
- (h) with respect to the Lease Assets that meet the Eligibility Criteria and considering the Replenishment Criteria, no selection procedures adverse to the Issuer have been employed by the Seller in selecting any Lease Assets for sale under the Lease Asset Sale Agreement and such Lease Assets are automatically and randomly selected by the Seller's IT systems; and
- (i) the disclosure and transfer of information (within Switzerland or abroad) relating to the Lessees and the Dealers (or any other party appearing in the Purchased Lease Agreements and Purchased Dealer Agreements as relevant) in respect of each Purchased Lease Agreement and each Purchased Dealer

Agreement as contemplated by, and for the purposes envisaged by, the Lease Asset Sale Agreement is not contrary to the BA, the DPA and any other data protection law as applicable and the Seller did obtain all relevant approvals and licences (if necessary) and filed all relevant filings with relevant authorities (if necessary).

### **Seller Representations and Warranties**

Pursuant to the terms of the Lease Asset Sale Agreement, the Seller will further make the following representations and warranties (the "**Seller Representations and Warranties**") to the Issuer on the Initial Purchase Date, any Additional Purchase Date and any Offer Date with reference to the facts and circumstances then existing:

- (a) it is duly incorporated as a stock corporation (*Aktiengesellschaft*) and is validly existing under the laws of Switzerland with power and authority to carry on its business and operations (including the entering into and servicing of the Lease Agreements and the Dealer Agreements) and has obtained all necessary licences and approvals which are required for the conduct of its business and to perform its obligations under the Lease Asset Sale Agreement and each other Transaction Document and such licences and approvals have not been revoked or suspended and it is not aware of any circumstances which indicate that any such licences or approvals that have been obtained are likely to be terminated or revoked, except to the extent that failure to obtain, comply with the terms of or maintain any such authorisation, approval licence, notification or consent could not reasonably be expected to have a Material Adverse Effect;
- (b) it does not have branch operations outside of Switzerland;
- (c) without limiting the generality of sub-clause (a) above, it has obtained all necessary licenses and approvals under the CCA (if any) or any other relevant consumer law which are required for the conduct of its business;
- (d) the business as conducted by it and the treatment of consumer data and personal data is in compliance with the DPA and the related Swiss ordinances;
- (e) it has the requisite power and authority, and all necessary corporate authority has been obtained and action taken, for it to sign and deliver, and perform the transactions contemplated in the Lease Asset Sale Agreement and each other Transaction Document (to which it is a party), including the full power and authority to sell, transfer and assign the Purchased Lease Assets sold or to be sold, transferred or to be transferred and assigned or to be assigned to the Issuer pursuant to the execution by the Seller of the Lease Asset Sale Agreement and each Offer Letter;
- (f) its obligations under the Lease Asset Sale Agreement and each other Transaction Documents (to which it is a party) constitute, or when executed by it will constitute, legal, valid and binding obligations and are enforceable against it in accordance with their respective terms, subject to any laws from time to time in effect relating to bankruptcy, insolvency, moratorium, reorganisation or any other laws or procedures affecting generally the enforcement of creditors' rights;
- (g) the execution, signing and delivery of the Lease Asset Sale Agreement and each other Transaction Document (to which it is a party) and the performance of any of the obligations and transactions contemplated thereby do not and will not contravene, breach or constitute a default under or conflict or be inconsistent with or cause to be exceeded any limitation on it or the powers of its directors imposed by or contained in:
  - (i) any law, statute, decree, rule, regulation or licence to which it or any of its assets or revenues is subject or of any order, judgment, injunction, decree, resolution, determination or award of any court or any judicial, administrative, or Governmental Authority or organisation which applies to it or any of its assets or revenues;
  - (ii) the document which contains or establishes its constitution, in particular its articles of association; or
  - (iii) any agreement, indenture, mortgage, deed of trust, bond, or any other document, instrument or obligation to which it is a party or by which any of its assets or revenues is bound or affected,except to the extent that any of those events could not reasonably be expected to have a Material Adverse Effect;
- (h) to the best of its knowledge and belief, there is no litigation and there are no proceedings or investigations that exist, are pending, or threatened to which it is a party or which any third party has brought against it in any court, arbitral, tribunal or public or administrative body or otherwise having jurisdiction over the Seller and its assets or revenues, which would reasonably be expected, if adversely determined, to have a Material Adverse Effect;

- (i) no Insolvency Event has occurred in respect of it nor will occur as a result of the entry into or performance of its obligations and undertakings under the Lease Asset Sale Agreement and each other Transaction Document to which it is a party;
- (j) it has duly and unconditionally obtained and maintained in effect all authorisations, approvals, consents, licences, exemptions, registrations, recordings or filings required in connection with (i) its execution and delivery of the Lease Asset Sale Agreement and each other Transaction Document (to which it is a party), (ii) its compliance with its obligations under the Transaction Documents (to which it is a party) and (iii) the consummation by it of the transactions contemplated by the Lease Asset Sale Agreement and each other Transaction Document (to which it is a party); and
- (k) the Transaction Documents to which it is a party have been entered into by it in good faith for the purposes of carrying on its business and on arm's length commercial terms.

#### **Eligibility Criteria**

As noted above, pursuant to the terms of the Lease Asset Sale Agreement, the Seller will represent and warrant on each Offer Date and each Purchase Date that the Lease Assets satisfy the following criteria (collectively the "**Eligibility Criteria**") on the Initial Cut Off Date or the relevant Additional Cut Off Date, as applicable:

- (a) the Lease Agreement and the Dealer Agreement are substantially in the form of one of the Seller's Standard Contracts;
- (b) the Lease Agreement provides for the payment of fixed equal Monthly Instalments;
- (c) the Lease Agreement and the Dealer Agreement are governed by and originated in compliance with the laws of Switzerland and have been duly entered into and executed by the Lessee and the Dealer respectively (or any authorised representative of that Lessee and Dealer respectively);
- (d) the Lease Agreement and the Dealer Agreement are legally valid, binding and enforceable in accordance with its terms against the Lessee and/or Dealer respectively and the receivables arising thereunder constitute legal, valid, binding, enforceable and irrevocable payment obligations of the relevant Lessee or Dealer respectively;
- (e) the Lease Agreement and the Dealer Agreement are either (i) freely transferrable and assignable without the relevant Lessee's and without the relevant Dealer's consent or (ii) consent for the transfer and assignment of the Lease Agreement and the Dealer Agreement has been obtained from the Lessee and the Dealer;
- (f) the Lease Agreement is a finance lease with no obligation on the Seller under the terms of any Lease Agreement to provide or otherwise arrange any maintenance, other services or insurance in respect of the relevant Leased Vehicle;
- (g) there is no separate maintenance contract relating to any Leased Vehicle other than, for the avoidance of doubt, with a Dealer or another third party;
- (h) the Lease Agreement is not linked to a Payment Protection Insurance (PPI);
- (i) no rights of rescission, set-off, withholding, deduction, suspension, counterclaim or defence exist or to the best knowledge of the Seller have been asserted or threatened with respect to (i) any receivable arising under a Lease Agreement and (ii) any receivable arising under a Dealer Agreement and there are no claims or actions pending or to the best knowledge of the Seller threatened in respect of such Lease Agreement and Dealer Agreement which could adversely affect the enforceability or collectability of such Lease Agreement, such Dealer Agreement and in each case the receivables arising thereunder;
- (j) the Leased Vehicle was purchased by the Seller from a Dealer under a Dealer Agreement and was validly transferred by such Dealer to the Seller (prior to it being delivered by the Seller to the Lessee) in accordance with its terms and by such transfer, the Seller received valid and due ownership (*Eigentum*) from the relevant Dealer;
- (k) the Seller complied in all material respects with its Seller's Credit and Collection Policies and Procedures (in force at such time) in relation to the origination and administration of the relevant Lease Agreement and Dealer Agreement;
- (l) the Lease Agreement has not been terminated or has not been rescinded and the Lease Agreement is not subject to any right of withdrawal (*Widerrufsrecht*) under the CCA

- (m) the Lease Agreement (i) has been entered into in accordance with all applicable legal requirements and in particular in compliance with the procedures applicable under the CCA (in particular, without limitation, in relation to credit checks (*Kreditfähigkeitsprüfung*)), where applicable, (ii) is compliant with the terms of and conditions of the CCA and any other relevant consumer law, where applicable, and (iii) does not contravene any applicable law or regulation which (in each case) would affect the validity and/or enforceability of any material provision of any such Lease Agreement;
- (n) since its origination, the Lease Agreement has not been amended or otherwise modified such that (i) the total number of the Lessee's scheduled Monthly Instalments under a Lease Agreement is increased, (ii) the Amount Financed under a Lease Agreement is increased, or (iii) the collectability of funds under a Lease Agreement would be materially affected, unless such amendment or modification is made in accordance with the Seller's Credit and Collection Policies and Procedures;
- (o) the Lessee in respect of the Lease Agreement is not, to the knowledge of the Seller bankrupt, subject to a suspension of payments or otherwise insolvent or subject to any analogous procedure and the Lessee is not shown on the Servicer's or the Seller's records as dead;
- (p) the terms of the Lease Agreement requires the Lessee thereunder to take out comprehensive motor insurance and to assign to the Seller the proceeds of any claim upon the loss, theft or damage beyond repair of the Leased Vehicle;
- (q) the receivables arising under the Lease Agreement and the Dealer Agreement are denominated in CHF and payable to the Seller;
- (r) the Lease Agreement and the Dealer Agreement have been entered into by the Seller as principal (and not as agent on behalf or for the benefit of any other party or person);
- (s) the Lease Agreement has an original term to maturity of not more than 60 months;
- (t) the Lease Agreement has an APR of greater than or equal to 0.60 per cent.;
- (u) no Lease Asset is a Delinquent Lease Asset or a Defaulted Lease Asset;
- (v) the Amount Financed under a Lease Agreement in respect to each Leased Vehicle is less than or equal to CHF 250'000.00;
- (w) the Lessee in respect of the Lease Agreement (i) if a Commercial Customer, had its registered office in Switzerland, or, (ii) if a Private Customer, had his place of residence in Switzerland;
- (x) the Lessee in respect of the Lease Agreement is not an employee of the Seller;
- (y) the Lease Asset to be offered for sale, transfer and assignment under the Lease Asset Sale Agreement has been randomly selected by the Seller as of the Cut Off Date in good faith to satisfy the Lease Asset Representations and Warranties and is within the limitations of the Replenishment Criteria; and
- (z) a minimum of one (1) Monthly Instalment has been received by the Seller or the Purchaser (in relation to the latter, in case transfer of the Lease Agreement according to the Agreement occurred prior to such event).

### **Replenishment Criteria**

As noted above, pursuant to the terms of the Lease Asset Sale Agreement, the Seller may offer to sell, and the Issuer may agree to purchase Lease Assets on a Purchase Date provided that, *inter alia*, the following conditions are met (for the avoidance of doubt, the calculation of which will include any additional Lease Assets to be purchased by the Issuer on a Purchase Date) (collectively the "**Replenishment Criteria**"):

- (a) the Outstanding Balance of Purchased Lease Assets relating to Used Vehicle Lease Agreement does not exceed 50.00 per cent. of the aggregate Outstanding Balance of all Purchased Lease Assets;
- (b) the Outstanding Balance of Purchased Lease Assets relating to Lease Agreements entered into with Commercial Customers does not exceed 25.00 per cent. of the aggregate Outstanding Balance of all Purchased Lease Assets;
- (c) the Outstanding Balance of Purchased Lease Assets relating to Used Vehicle Lease Agreements entered into with Commercial Customers does not exceed 10.00 per cent. of the aggregate Outstanding Balance of all Purchased Lease Assets;
- (d) the weighted-average yield of all Purchased Leases Assets would not be less than 3.90 per cent.;
- (e) the portion of the Outstanding Balance of all Purchased Lease Assets that relates to the Dealer Repurchase Price does not exceed 53 per cent.;

- (f) the Outstanding Balance of Purchased Lease Assets that relate to Lease Agreements entered into with the largest Lessee does not exceed 0.20 per cent. of the aggregate Outstanding Balance of all Purchased Lease Assets;
- (g) the Outstanding Balance of Purchased Lease Assets that relate to Lease Agreements entered into with the 20 largest Lessees does not exceed 2.00 per cent. of the aggregate Outstanding Balance of all Purchased Lease Assets;
- (h) the aggregate Dealer Repurchase Prices under Purchased Dealer Agreements entered into with the largest single Dealer does not exceed 5.00 per cent. of the aggregate Dealer Repurchase Prices under all Purchased Dealer Agreements; and
- (i) the Outstanding Balance of Purchased Lease Assets relating to Lease Agreements entered into in relation to one single brand does not exceed 40.00 per cent. of the aggregate Outstanding Balance of all Purchased Lease Assets.

### **Termination of the Revolving Period**

Upon the occurrence of an Early Amortisation Event (the date on which an Early Amortisation Event occurs, the "**Early Amortisation Date**"), the Issuer or the Seller, as the case may be, will, promptly, but in any event within five (5) Business Days following such party becoming aware of the occurrence of any Early Amortisation Event notify the other parties to the Lease Asset Sale Agreement in writing delivered by fax or email with, in each case, a copy of such notice to follow by registered mail or courier.

As of the Early Amortisation Date, (i) the Revolving Period and the commitment of the Issuer to purchase Lease Assets from the Seller under the Lease Asset Sale Agreement will terminate; and (ii) the Seller will no longer be entitled to sell, transfer or assign any Lease Assets to the Issuer.

### **Repurchase of Purchased Lease Assets**

- (a) Repurchase option in relation to Purchased Lease Assets subject to fraud

If a Purchased Lease Asset becomes, after the Cut Off Date as of which the Seller made the Lease Asset Representations and Warranties in relation to such Purchased Lease Asset, a Fraud Lease Asset, the Seller will have the option (but not the obligation) to repurchase such Fraud Lease Asset. In relation to a repurchase of Fraud Lease Assets, the repurchase price of a Fraud Lease Asset will be calculated as the Repurchase Price (for Ineligible Lease Assets).

- (b) Repurchase obligation in relation to single Purchased Lease Assets (Ineligible Lease Assets)

The Seller will be required to repurchase the Lease Assets sold to the Issuer pursuant to the Lease Asset Sale Agreement if, (i) contrary to the Lease Asset Representation and Warranty paragraph 2 of Schedule 9 (*Lease Asset Representations and Warranties*) of the Lease Asset Sale Agreement, such Purchased Lease Asset did not meet the Eligibility Criteria as of the Cut Off Date in respect of which the relevant Lease Asset Representation and Warranty in relation to Eligibility Criteria was given by the Seller to the Issuer or (ii) the sale and purchase, transfer or assignment of any Purchased Lease Asset results in a breach of any of the Replenishment Criteria (an "**Ineligible Lease Asset**").

If a party to the Lease Asset Sale Agreement becomes aware or has knowledge of the existence of the Ineligible Lease Asset, it will promptly deliver a notice setting out details of such breach (a "**Notice of Breach**") to the other party (the "**Recipient**"). The Recipient may challenge such Notice of Breach (in whole or in part) within five (5) Business Days (the "**Challenge Period**") of receipt of the Notice of Breach by serving a notice of objection to the other party (the "**Challenge Notice**"). Either party may refer the dispute to an expert (the "**Expert**") if a resolution is not reached within five (5) Business Days following the date of the Challenge Notice and such Expert will decide whether or not a certain Purchased Lease Asset is an Ineligible Lease Asset. The determination of the Expert will be deemed to be final and binding on each of the parties and the costs of such Expert will be borne by the losing party.

Alternatively, in the event that, following the receipt of a Notice of Breach:

- (i) none of the parties serves a Challenge Notice on the other party within the Challenge Period,
- (ii) the other party accepts the Notice of Breach before the expiry of the Challenge Period, or
- (iii) the matter at dispute according to the Challenge Notice has been resolved (either by the parties hereto, by the Expert or by courts) and it has been concluded that a repurchase must occur,



the Seller will repurchase from the Issuer and the Issuer will sell, transfer and assign all Ineligible Lease Assets listed in such Notice of Breach to the Seller.

The repurchase of an Ineligible Lease Asset will occur and be consummated on the second Additional Purchase Date following the Challenge Settlement Date, such date being the "**Ineligible Lease Asset Repurchase Date**" and such repurchase will have economic effect as of the Economic Effective Date immediately preceding such Ineligible Lease Asset Repurchase Date.

(c) Repurchase obligation in relation to single Purchased Lease Assets (Affected Lease Assets)

The Seller will be required to repurchase the Lease Assets sold to the Issuer pursuant to the Lease Asset Sale Agreement if, at any time after the Cut Off Date on which the Lease Asset Representations and Warranties have been given in relation to any Purchased Lease Asset, a Lessee, in respect of a Purchased Lease Asset, has added Payment Protection Insurance (PPI) to the Purchased Lease Agreement (by making respective amendments to the Purchased Lease Agreement (a "**PPI Lease Asset**" or an "**Affected Lease Asset**").

If the Seller or the Servicer determines or is notified that a Purchased Lease Asset has become an Affected Lease Asset (such date of determination or notification, the "**Affected Lease Asset Discovery Date**"), it will deliver to the other party a notice in this respect (an "**Affected Lease Asset Notice**").

Upon service of an Affected Lease Asset Notice, the Seller will repurchase from the Issuer and the Issuer will sell, transfer and assign to the Seller all Affected Lease Assets listed in such Affected Lease Asset Notice to the Seller.

The repurchase of an Affected Lease Asset will occur and be consummated:

- (i) if the Affected Lease Asset Notice has been served by the Seller, on the second Additional Purchase Date following the Affected Lease Asset Discovery Date; or
- (ii) if the Affected Lease Asset Notice has been served by the Servicer or the Issuer, on the second Additional Purchase Date following the date on which the Affected Lease Asset Notice has been served,

(each such date an "**Affected Lease Asset Repurchase Date**") and in either case have economic effect as of the Economic Effective Date immediately preceding such Affected Lease Asset Repurchase Date.

(d) Repurchase Price of Repurchased Lease Assets

On repurchase of any Ineligible Lease Asset, Affected Lease Asset or Fraud Lease Asset (together, the "**Repurchased Lease Assets**" and each a "**Repurchased Lease Asset**"), the Seller will pay to the Issuer the Repurchase Price which will be calculated as follows:

- (i) in the case of a Repurchased Lease Asset that is not a Defaulted Lease Asset, the sum of (A) its Outstanding Balance as of the Cut Off Date immediately preceding the relevant Repurchased Lease Asset Repurchase Date and (B) any costs or other damages incurred by the Issuer as a consequence of (i) the purchase and the repurchase of such Repurchased Lease Asset and (ii) in the case of an Ineligible Lease Asset, such Ineligible Lease Asset being ineligible;
- (ii) in the case of a Repurchased Lease Asset that is a Defaulted Lease Asset, the sum of (A) its Outstanding Balance as of the Cut Off Date immediately preceding the date on which the Lease Asset was recorded as a Defaulted Lease Asset, minus (B) any recoveries received between the Cut Off Date on which the Outstanding Balance has been calculated for such Defaulted Lease Asset (as per (A) above) and the Cut Off Date immediately preceding the Repurchased Lease Asset Repurchase Date plus (C) any costs or other damages incurred by the Issuer as a consequence of (i) the purchase and the repurchase of such Repurchased Lease Asset and (ii) in the case of an Ineligible Lease Asset, such Ineligible Lease Asset being ineligible.

(e) Repurchase option in relation to the entire pool of Purchased Lease Assets

On a Portfolio Repurchase Date or on any Tax Event Redemption Date, the Seller will have the option (but not the obligation) to repurchase all, but not only some, of the Purchased Lease Assets comprised in the portfolio (the "**Portfolio Repurchase Option**").

If the Seller wants to exercise the Portfolio Repurchase Option, it will serve a notice on the Issuer indicating the price at which the Repurchase Portfolio will be repurchased, which price will be equal to the Outstanding Balance of all Purchased Lease Assets comprised in the Repurchase Portfolio as of the Cut Off Date immediately preceding the relevant Additional Offer Date (and such Outstanding Balance is, for the avoidance of doubt, in relation to each Defaulted Lease Asset, zero) (the "**Portfolio Repurchase Price**").

The repurchase of the Repurchase Portfolio will be consummated upon the Seller having paid the Portfolio Repurchase Price to the Collection Account.

The Seller will not serve a Repurchase Notice, or, if already served, any such Repurchase Notice will be considered invalid and the Issuer must not sell, transfer and assign the Repurchase Portfolio if (in each case) the Repurchase Price would not allow the Issuer to repay the Aggregate Note Principal Amount Outstanding plus accrued interest and any other amount ranking ahead of the Notes in accordance with the applicable Priority of Payments.

(f) **Retransfer of Written Off Lease Assets**

If a Purchased Lease Asset becomes a Written Off Lease Asset following the recovery and sale of the Leased Vehicle, the Seller will have the option (but not the obligation) to request a retransfer of the Written Off Lease Asset from the Issuer (the "**Written Off Retransfer**"). The proceeds (if any) resulting from a subsequent realisation of the Written Off Lease Assets shall be retained by the Seller. The Repurchase Price will be the outstanding balance after write off (i.e. zero).

Where the Lease Vehicle has not been recovered prior to becoming a Written Off Lease Asset, it will be considered a Fraud Lease Asset and any repurchase shall be made in reference to the repurchase option in relation to Purchased Lease Assets subject to fraud.

**Release of Security Interests**

In connection with and upon the resale, retransfer and reassignment of the Repurchase Portfolio, Ineligible Lease Assets, Affected Lease Assets, Fraud Lease Assets or Written Off Lease Assets, the Issuer shall request that the Bondholder's Representative releases any relevant Pledged Claims and Securities Accounts Assets in connection with any such sale and transfer of the relevant Lease Assets pursuant to the terms and procedures set out in the Claims Pledge Agreement.

**Notification of Lessees and Dealers**

- (a) Except as contemplated below, neither the Lessees under the Purchased Lease Agreements, nor any relevant third party debtors of an Ancillary Right (including, but not limited to, insurance companies and jointly liable debtors (*Solidarschuldner*) or the competent road traffic department (*Strassenverkehrsamt*)) nor the holder of a Leased Vehicle (if different from the Lessee) nor the Dealers under the Purchased Dealer Agreements will be notified of the sale, assignment and transfer of the Purchased Lease Agreements and Purchased Dealer Agreements, respectively, as deemed consent by the Lessees and the Dealers is provided for in the Lease Agreements and the Dealer Agreements (to the extent in the form of the Seller's Standard Contracts);
- (b) At any time following the occurrence of a Servicer Termination Event or an Enforcement Event, the Issuer will:
- (i) give notice (in its own name or on behalf of the Seller, for which action the Seller grants a power of attorney to the Issuer) (and/or require the Seller to give notice) to all Lessees under Purchased Lease Agreements and any relevant third parties of the sale, transfer and assignment of (A) the Purchased Lease Agreements and the receivables arising thereunder and the change of party (*Parteiwechsel*) to the Purchased Lease Agreements and (B) the related Purchased Leased Vehicles (together, in each case, with all Ancillary Rights) (substantially in the form scheduled to the Lease Asset Sale Agreement, in German, French or Italian (as appropriate)) and execute and/or require the Seller to execute all documents reasonably required in connection with such notification;
  - (ii) give notice (in its own name or on behalf of the Seller, for which action the Seller grants a power of attorney to the Issuer) (and/or require the Seller to give notice) to all Dealers under the Purchased Dealer Agreements of the sale, transfer and assignment of the Purchased Dealer Agreements (together, in each case, with all Ancillary Rights) and the receivables arising thereunder and the change of party (*Parteiwechsel*) to the Dealer Agreements (substantially in the form of scheduled to the Lease Asset Sale Agreement, in German, French or Italian (as appropriate)) and execute and/or require the Seller to execute all documents reasonably required in connection with such notification;
  - (iii) direct or appoint any agent or services provider in order to direct (and/or require the Seller to direct) all or any of the Lessees under Purchased Lease Agreements, any relevant third party debtors of an Ancillary Right (including, but not limited to, insurance companies and jointly liable debtors (*Solidarschuldner*) or the competent road traffic department (*Strassenverkehrsamt*)), the holder of a Leased Vehicle (if different from the Lessee), the Dealers under Purchased Dealer Agreements and any other relevant debtor of any Lease Receivables, Dealer Receivable or Residual Value Proceeds to pay amounts outstanding in respect of any Purchased Lease Agreement, Purchased Dealer Agreement

and/or Ancillary Rights into the Collection Account or into any other account or to such other persons as are specified by the Issuer; and/or

- (iv) take such other action as it considers to be necessary, appropriate or desirable in order to recover any amount outstanding in respect of any Purchased Lease Agreement.
- (c) Irrespective of the rights of the Issuer as per paragraph (a) and paragraph (b) above, the Issuer will be entitled to notify the Lessees under the Purchased Lease Agreements, any relevant third party debtors of an Ancillary Right (including, but not limited to, insurance companies and jointly liable debtors (*Solidarschuldner*) or the competent road traffic department (*Strassenverkehrsamt*)) or the holders of a Leased Vehicle (if different from the Lessee) or the Dealers under a Purchased Dealer Agreement or any relevant third parties of the sale, transfer and assignment of the Lease Assets made hereunder at any time where an event or a circumstance makes a notification necessary or advisable in the reasonable discretion of the Issuer in order to protect the effectiveness of the sale, transfer and assignment of the Lease Assets made under the Lease Asset Sale Agreement or any other Transaction Document.
- (d) The parties to the Lease Asset Sale Agreement agree that (i) at any time after the occurrence of an Enforcement Event or (ii) at any time where an event or a circumstance makes a notification necessary or advisable in the reasonable discretion of the Trustee and Bondholders' Representative in order to protect the effectiveness of the sale, transfer and assignment of the Lease Assets made under the Lease Asset Sale Agreement or if otherwise required under any other Transaction Document, the Trustee and Bondholders' Representative will have authority and will be authorised to take, on behalf of the Issuer, the steps described in paragraphs (b)(i) – (iv) above.

#### **Applicable law and jurisdiction**

The Lease Asset Sale Agreement will in all respects, including all rights in rem, be governed by, and will be construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Lease Asset Sale Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be resolved by the courts of Zurich 1, Canton of Zurich, Switzerland.

## **SERVICING AGREEMENT**

### **General**

On or prior to the Signing Date, the Issuer, the Seller, the Servicer and the Trustee will enter into a servicing agreement (the "**Servicing Agreement**") pursuant to which BANK-now will be instructed to act as Servicer and to provide services to the Issuer in relation to the Purchased Lease Assets, to collect payments thereunder and otherwise, to administer all such Purchased Lease Assets for the Issuer in relation to the property held by the Issuer, all on the terms and subject to the conditions set out in the Servicing Agreement.

### **Description of Servicing Functions**

The duties of the Servicer will be set out in the Servicing Agreement and the Servicer will agree, amongst other things, to:

- (a) carry out, on behalf of the Issuer, all reasonable activities in order to provide for the collection and recovery of the Purchased Lease Assets (including the Defaulted Lease Assets) and to exercise all available remedies provided for by Applicable Law, the Purchased Lease Agreements and the Purchased Dealer Agreements, including the enforcement of any Ancillary Right, all in accordance with the Seller's Credit and Collection Policies and Procedures, and, if required, to act in the name of the Issuer provided that the Servicer will disclose that it is acting in the name of and for the Issuer (*offene Stellvertretung*) only if and to the extent necessary;
- (b) process payments received in relation to the Purchased Lease Assets and apply such payments to the relevant Purchased Lease Assets;
- (c) if a Purchased Lease Asset becomes a Defaulted Lease Asset or a Delinquent Lease Asset, initiate, prosecute and manage, on behalf of the Issuer, in accordance with the terms of the Lease Asset Sale Agreement, all proceedings on behalf of, and only if and to the extent necessary, in the name of the Issuer pursuant to a Servicer Power of Attorney or a specific power of attorney issued under the Servicing Agreement;
- (d) ensure that any loss certificate (*Verlustschein*) relating to any claim under or in respect of a Purchased Lease Asset that has been issued by any competent enforcement office (*Betreibungs- und/oder Konkursamt*) to the

- Servicer or the Seller is transferred to the Issuer upon reasonable request by the Issuer and in any event upon notice being given to Lessees and Dealers in accordance with the terms of the Lease Asset Sale Agreement;
- (e) give on behalf of the Issuer, any notices to, make any filings with, and supply any information to, the Information Centre on Consumer Credit (*Informationsstelle für Konsumkredit*) as required under the CCA and further prepare and deliver, on behalf of the Issuer, all notices, communications and documents to be sent by the Issuer, in its capacity as owner of the Purchased Lease Assets to any Lessee and Dealer;
  - (f) provide such information and data to the Issuer as required for the Issuer to comply with its obligations under agreements binding upon it;
  - (g) carry out, if required and on behalf of the Issuer, all reasonable activities in order to repossess a Purchased Lease Asset in the circumstances where such repossession is permitted in accordance with the terms of the relevant Purchased Lease Agreement and Purchased Dealer Agreement and as otherwise provided for under the Seller's Credit and Collection Policies and Procedures;
  - (h) conduct, on behalf of the Issuer, monitoring activities in relation to the Purchased Lease Assets;
  - (i) provide the Servicer Report to the Issuer and, on behalf of the Issuer, to the Corporate Servicer and the Cash Manager on a monthly basis in accordance with the terms of the Servicing Agreement;
  - (j) provide to the Issuer an up-to-date list of Purchased Lease Assets held by the Issuer on a monthly basis;
  - (k) hold in safe custody all Records in relation to the Purchased Lease Assets for the Issuer in accordance with the terms of the Servicing Agreement;
  - (l) maintain and provide the Issuer and the Trustee and Bondholders' Representative and their authorized employees and representatives with access to the office space and vault at its premises pursuant to the Corporate Sub Services Agreement;
  - (m) in relation to any termination of a Purchased Lease Agreement following default by the Lessee, any sale of a Purchased Leased Vehicle following such termination, any early payment of all amounts outstanding under such Purchased Lease Agreement by the relevant Lessee prior to the original maturity of the relevant Purchased Lease Agreement or any voluntary surrender by a Lessee of the Purchased Leased Vehicle to which such Purchased Lease Agreement relates prior to the scheduled maturity of the relevant Purchased Lease Agreement, act according to and materially comply on behalf of the Issuer at all times with the relevant provisions of the Seller's Credit and Collection Policies and Procedures;
  - (n) in the event that the Issuer becomes subject to any action, counterclaim, set-off or other analogous claim or other proceedings in respect of claims made by Lessees by reason of the CCA or the CO or otherwise in connection with or relating to the supply of a Leased Vehicle to a Lessee, take all reasonable steps on behalf of the Issuer as it would itself seek from the relevant supplier to recover any liability or loss that the Issuer may suffer and generally to mitigate any such liability or loss and provide all reasonable assistance in connection therewith; and
  - (o) after the occurrence of a VAT Trigger Event, make reference to the Swiss VAT number of the Issuer when issuing invoices to Lessees, Dealers and third parties (as applicable) in the name and on behalf of the Issuer.

#### **Authority of the Servicer**

In performing its activities, the Servicer will not be required to seek prior approval from the Issuer in so far as such activities are carried out in accordance with the Seller's Credit and Collection Policies and Procedures.

When exercising any discretion pursuant to the terms of the Servicing Agreement, the Servicer will refer, at all times, to the Seller's Credit and Collection Policies and Procedures, the instructions agreed with or provided by the Issuer, directly or indirectly, and will act in such a manner as it would be reasonable to expect a prudent servicer of agreements of the nature of Lease Agreements and Dealer Agreements to act in providing services similar to those of the Servicer under the Servicing Agreement provided that the Servicer will not be required to do or cause to be done anything which it is prevented from doing by Regulatory Direction or Requirement of Law.

#### **Amendment of the Seller's Credit and Collection Policies and Procedures**

The Servicer may request the amendment of the Seller's Credit and Collection Policies and Procedures (i) if required in order to comply with any applicable Regulatory Direction or Requirement of Law or (ii) if, in its reasonable opinion, (A) such amendment is necessary and/or instrumental for the purposes of carrying out its business activities and/or its activities under the Servicing Agreement and (B) the Servicer determines that it would not be reasonably likely to have a material adverse effect on the Purchased Lease Assets (including on the value, validity or collectability thereof) or the Issuer's ability to make timely payments to the Noteholders under

the Notes. The Issuer may deliver a written notice to the Servicer objecting to the proposed amendment, if it determines, in its reasonable opinion (formed on the basis of due consideration) that the proposed amendment would be reasonably likely to have a material adverse effect on the Purchased Lease Assets (including on the value, validity or collectability thereof) or the Issuer's ability to make timely payments to the Noteholders under the Notes unless the requested amendment of the Seller's Credit and Collection Policies and Procedures is necessary to comply with any applicable Regulatory Direction or Requirements of Law. If the Issuer does not deliver a notice of objection within ten (10) Business Days from receipt of notice of the amendment it will be deemed to have accepted such request for amendment. In the event of a dispute, the Issuer and Servicer be required to enter good faith negotiations to reach a resolution and may refer the dispute to an expert selected by mutual consent or appointed by the chairman of the Zurich Chamber of Commerce to determine whether the amendment to the Seller's Credit and Collection Policies and Procedures is materially prejudicial to the Issuer.

Following any amendment of the Seller's Credit and Collection Policies and Procedures, the Servicer will notify the Rating Agencies of any material changes to the Seller's Credit and Collection Policies and Procedures (as reasonably determined by the Servicer) as soon as reasonably practicable following the change(s) having become effective.

### **Collections and distribution**

Under the Servicing Agreement, the Servicer will procure that all Collections in respect of the Purchased Lease Assets are paid by (or on behalf of) the Lessees, the Dealers and any other relevant persons directly into the Seller Collection Account in immediately available funds. Where Collections in respect of the Purchased Lease Assets are not paid into the Seller Collection Account in immediately available funds, the Seller or the Servicer (as applicable) will credit (and the Seller agrees to the Servicer crediting) such amounts to the Seller Collection Account as soon as possible, but in no event later than three (3) Business Days from the date on which such payment is made (in each case, the date on which such amounts are paid or otherwise credited to the Seller Collection Account, the "**Collection Credit Date**").

The Servicer will use reasonable efforts to identify the source of any Collections received and transfer all Collections related to Purchased Lease Assets from the Seller Collection Account to the Collection Account within three (3) Business Days immediately following the relevant Collection Credit Date, or, if the source of any Collection and the related Lease Agreement has not been identified as of such date, within three (3) Business Days immediately after the date on which such source is identified.

In relation to any Purchased Lease Asset that becomes the subject of a repurchase by the Seller, the Servicer will cease transferring Collections that have been received by it on or after the date which is three (3) Business Days prior to the relevant repurchase date of such Purchased Lease Asset.

In addition, the Servicer will procure (or use its best efforts to ensure) that any amounts paid by a Lessee, a Dealer or any other relevant third party under and in relation to Purchased Lease Assets to a bank account of the Seller or the Servicer other than the Seller Collection Account, will be forwarded without any deduction made on such amount as soon as possible to the Seller Collection Account or directly to the Collection Account.

The Servicer will keep full and complete and separate accounting evidence of Collections in respect of the Purchased Lease Assets.

### **Performance by Third Parties**

The Servicer is permitted to delegate some or all of its duties to third parties, although the Servicer will remain liable for the performance of any duties that it delegates to another entity.

### **Deposits**

When a Deposit is due for repayment to a Lessee under a Purchased Lease Agreement or a Lease Agreement that will become a Purchased Lease Agreement, the Servicer (but only if BANK-now acts as Servicer at such time), acting on behalf of the Issuer, shall pay from its own funds to the relevant Lessee such Deposit Repayment when and as due for repayment under the relevant Lease Agreement. The Servicer shall provide the Cash Manager with a list of all Deposit Repayments made by the Servicer during the previous Determination Period. On each Servicer Reimbursement Date, the Issuer, acting through the Cash Manager, shall reimburse the Servicer for the deposit Repayments made as further described in the Cash Management Agreement. With respect to each Lessee Reimbursement Date, the Servicer shall determine the amount of the Deposit for each relevant Lessee and any Lease Outstanding Amount and (i) if the Lease Outstanding Amount exceeds the Deposit, the Servicer shall procure that such Lessee or Dealer transfers an amount equal to the difference (such amount, the Final Lease Payment) to the Issuer or (ii) if the Deposit exceeds the Lease Outstanding Amount, the Issuer (or the Cash

Manager on its behalf) shall transfer to each applicable Lessee or Dealer an amount equal to the difference (such amount, the Net Deposit).

### **Servicer Report**

Pursuant to the Servicing Agreement, the Servicer will prepare and, on each Servicer Report Date, will deliver to the Issuer (with a copy to the Corporate Servicer and the Cash Manager) the Servicer Report relating to the entire pool of Purchased Lease Assets (held, for the avoidance of doubt, by the Issuer) as of the immediately preceding Cut Off Date.

The Servicer will be allowed to amend the form of Servicer Report without the consent of the Issuer, provided that (as per Schedule 1 (*Form of Servicer Report*) of the Servicing Agreement):

- (a) such amendments would not materially alter the quality and extent of information provided by the Servicer Report;
- (b) the new form of Servicer Report will still contain substantially the same data on the Purchased Lease Assets as the unamended Servicer Report; and
- (c) the new form Servicer Report will be (i) sent to the Issuer, with a copy to the Corporate Servicer and the Cash Manager at least twenty (20) Business Days before the next Servicer Report Date on which the new form of a Servicer Report will be used and (ii) attached to the Servicing Agreement as an updated schedule.

### **List of Purchased Lease Assets held by the Issuer**

Together with each delivery of the Servicer Report pursuant to the Servicing Agreement, the Servicer shall, upon request of the Issuer, prepare and deliver to the Issuer on a USB device (which shall, for the avoidance of doubt, include the necessary information in relation to each Lessee and each Dealer in order to be able to duly notify such Lessee and such Dealer and any other relevant party as contemplated in clause 11 (*Notices to Lessees and Dealers*) of the Lease Asset Sale Agreement) an up-to-date list of Lease Assets in the form set out at schedule 2 (*Form of List of Purchased Lease Assets held by the Issuer*) of the Servicing Agreement identifying Purchased Lease Assets as of the immediately preceding Cut Off Date, unless such Purchased Lease Asset has become a Repurchased Lease Asset and/or has been terminated and all respective Monthly Instalments (and all other amounts outstanding) have been paid or waived by the Issuer (in accordance with the Seller's Credit and Collection Policies and Procedures) and the Issuer shall deposit such USB device immediately thereafter in the vault at the dedicated office space provided by the Corporate Sub Servicer pursuant to the Corporate Sub Services Agreement at the premises of the Servicer. Access to the dedicated office will be controlled by the Issuer and only the Trustee and Bondholders' Representative shall have exclusive access to the vault.

### **Notification**

As soon as the Servicer becomes aware of (i) any breach of the representations, warranties, covenants or undertakings under any Transaction Document, or (ii) the occurrence of any Early Amortisation Event or Servicer Termination Event or an event which, with the giving of notice or lapse of time, would constitute an Early Amortisation Event or a Servicer Termination Event, or (iii) an error contained in any Servicer Report that, in the Servicer's reasonable opinion, could be expected to have a Material Adverse Effect on the Issuer's ability to fulfil any of its payment obligations under the Notes, it will deliver a notice to the Issuer (with a copy to the Trustee and in the case of the occurrence of a Servicer Termination Event, the Servicing Facilitator).

### **Records**

The Servicer will keep and maintain the Records on a Purchased Lease Asset by Purchased Lease Asset basis that clearly identifies all transactions and proceedings relating to each Purchased Lease Asset and in an adequate form to enforce the Purchased Lease Agreement or the Purchased Dealer Agreement.

Records are to be kept in safe custody and under the Servicer's control in accordance with all Applicable Laws and in the case of Records held on its IT systems, recovery and back-up systems and data-storage to protect against fire, damage and other disasters. In addition, the Servicer is under an obligation not to part with the possession, custody or control of a Record without the prior written consent of the Issuer, except when required to do so pursuant to any order from any judicial authorities or to any orders or directions issued by any agency or other public authority or to the extent necessary to enforce a Purchased Lease Asset. The Servicer will not destroy any Records (and will procure that the Records are not wilfully destroyed) otherwise than in accordance with the Seller's Credit and Collection Policies and Procedures.

Prior to the occurrence of a Servicer Termination Event, subject to no less than ten (10) Business Days prior written notice and upon request by the Issuer, the Servicer will grant access to the Issuer and/or its representatives during normal business hours to the Servicer's facilities, personnel, books and records in order to examine and

inspect the Records for the purposes of allowing the Issuer and/or its representatives to review the Servicer's conduct of its activities under the Servicing Agreement, without causing unnecessary business disruption to the ordinary business activities of the Servicer and make copies of them.

At any time following the occurrence and during the continuation of a Servicer Termination Event, the Servicer will deliver and turn over to the Issuer or at the direction of the Issuer to the Trustee, or, at the option of the Issuer, will provide the Issuer or the Trustee with access to the Servicer's facilities, personnel, books and records pertaining to the Purchased Lease Assets, and, upon giving five (5) Business Days' advance notice to the Servicer, allow the Issuer to occupy the premises of the Servicer where such books, and records are maintained and utilise such premises, the equipment thereon and the Servicer will use its reasonable efforts to ensure that any personnel of the Servicer that the Issuer may wish to employ to administer, service, manage, and collect the Purchased Lease Assets can be employed by the Issuer or will otherwise render services to the Issuer, provided that the Servicer will grant its reasonable support and assistance during such inspections and all reasonable costs and expenses of all such examinations or inspections will be borne by the Servicer.

#### **Additional undertaking and covenants of the Servicer**

Under the Servicing Agreement, the Servicer is subject to certain customary additional undertakings and covenants. In particular, the Servicer will not amend, supplement or restate the Seller's Standard Contracts without the consent of the Issuer provided however that such consent may not be withheld by the Issuer if (i) any amendment, supplement and restatement of the Seller's Standard Contracts is necessary to comply with a non-discretionary regulatory or other legal requirement or (ii) (A) any amendment, supplement and restatement of the Seller's Standard Contracts is notified by the Seller to the Issuer thirty (30) Business Days prior to the contemplated amendment, supplement or restatement, (B) such amendment, supplement or restatement would not have a Material Adverse Effect in relation to the Purchased Lease Assets (in particular in relation to collectability and value) and (C) any Lease Asset originated under such amended, supplemented and/or restated Seller's Standard Contract would continue to meet the relevant Eligibility Criteria and it will not amend or otherwise modify any Purchased Lease Agreement and/or any Purchased Dealer Agreement unless (x) any amendment or modification is necessary to comply with a non-discretionary regulatory or other legal requirement or (y) such amendment or modification could not reasonably be expected to have a material adverse effect on the validity, the collectability and/or value of the related Purchased Lease Asset and (z) the related Purchased Lease Assets would continue to satisfy the relevant Eligibility Criteria following such amendment or modification provided that it will not in any case amend or otherwise modify any Purchased Lease Asset such that the last Monthly Instalment occurs after the expiry of five (5) years from the expiry of the Revolving Period.

#### **Servicer representations and warranties**

On the Initial Purchase Date and any Additional Purchase Date, the Servicer will make the Servicer Representations and Warranties to the Issuer, with reference to the facts and circumstances then existing.

#### **Servicing Fee**

In consideration of its duties pursuant to the Servicing Agreement, the Servicer will receive the Servicing Fee (which, for the avoidance of doubt, is zero for as long as BANK-now is acting as Servicer) to be paid by the Issuer subject to and in accordance with the applicable Priority of Payments.

#### **Termination and resignation**

Upon or following the occurrence of a Servicer Termination Event, the Issuer may terminate the appointment of the Servicer by notice in writing to the Servicer, provided that in the event that the Issuer does not deliver such notice or waive the relevant Servicer Termination Event, the appointment of the Servicer will terminate automatically, without any further notice being required, on the date which is ten (10) Business Days after the occurrence of such Servicer Termination Event. Upon the occurrence of a Servicer Termination Event, the Issuer will notify the Servicing Facilitator of such termination and the Servicing Facilitator will be required to perform its obligations as per the terms and conditions of the Servicing Facilitator Agreement. However, the resignation or termination of the Servicer's appointment will not take effect until a Successor Servicer has been appointed on substantially the same terms as the Servicing Agreement.

The Servicer may resign from its role at any time by giving sixty (60) days' prior written notice to the Issuer, with a copy to the Corporate Servicer, the Cash Manager, the Rating Agencies and the Trustee, provided, however, that, subject to mandatorily applicable provisions of Swiss law, any such resignation will be subject to the identification and appointment of a suitable Successor Servicer on substantially the same terms as the Servicing Agreement.

### **Applicable law and jurisdiction**

The Servicing Agreement will, in all respects, be governed by, and construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Servicing Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be resolved by the courts of Zurich I, Canton of Zurich, Switzerland.

## **SERVICING FACILITATOR AGREEMENT**

### **General**

On the Signing Date, the Issuer, the Seller, the Trustee and the Servicing Facilitator will enter into a servicing facilitator agreement, *inter alia*, to appoint Amicorp Switzerland AG as the Servicing Facilitator (the "**Servicing Facilitator Agreement**"). Upon the occurrence of certain events more specifically set out below, the Servicing Facilitator has agreed to provide certain services to assist the Issuer with the appointment of a successor servicer in accordance with the relevant Transaction Documents and subject to the conditions set forth in the Servicing Facilitator Agreement.

### **Description of services – Identification of a Successor Servicer**

Upon the earlier of (i) receipt by the Servicing Facilitator of notice of the occurrence of a Servicer Termination Event from the Servicer pursuant to the terms of the Servicing Agreement or (ii) the Servicing Facilitator becoming aware of the occurrence of such Servicer Termination Event, the Servicing Facilitator will use commercially reasonable efforts to, promptly and in any event within 90 days from the occurrence of either event set out in (i) or (ii), identify a person that will:

- (a) assume the duties of a Successor Servicer, for and on behalf of the Issuer, and enter into an agreement on terms and conditions substantially similar to the Servicing Agreement;
- (b) have available to it adequate personnel with relevant experience and facilities which, in the Servicing Facilitator's reasonable opinion, are sufficient to permit it to perform the obligations as Successor Servicer;
- (c) have and maintain all appropriate registrations, licences and authorities required (including those required under the DPA and the CCA) to enable it to perform its obligations, and
- (d) otherwise meet any reasonable requirements that the Issuer may (the reasonableness of such requirements to be determined by the Servicing Facilitator in its sole discretion) communicate to the Servicing Facilitator on or after the service of the notice of the occurrence of a Servicer Termination Event or the Servicing Facilitator becoming aware of such Servicer Termination Event (as applicable).

Subject to any potential Successor Servicer entering into appropriate confidentiality arrangements, the Servicing Facilitator will be allowed, for and on behalf of the Issuer, to disclose to any potential Successor Servicer the terms and conditions of the Servicing Agreement and information on the Issuer's assets (as well as disclose any Servicer Report) and the Issuer agrees to disclose and make available such information to the Servicing Facilitator upon its request.

The Servicing Facilitator will submit to the Issuer the name of any company identified by it as being a potential Successor Servicer together with all further information on such person as the Issuer may reasonably request.

### **Power of attorney**

Pursuant to the Servicing Facilitator Agreement, the Issuer will appoint the Servicing Facilitator to be its attorney (with full powers of substitution and delegation) to appoint a person identified by it, which the Servicing Facilitator has notified to the Issuer, to act as Successor Servicer following a Servicer Termination Confirmation and in its name or otherwise on its behalf to execute and deliver all instruments and other documents and do any other acts and things which may be required or which the attorney may, in its absolute discretion, consider appropriate to appoint a Successor Servicer and the Issuer undertakes to ratify and confirm all acts and things done by an attorney in the exercise or purported exercise of its powers and all monies spent by an attorney will be deemed to be expenses incurred by the Servicing Facilitator under the Servicing Facilitator Agreement.

### **Termination**

At any time prior to the Final Discharge Date, the Issuer may terminate the appointment of the Servicing Facilitator by giving the Servicing Facilitator not less than thirty (30) calendar days' prior written notice provided, however, that any such termination will not take effect until another person with experience of performing the services of



the Servicing Facilitator will be appointed as a successor facilitator on substantially the same terms as the Servicing Facilitator Agreement. The appointment of the Servicing Facilitator may be terminated by the Servicing Facilitator upon the expiry of not less than sixty (60) calendar days' prior written notice, given by the Servicing Facilitator to the Issuer (with a copy to the Corporate Servicer and the Trustee) provided, however, that, subject to mandatorily applicable provisions of Swiss law, any such resignation will not take effect until:

- (a) the Servicing Facilitator has notified the Issuer (with a copy to the Corporate Servicer and the Trustee) of the name of the entity prepared to act as successor servicing facilitator and the terms of the relevant appointment, as proposed by that entity, and, if no objection has been notified in writing to the Servicing Facilitator by the Issuer, directly or indirectly, within thirty (30) Business Days as from the date of receipt of the abovementioned notice by the Servicing Facilitator, the identity and the terms of the appointment of the relevant successor servicing facilitator will be considered as approved by the Issuer; and
- (b) such successor servicing facilitator has entered into an agreement substantially on the same terms as the Servicing Facilitator Agreement and has acceded to any other document to which the Servicing Facilitator is party and that is related to the Servicing Facilitator Agreement.

### **Servicing Facilitator Fee**

Subject to the applicable Priority of Payments, the Issuer agrees to pay a fee to the Servicing Facilitator in consideration of the services to be provided by it in accordance with the terms of the Servicing Facilitator Agreement and the fee letter entered into between the parties. In addition, the Issuer will compensate the Servicing Facilitator for incidental costs and expenses reasonably incurred by it in the performance of its services under the Servicing Facilitator Agreement.

### **Applicable law and jurisdiction**

The Servicing Facilitator Agreement will, in all respects, be governed by, and construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Servicing Facilitator Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be resolved by the courts of Zurich 1, Canton of Zurich, Switzerland.

## **CASH MANAGEMENT AGREEMENT**

### **General**

On the Signing Date, Amicorp Switzerland AG, as the cash manager (the "**Cash Manager**"), the Issuer and the Trustee and Bondholders' Representative will enter into a cash management agreement (the "**Cash Management Agreement**") pursuant to which the Cash Manager will provide certain cash management and bank account operation services to the Issuer and following the occurrence of an Enforcement Event and for the purpose of clause 2.4 to the Bondholders' Representative.

### **Cash Management Services**

The Cash Management Services in respect of the Transaction include but are not limited to:

- (a) administering and managing the cash receipts and payments of the Issuer in the Transaction Accounts;
- (b) tracking the movements of cash and liabilities through the Transaction Accounts and the various Ledgers;
- (c) making Authorised Investments from the amounts standing to the credit of the Collection Account and the Cash Reserve Account from time to time;
- (d) operating the Transaction Accounts and directing the Account Bank to make debits from and credits to the Transaction Accounts;
- (e) administering the applicable Priority of Payments including calculating amounts payable by the Issuer; and
- (f) establishing such additional accounts as may be required in accordance with the terms of the Transaction Documents.

### **Collection Account**

The Cash Manager will procure that all Collections and Investment Earnings will initially be deposited in and credited to the Collection Account. On any VAT Recovery Date, the Cash Manager will deposit to the Collection Account the VAT Recovery. By no later than 5:00 p.m. on the Business Day immediately preceding each Payment Date, the Cash Manager will cause an amount equal to the Available Distribution Amount (less any amounts

relating to the Repurchase Price that are required to be directly deposited into the Payment Account on the Payment Date) for such Payment Date and standing to the credit of the Collection Account to be transferred and credited to the Payment Account. On any day, the Cash Manager will withdraw amounts from the Collection Account as permitted by Clause 6.6 (*Collection Account Ledgers*) of the Cash Management Agreement and in accordance with a corresponding debit to the relevant Ledger.

#### **Payment Account**

(a) Pre-Enforcement Priority of Payments

On each Payment Date that any Note is outstanding, prior to the occurrence of an Enforcement Event, the Cash Manager will apply the amount standing to the credit of the Payment Account according to the Pre-Enforcement Priority of Payments.

(b) Post-Enforcement Priority of Payments

On each Business Day following the occurrence of an Enforcement Event, the Cash Manager, unless otherwise directed by the Trustee and Bondholders' Representative, will apply the amount standing to the credit of the Payment Account in or towards the satisfaction of the payments, transfers and provisions as set out, and in the order specified in the Post-Enforcement Priority of Payments.

#### **Note Interest Account**

On each Monthly Payment Date that is not an Interest Payment Date, the Cash Manager, in accordance with the Pre-Enforcement Priority of Payments, will transfer from the Payment Account to the Note Interest Account the amount required to cause the balance standing to the credit of the Note Interest Account to equal the Note Interest Required Amount as of such Monthly Payment Date. On the Business Day immediately preceding each Interest Payment Date, the Cash Manager will transfer from the Note Interest Account to the Payment Account as part of the Available Distribution Amount for such Interest Payment Date an amount equal to the amount standing to the credit of the Note Interest Account on such Business Day. On the Optional Redemption Date (provided that the Issuer has elected to exercise its option to redeem the Notes in full pursuant to Condition 8.2 (*Optional early redemption on the Optional Redemption Date*)), the Final Maturity Date or on each Business Day following the occurrence of an Enforcement Event, the Cash Manager will transfer all amounts standing to the credit of the Note Interest Account to the Payment Account as part of the Available Distribution Amount.

#### **Deposit Account**

On each Purchase Date, the Cash Manager will credit to the Deposit Account an amount equal to all Deposits relating to the Lease Assets sold, transferred and assigned to the Issuer as of the relevant Cut Off Date. On each Servicer Reimbursement Date, the Cash Manager will transfer from the Deposit Account to the Servicer, on behalf of the Issuer, an amount equal to the aggregate of all of the Deposit Repayments as advanced by the Servicer since, or remaining unpaid as of, the immediately preceding Determination Period. On the Business Day immediately preceding the next Payment Date, the Cash Manager will transfer an amount equal to the aggregate Deposit Reduction Amount (based on the information provided by the Servicer) for the immediately preceding Determination Period from the Deposit Account to the Payment Account as part of the Available Distribution Amount. In addition, on (1) each Lessee Reimbursement Date, the Cash Manager will, based on the information provided by the Servicer, transfer from the Deposit Account to each applicable Lessee an amount equal to the Deposit due and payable to such Lessee less the related Deposit Reduction Amount (if any); and (2) any date on which the Seller repurchases any Purchased Lease Assets in accordance with the terms of the Lease Asset Sale Agreement, the Cash Manager will transfer from the Deposit Account to the Servicer, on behalf of the Issuer, an amount equal to the aggregate of all of the Deposits relating to such Repurchased Lease Assets.

#### **Collection Account Ledgers**

The Issuer (or the Cash Manager on its behalf) will maintain the following ledgers on the Collection Account (the "**Ledgers**"):

(a) Replenishment Ledger

On each Monthly Payment Date during the Revolving Period, the Cash Manager, in accordance with the Pre-Enforcement Priority of Payments, will transfer from the Payment Account and deposit to the Collection Account and thereafter credit to the Replenishment Ledger the amount required to cause the balance standing to the credit of the Replenishment Ledger to equal the Required Replenishment Amount. On each Additional Purchase Date, the Cash Manager will debit the Replenishment Ledger and pay to the Seller, on behalf of the Issuer, an amount equal to the lesser of (1) the applicable Purchase Price of Lease Assets to be sold to the Issuer on such Additional Purchase Date in accordance with the terms of the Lease Asset Sale Agreement

and (2) the amount standing to the credit of the Replenishment Ledger on that date. On the Business Day immediately preceding the first Monthly Payment Date falling on the final day of, or following the end of the Revolving Period, on that Monthly Payment Date, the Cash Manager will debit all amounts standing to the credit of the Replenishment Ledger and transfer such amounts to the Payment Account as part of the Available Distribution Amount for such Monthly Payment Date. On the Business Day immediately preceding the Optional Redemption Date, the Early Redemption Date, the Tax Event Redemption Date, the Final Maturity Date or on each Business Day following the occurrence of an Enforcement Event, the Cash Manager will debit all amounts standing to the credit of the Replenishment Ledger and transfer such amounts to the Payment Account to be applied as part of the Available Distribution Amount.

(b) Subordinated Loan Ledger

On each Payment Date, the Cash Manager, in accordance with the applicable Priority of Payments, will transfer from the Payment Account and deposit to the Collection Account and thereafter credit to the Subordinated Loan Ledger any Available Distribution Amount remaining after payment of or reserving for all prior ranking items in the applicable Priority of Payments. On the Business Day immediately preceding each Payment Date, the Cash Manager will debit all amounts standing to the credit of the Subordinated Loan Ledger, on behalf of the Issuer, and transfer such amounts to the Payment Account as part of the Available Distribution Amount for such Payment Date. On each Income Tax Payment Date that is not a Payment Date, the Cash Manager will debit the Subordinated Loan Ledger and pay to the relevant Tax Authority an amount equal to the lesser of (1) the amount of income tax due and payable by the Issuer on such Income Tax Payment Date and (2) the amount then standing to the credit of the Subordinated Loan Ledger. On the Subordinated Loan Repayment Date, the Cash Manager will debit the Subordinated Loan Ledger and pay to the Subordinated Loan Provider the amount owed by the Issuer pursuant to the terms of the Subordinated Loan Agreement.

(c) VAT Ledger

On each Payment Date following a VAT Trigger Event, the Cash Manager, in accordance with the applicable Priority of Payments, will transfer from the Payment Account and deposit to the Collection Account and credit to the VAT Ledger the amount required to cause the balance standing to the credit of the VAT Ledger to equal the VAT Aggregate Required Amount. On the Business Day immediately preceding each Payment Date, the Cash Manager will debit an amount equal to the lesser of (1) the VAT Withdrawal Amount (if any) for such Payment Date and (2) the amount then standing to the credit of the VAT Ledger and credit such amount to the Payment Account as part of the Available Distribution Amount for such Payment Date. On each VAT Payment Date that is not a Payment Date, the Cash Manager will debit the VAT Ledger and transfer to the relevant Tax Authority, on behalf of the Issuer, an amount equal to the lesser of (1) the portion of the VAT (if any) due and payable to the relevant Tax Authority as of such VAT Payment Date and (2) the amount then standing to the credit of the VAT Ledger.

**Cash Reserve Account**

On or prior to the Initial Purchase Date, the Cash Manager will credit to the Cash Reserve Account, from the amount advanced to the Issuer pursuant to the Subordinated Loan, an amount equal to the Cash Reserve Required Amount as of the Initial Purchase Date.

If, at any time prior to the occurrence of an Enforcement Event, the Cash Manager debits an amount from the Cash Reserve Account as contemplated pursuant to the paragraph below, the Cash Manager will on the Monthly Payment Date immediately following such debit, credit to the Cash Reserve Account from the Available Distribution Amount in accordance with the Pre-Enforcement Priority of Payments, the amount equal to the amount necessary to cause the balance standing to the credit of the Cash Reserve Account to equal the Cash Reserve Required Amount for such Monthly Payment Date.

If, after calculating the Available Distribution Amount in respect of any Monthly Payment Date, the Cash Manager determines that the Issuer will otherwise have insufficient funds to comply in full with its payment obligations pursuant to paragraph (e) or higher of the Pre-Enforcement Priority of Payments or paragraph (f) or higher of the Post-Enforcement Priority of Payments (as applicable) on such Monthly Payment Date (the amount of such insufficiency being the "**Available Funds Shortfall**" ), the Cash Manager will immediately withdraw an amount equal to such Available Funds Shortfall from the Cash Reserve Account and pay such amount to the Payment Account to be applied as part of the Available Distribution Amount for such Monthly Payment Date.

Notwithstanding the foregoing, the Cash Manager will withdraw the entire amount standing to the credit of the Cash Reserve Account (a) if notified by the Servicer that the Issuer intends to exercise its option to redeem the Notes on the Optional Redemption Date, (b) if notified by the Issuer or the Seller that an Early Amortisation Event

has occurred, (c) on the last day of the Revolving Period following the exercise of the Portfolio Repurchase Option by the Seller, (d) on the Final Maturity Date (or if such day is not a Business Day, the immediately preceding Business Day), or (e) upon the occurrence of a Cash Reserve Release Event (other than the Final Maturity Date), and upon receipt will transfer such amounts to the Payment Account to be applied as part of the Available Distribution Amount on the next Payment Date.

### **Authorised Investments**

Prior to the occurrence of an Enforcement Event or a Cash Manager Termination Event, the Cash Manager will upon instruction of the Issuer:

- (a) invest an amount equal to the amounts standing to the credit of the Collection Account, *less* CHF 100,000, and the Cash Reserve Account in Authorised Investments on the basis that such investments are due such that the full principal invested will be available in the Collection Account by no later than 10.00 a.m. on the Business Day immediately preceding each Monthly Payment Date or Interest Payment Date (as applicable) and the principal invested is returned in full;
- (b) maintain copies of the deposit receipt, contract, confirmation or equivalent document or other documentary evidence of any transaction in respect of an Authorised Investment and, if requested to do so by the Trustee and Bondholders' Representative, will provide copies of such documentary evidence to the Trustee and Bondholders' Representative or to its order;
- (c) notify the Trustee and Bondholders' Representative upon the disposal of any Authorised Investments and if the proceeds are to be immediately reinvested into other Authorised Investments in accordance with the terms of the Cash Management Agreement; and
- (d) hold all Authorised Investments in the Securities Account.

Following the occurrence of an Enforcement Event, the Cash Manager will dispose of any Authorised Investments, credit the proceeds of such disposal to the Collection Account and notify the Trustee and Bondholders' Representative in writing of the amounts realised from such disposal. No further Authorised Investments will be made after such date.

### **Priority of Payments**

The Cash Manager will apply funds available to the Issuer in accordance with the applicable Priority of Payments. See "*TERMS AND CONDITIONS OF THE NOTES*".

### **Calculations**

Based on the information in the Servicer Report, the Cash Manager will, in respect of each Payment Date, (a) calculate the Note Principal Amount Outstanding, the Aggregate Note Principal Amount Outstanding, the Note Interest Amount and other amounts required to be paid or reserved for pursuant to the relevant Priority of Payments and (b) use such calculations to prepare a Payment Report and an Investor Report. On each Payment Date during a Servicer Report Unavailability Period, the Available Distribution Amount standing to the credit of the Payment Account will be applied by the Cash Manager in or towards the satisfaction of payments, transfers and provisions, required by, and in the order of priority set out in, the then applicable Priority of Payments and the Cash Manager will calculate the amounts payable pursuant to the applicable Priority of Payments in accordance with Clause 8.2 (*Calculations during a Servicer Report Unavailability Period*) of the Cash Management Agreement.

Upon receipt of the Servicer Report delivered at the end of a Servicer Report Unavailability Period, the Cash Manager will calculate the amounts payable in accordance with the then applicable Priority of Payments on any Payment Date that occurred during the Servicer Report Unavailability Period by reference to such Servicer Report. In the event that the Cash Manager identifies any differences between the amounts paid in accordance with the applicable Priority of Payments during the Servicer Report Unavailability Period and the amounts payable pursuant to the Transaction Documents as specified in such Servicer Report the Cash Manager will, notwithstanding any other provision in the Cash Management Agreement, reconcile such differences, to the extent possible by (i) crediting and debiting the Ledgers as necessary and (ii) increasing or decreasing the amounts payable to the relevant parties in accordance with the applicable Priority of Payments on the Payment Date immediately following the Cash Manager's receipt of such Servicer Report. Notwithstanding the foregoing, any payments of principal of the Notes during a Servicer Report Unavailability Period will be a permanent redemption of such Notes and the Aggregate Note Principal Amount Outstanding will be calculated accordingly.

### **Investor Reports**

On each Payment Date, the Cash Manager will (a) deliver an Investor Report to the Issuer (with a copy to the Trustee and Bondholders' Representative, the Principal Paying Agent, the Rating Agencies, the Sole Arranger and

Lead Manager and the Servicing Facilitator) and (b) for so long as the Notes are outstanding, make the Investor Report freely available on BANK-now's website (<https://bank-now.ch/en/ueber-bank-now/medien-und-publikationen/investor-relations/investor-reports>) for dissemination to Noteholders and on Bloomberg.

### **Qualifying Bank**

If the Cash Manager becomes aware that the Account Bank is no longer a Qualifying Bank, the Cash Manager will give written notice to the Issuer (with a copy to the Servicer, the Trustee and Bondholders' Representative, the Account Bank and the Rating Agencies). The Cash Manager, on behalf of the Issuer and at the cost of the Account Bank and the Issuer (in accordance with the terms of the Account Bank Agreement), will, as soon as practicable but in any event within sixty (60) calendar days of the Account Bank ceasing to be a Qualifying Bank or such longer period as agreed by the Trustee and Bondholders' Representative (and notified by the Issuer to the Rating Agencies), use reasonable commercial efforts to procure that either (a) another bank that is a Qualifying Bank guarantees the obligations of the Account Bank in favour of the Trustee and Bondholders' Representative (a "**Qualifying Bank Guarantee**"); or (b) the Transaction Accounts are transferred to another Qualifying Bank (a "**Qualifying Bank Transfer**"). If at the time when the Cash Manager (on behalf of the Issuer) is required to take such action, there is no Qualifying Bank which is willing to provide a Qualifying Bank Guarantee or accept a Qualifying Bank Transfer then the Cash Manager will continue to maintain the Transaction Accounts with the Account Bank until such time as the Cash Manager identifies a Qualifying Bank willing to make a Qualifying Bank Guarantee or accept a Qualifying Bank Transfer and thereafter will as soon as reasonably practicable following identification arrange for the completion of such Qualifying Bank Guarantee or Qualifying Bank Transfer.

### **Cash management fee**

Subject to the applicable Priority of Payments, the Issuer agrees to pay a fee to the Cash Manager in consideration of the provision of the Cash Management Services as set forth in the Cash Manager Fee Letter.

### **Termination**

Upon or at any time following the occurrence of a Cash Manager Termination Event, the Cash Manager's appointment under the Cash Management Agreement may be terminated by the Issuer or, upon the occurrence of an Enforcement Event, the Bondholders' Representative upon notice to the Cash Manager subject to the appointment of a successor cash manager. In certain circumstances, the Issuer will have the right (with the prior written consent of the Trustee and Bondholders' Representative) to terminate the appointment of the Cash Manager upon giving the Cash Manager not less than thirty (30) calendar days' prior notice subject to the appointment of a successor cash manager. The Cash Manager may terminate its appointment upon not less than thirty (30) calendar days' notice to the Issuer (with a copy to the Trustee and Bondholders' Representative), subject to the appointment of a successor cash manager and subject to mandatorily applicable provisions of Swiss law.

The Cash Management Agreement will automatically terminate upon the Final Discharge Date.

### **Applicable law and jurisdiction**

The Cash Management Agreement will, in all respects, be governed by, and construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Cash Management Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be resolved by the courts of Zurich 1, Canton of Zurich, Switzerland.

## **ACCOUNT BANK AGREEMENT**

### **General**

On or about the Signing Date, the Issuer, the Account Bank, the Cash Manager and the Trustee and Bondholders' Representative, amongst others, will enter into an account bank agreement (the "**Account Bank Agreement**") pursuant to which the Account Bank will provide the Issuer with certain banking functions including the establishment and operation of the Transaction Accounts.

### **Establishment and operation of accounts**

The Account Bank will, as of the Closing Date, have opened the Collection Account, the Note Interest Account, the Deposit Account, the Cash Reserve Account, the Payment Account and the Securities Account in the name of the Issuer.

If the Account Bank is instructed by the Issuer, the Cash Manager, the Bondholders' Representative or a successor to the Cash Manager (as applicable) to execute a sale or a purchase order from the Securities Account or to make any transfer from the other Transaction Accounts on any Business Day, the Account Bank will execute such sale or purchase transaction or make such transfer (as applicable) on such day taking into account the respective standard cut-off times.

#### **Entitlement to rely on instructions**

The Account Bank in making any payment from and/or a sale or purchase transaction in relation to the Transaction Accounts, will be entitled to act upon and in accordance with the instructions received from the party having authority over the Transaction Accounts pursuant to the terms of the Account Bank Agreement. Subject to paragraphs (a) and (b) below, the Cash Manager and the Issuer will have authority to manage and give instructions in respect of the Transaction Accounts, however, upon and as of 5.00 pm on the Business Day following:

- (a) receipt by the Account Bank of a notice that there will be a change in Cash Manager (a "**Cash Manager Change Notice**"): (i) the authority of the Cash Manager to manage and give instructions in respect of the Transaction Accounts (including for the avoidance of doubt the authority evidenced by its Authorised Signatories List) will immediately terminate and the Account Bank will no longer accept any instructions from the Cash Manager under the Account Bank Agreement in relation to the Transaction Accounts; and (ii) the Cash Manager's successor (as specified in the Cash Manager Change Notice) will be authorised to manage and give instructions in respect of the Transaction Accounts as Cash Manager, subject to such successor entity (A) confirming in writing that it acknowledges and agrees to act in accordance with the provisions hereof and (B) providing an Authorised Signatories List in relation to it;
- (b) the Issuer's request (i) in relation to the Transaction Account, to close a Transaction Account without the Bondholders' Representative's prior written consent, and/or (ii) that the signatory power of the Bondholders' Representative in relation to the Transaction Accounts be revoked without the Bondholders' Representative's prior written consent, the authority of the Issuer to manage and give instruction in respect of the Transaction Accounts as well as the authority and signatory power of the Issuer in relation to the Transaction Accounts will immediately terminate and the Account Bank will no longer accept any instruction from the Issuer under the Account Bank Agreement in relation to the Transaction Accounts and the Account Bank, in making any payment to or from and/or a sale or purchase transaction in relation to the Transaction Accounts, will act as instructed by the Bondholders' Representative. The authority of the Cash Manager to manage and give instructions in respect of the Transaction Accounts (including, for the avoidance of doubt, the authority evidenced by its Authorised Signatories List) will continue (but the authority will be deemed to exist on the basis of an authorisation given by the Bondholders' Representative to the Cash Manager), unless the Bondholders' Representative notifies the Account Bank (with a copy to the Cash Manager and the Issuer) in writing to the contrary, in which case the authority of the Cash Manager to manage and give instructions in respect of the Transaction Accounts (including, for the avoidance of doubt, the authority evidenced by its Authorised Signatories List) will immediately terminate and the Account Bank will no longer accept any instructions from the Cash Manager under the Account Bank Agreement in relation to the Transaction Accounts.

In addition, upon and as of 5.00 pm on the Business Day following the receipt by the Account Bank of an Enforcement Event Notice from the Bondholders' Representative: (a) the authority of the Issuer to manage and give instructions in respect of the Transaction Accounts (including, for the avoidance of doubt, the authority evidenced by its Authorised Signatories List) will immediately terminate and the Account Bank will no longer accept any instructions from the Issuer in relation to the Transaction Accounts; (b) the Bondholders' Representative will be authorised to manage and give instructions in respect of the Transaction Accounts (in each case, on the basis of the Account Bank Agreement and on the basis of the Bondholders' Representative being the pledgee under the Claims Pledge Agreement acting as direct representative (*direkter Stellvertreter*) for the other Noteholders and Secured Creditors); and (c) the authority of the Cash Manager to manage and give instructions in respect of the Transaction Accounts (including, for the avoidance of doubt, the authority evidenced by its Authorised Signatories List) will continue (which authority will be deemed to exist on the basis of an authorisation given by the Bondholders' Representative to the Cash Manager), unless the Bondholders' Representative notifies the Account Bank (with a copy to the Cash Manager and the Issuer) in writing to the contrary, in which case the authority of the Cash Manager to manage and give instructions in respect of the Transaction Accounts (including, for the avoidance of doubt, the authority evidenced by its Authorised Signatories List) will terminate as of 5.00 pm on the following Business Day and the Account Bank will no longer accept any instructions from the Cash Manager under the Account Bank Agreement in relation to the Transaction Accounts.

Subject to the foregoing, the Account Bank agrees to comply with all instructions given to it by the Cash Manager, the Issuer or the Bondholders' Representative or a successor of the Cash Manager (as applicable) in respect of the

Transaction Accounts, provided that it will only comply with any instruction to debit the Transaction Accounts and otherwise follow an instruction in accordance with its Applicable Terms and Practices if the relevant instruction is in respect of a specified sum of money or – in the case of the Securities Account – in respect of a specified asset held in the Securities Account, is communicated electronically via the Credit Suisse e-banking system or communicated and otherwise complies with the provisions of the Account Bank Agreement.

The Issuer, the Cash Manager and the Account Bank agree that in the case of any conflict between (a) any instructions (other than payment instructions) given to the Account Bank by the Bondholders' Representative and any other authorised party, the instructions of the Bondholders' Representative will prevail and the Account Bank will be entitled to rely exclusively on those instructions and (b) any payment instructions, after the authority of the Issuer and the Cash Manager is terminated pursuant to the Account Bank Agreement, the instructions of the Bondholders' Representative will prevail and the Account Bank will be entitled to rely exclusively on those instructions.

### **Termination and resignation**

Upon the occurrence of an Insolvency Event in relation to the Account Bank, the appointment of the Account Bank under the Account Bank Agreement will terminate automatically.

In addition, (a) the Issuer may (subject to prior written notice to the Trustee and Bondholders' Representative) revoke its appointment of the Account Bank (1) immediately upon the Account Bank ceasing to be a Qualifying Bank or (2) by not less than thirty (30) calendar days' notice to the Account Bank (with a copy to the Trustee and Bondholders' Representative) subject to (in either case) the appointment of a successor in accordance with the Account Bank Agreement and/or (b) the Account Bank may resign its appointment under the Account Bank Agreement (1) upon the expiry of not less than thirty (30) calendar days' prior notice to the Issuer (with a copy to the Cash Manager and the Trustee and Bondholders' Representative) subject to the appointment of a successor in accordance with the Account Bank Agreement and provided that if such resignation would otherwise take effect less than five (5) Business Days before any Monthly Payment Date, it will not take effect until the Business Day immediately following such Monthly Payment Date or (2) at any time if its appointment as Account Bank under the Account Bank Agreement becomes impossible for legal or regulatory reasons or in the event of fraud or wilful misconduct by the Issuer, provided, however, that the Issuer will be granted a reasonable time to appoint a successor Account Bank in accordance with the Account Bank Agreement, in each case subject to mandatorily applicable provisions of Swiss law.

### **Successor Account Bank**

The Issuer may appoint a successor account bank with prior written notice to the Trustee and Bondholders' Representative. Any successor account bank will (a) be a Qualifying Bank unless otherwise agreed by the Cash Manager and provided that the then current rating of the Notes will not be adversely affected as a result of any such successor Account Bank not being a Qualifying Bank and (b) enter into an agreement substantially on the same terms as the relevant provisions of the Account Bank Agreement, and the Account Bank will not be released from its obligations under the relevant provisions of the Account Bank Agreement until such successor account bank has entered into such new agreement, has assumed the role of the successor account bank and the rights under such agreement are charged in favour of the Trustee and Bondholders' Representative on terms satisfactory to the Trustee and Bondholders' Representative, provided that where the Issuer determines that it is not practicable, taking into account the then prevailing market conditions, to agree terms substantially similar to those set out in this Agreement, the Issuer will have certified in writing to the Trustee and Bondholders' Representative (upon which certificate the Trustee and Bondholders' Representative will be entitled to rely absolutely and without further enquiry or liability) that, to the extent the terms are not substantially similar to those set out in this Agreement as aforementioned, such terms are fair and commercial terms taking into account the then prevailing current market conditions, which certificate will be conclusive and binding on all parties.

### **Fees and interest on the Transaction Accounts**

Any fees of the Account Bank for the operation of the Transaction Accounts will be payable by the Issuer in accordance with the applicable Priority of Payments.

Interest accrued on each Cash Account will be credited by the Account Bank to such Cash Account and deposit charges payable by the Issuer on each Cash Account will be paid by the Issuer to the Account Bank and the Account Bank will be authorised to debit the respective Cash Account for these purposes.

The Account Bank may from time to time vary the rate of interest and/or deposit charge specified in the Account Bank Agreement with respect to the Cash Accounts in accordance with its Applicable Terms and Practices (as defined in the Master Definitions and Framework Agreement) and will provide notice of such variation to the Issuer (and the Issuer will provide the Rating Agencies with a copy thereof).

In connection with (i) any automatic termination of the Account Bank Agreement as a consequence of an Insolvency Event occurring in relation to the Account Bank and/or (ii) any termination by notice by the Issuer upon the Account Bank ceasing to be a Qualifying Bank, the Account Bank is liable for any damages, expenses and other costs up to an amount of CHF 20,000 (the "**Limit**") which shall be borne by the Account Bank and any amount of damages, expenses and other costs in excess of the Limit shall be borne in equal parts by the Issuer and the Account Bank. In each case, the Account Bank shall reimburse the Issuer upon demand for damages, expenses or other costs for which it is liable.

#### **Applicable law and jurisdiction**

The Account Bank Agreement will, in all respects, be governed by, and construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Account Bank Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be resolved by the courts of Zurich 1, Canton of Zurich, Switzerland.

### **PRINCIPAL PAYING AGENCY AGREEMENT**

#### **General**

On the Signing Date, the Principal Paying Agent, the Issuer and the Trustee and Bondholders' Representative and the Sole Arranger will enter into a principal paying agency agreement (the "**Principal Paying Agency Agreement**") pursuant to which the Issuer appoints the Principal Paying Agent to act as its agent for administering payments in respect of the Notes and the Bondholders' Representative appoints the Principal Paying Agent to act as its agent for certain specified purposes in respect of the Notes.

#### **Duties of the Principal Paying Agent**

The Principal Paying Agent will, amongst other duties:

- (a) maintain a record of the Notes delivered in accordance with the terms of the Principal Paying Agency Agreement and of their redemption, payment, cancellation, mutilation, defacement, alleged destruction, theft, loss or replacement and make such records available upon reasonable request for inspection at all reasonable times by the Issuer and the Trustee and Bondholders' Representative to the extent permitted by Applicable Law;
- (b) as soon as practicable on the Calculation Date preceding each Interest Payment Date, communicate onwards to the Issuer and with respect to the Notes, the Noteholders the aggregate Note Interest Amount payable on the relevant Interest Payment Date to the Noteholders on behalf of the Issuer in accordance with the Conditions (as communicated to the Principal Paying Agent by the Cash Manager);
- (c) following the occurrence of an Enforcement Event and if so required by notice given to it by the Trustee and Bondholders' Representative, act as the agent of the Trustee and Bondholders' Representative in relation to payments to be made by or on behalf of the Trustee and Bondholders' Representative under the Transaction Documents, hold and deliver all Notes and all sums, documents and records held by it in respect of the Notes on behalf of and as directed by the Trustee and Bondholders' Representative; and
- (d) make payments of principal and interest in respect of the Notes in accordance with the Conditions provided that the Issuer has paid or procured payment of an amount equal to the principal and/or interest falling due in respect of the Notes on any relevant Payment Date.

#### **Fees**

Subject to the applicable Priority of Payments, the Issuer will pay to the Principal Paying Agent the fee set forth in the fee letter agreed between Issuer and the Principal Paying Agent.

#### **Resignation and Termination**

Subject to certain conditions, the Principal Paying Agent may resign its appointment upon not less than sixty (60) calendar days' notice to the Issuer (with copies to the Trustee and Bondholders' Representative) subject to the appointment of a successor, subject to mandatorily applicable provisions of Swiss law. The Issuer may (with the prior written notice to the Trustee and Bondholders' Representative) revoke its appointment of the Principal Paying Agent by not less than sixty (60) calendar days' notice to the Principal Paying Agent, subject to the appointment of a successor. The appointment of the Principal Paying Agent will terminate upon an Insolvency Event of the Principal Paying Agent and unless previously terminated, the appointment of the Principal Paying



Agent under the Principal Paying Agency Agreement will terminate on it being notified by the Trustee and Bondholders' Representative that the Final Discharge Date in respect of the Notes has occurred.

### **Applicable law and jurisdiction**

The Principal Paying Agency Agreement will in all respects be governed by, and will be construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Principal Paying Agency Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be exclusively resolved by the ordinary courts of the Canton of Zurich, the place of jurisdiction being Zurich 1, Switzerland.

## **CORPORATE SERVICES AGREEMENT AND CORPORATE SUB SERVICES AGREEMENT**

### **Corporate Services Agreement**

On or prior to the Signing Date, the Issuer, the Corporate Servicer and the Trustee will enter into a corporate services agreement (the "**Corporate Services Agreement**") pursuant to which the Corporate Servicer will provide the Issuer with certain corporate and administrative functions which will include:

- (a) making a domicile and business address available for the operations of the Issuer, in the event the Issuer wishes to change its domicile and business address;
- (b) making available two (2) of its senior employees as Independent Directors of the Issuer;
- (c) taking all necessary steps to register the domicile and business address of the Issuer in the cantonal commercial register;
- (d) providing administrative services for the administration of the operations and day-to-day business of the Issuer as instructed by the Board;
- (e) accepting service of process and any other documents or notices served on the Issuer and promptly notifying the Board of any legal proceedings initiated of which the Corporate Servicer becomes aware;
- (f) preparation and filing of all reports, statutory forms, statements and notices which the Board is required to issue, send or serve in accordance with Applicable Law and under applicable listing rules of the SIX Swiss Exchange;
- (g) providing the Board with such information and regular reports, whether in writing or otherwise, as required by Applicable Law or as reasonably requested by any Board Member;
- (h) maintaining the register of the shareholders and of the beneficial owners of the Issuer and issuing share certificates, each time as instructed by the Board;
- (i) organising and convening the meetings of Shareholders and the Board;
- (j) provision of information to the Auditors;
- (k) giving directions and information to any third party service providers or other agents appointed by the Issuer; and
- (l) providing such other administrative services as may be required by the Issuer from time to time and agreed by the Corporate Servicer and the Issuer.

### **Corporate Sub Services Agreement**

The Corporate Servicer will delegate the following services to BANK-now in its role as Corporate Sub Servicer pursuant to a corporate sub services agreement (the "**Corporate Sub Services Agreement**") entered into on or prior to the Signing Date:

- (a) Financial Reporting; Accounts and Records: (i) Preparation and maintenance for the Issuer (on behalf of the Corporate Servicer) in accordance with the relevant accounting standard all reasonable and necessary books, accounting ledgers and records as may be required in the normal course of the business of the Issuer and by Applicable Law, any Requirement of Law, the Issuer's Articles and the Issuer's Organizational Regulations and the Listing Rules; (ii) ensuring the preparation of the annual financial statements of the Issuer and the delivery of such financial statements to the Corporate Servicer together with any other reports or information required by Applicable Law, any Requirement of Law, the Issuer's Articles, the Issuer's Organizational Regulations and the Listing Rules to be attached thereto or incorporated therein within 120 days after the

end of the relevant fiscal year; and (iii) informing the Corporate Servicer on a quarterly basis of the financial situation of the Issuer and preparation of (A) any financial statement as of the end of the preceding month as any Board Member may reasonably require or (B) in urgent cases and exceptional circumstances an intra-month financial statement;

- (b) Taxation: (i) preparation and filing of the tax declarations for and on behalf of the Issuer (on behalf of the Corporate Servicer) required by Applicable Law and according to the tax rulings (for which the Corporate Servicer will not be held liable); (ii) rendering general tax services to the Issuer (on behalf of the Corporate Servicer), in particular with regard to the communication and dealing with tax authorities; (iii) determination of and communication to the Board the amount of tax, including interest and penalties in respect of tax and any withholding tax, to be payable by the Issuer; and (iv) maintenance of all tax records; and
- (c) Office Space and Vault: (i) the Corporate Sub Servicer shall provide the Issuer with fully dedicated, segregated furnished office space at its premises at Neugasse 18, 8810 Horgen, Switzerland, including a specially dedicated, locked vault. The Corporate Servicer shall provide keys to the vault exclusively to the Issuer and the Trustee and Bondholders' Representative, (ii) access to the vault shall be limited to the Issuer, including for the avoidance of doubt, the Chairman, the Vice-Chairman and any employees authorized by the Issuer as well as the Trustee and Bondholders' Representative, including, for the avoidance of doubt, any employees and representatives authorized by the Trustee and Bondholders' Representative. The Issuer and the Trustee and Bondholders' Representative shall comply with and shall procure that any authorized employees and representatives comply with all formalities which are required for the relevant individuals to have access to the Issuers' office space at the premises of the Corporate Sub Servicer.

### **Resignation and termination**

The Corporate Servicer will be entitled to resign its appointment under the Corporate Services Agreement on sixty (60) calendar days' written notice to the Issuer at any time, subject to certain conditions being met, including that a Successor Corporate Servicer has undertaken all the Corporate Servicer's obligations and has executed an agreement in accordance with the terms of the Corporate Services Agreement, and subject to mandatorily applicable provisions of Swiss law.

In addition, the appointment of the Corporate Servicer may be terminated immediately upon notice in writing given by the Issuer if the Corporate Servicer breaches its obligations under the terms of the Corporate Services Agreement and/or certain insolvency related events occur in relation to the Corporate Servicer.

The Corporate Servicer will notify the Corporate Sub Servicer upon the termination of the Corporate Services Agreement and the Corporate Sub Servicer will, as per the instructions received by the Issuer, enter into a new corporate sub services agreement with any Successor Corporate Servicer on substantially similar terms.

Pursuant to the Corporate Sub Services Agreement, the appointment of the Corporate Sub Servicer may be terminated following the occurrence of a Corporate Sub Servicer Termination Event. In addition, the Corporate Sub Servicer will be entitled to resign its appointment on sixty (60) calendar days' written notice to the Issuer at any time, subject to certain conditions being met and subject to mandatorily applicable provisions of Swiss law.

### **Applicable law and jurisdiction**

Each of the Corporate Services Agreement and the Corporate Sub Services Agreement will in all respects be governed by, and construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Corporate Services Agreement and the Corporate Sub Services Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be resolved by the courts of Zurich 1, Canton of Zurich, Switzerland.

## **SUBSCRIPTION AGREEMENT**

### **General**

On the Signing Date, the Issuer, the Seller and the Sole Arranger and Lead Manager will enter into a subscription agreement (the "**Subscription Agreement**") pursuant to which the Sole Arranger and Lead Manager undertakes to the Issuer that, subject to and in accordance with the provisions and certain conditions set out in the Subscription Agreement, it will subscribe and pay for, or procures the subscription of the Notes on the Initial Purchase Date in an aggregate principal amount of CHF 215,000,000. The placement price of the Notes will be fixed in accordance with supply and demand. The Sole Arranger and Lead Manager will be under no duty to make a market for the

Notes. The Sole Arranger and Lead Manager benefits from certain representations, warranties and undertakings given by the Seller and the Issuer in the Subscription Agreement. See "*SUBSCRIPTION AND SALE*".

### **Applicable law and jurisdiction**

The Subscription Agreement will in all respects be governed by, and construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Subscription Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be resolved by the courts of Zurich 1, Canton of Zurich, Switzerland.

## **SUBORDINATED LOAN AGREEMENT**

### **General**

On the Signing Date, the Issuer, the Subordinated Loan Provider and the Trustee will enter into a subordinated loan agreement (the "**Subordinated Loan Agreement**") in an amount equal to the sum of (i) the Required Stated Amount, and (ii) the Cash Reserve Required Amount. The proceeds from the Subordinated Loan will be used on the Initial Purchase Date by the Issuer to (a) fund a portion of the Purchase Price for the Lease Assets sold by the Seller to the Issuer on the Initial Purchase Date pursuant to the terms of the Lease Asset Sale Agreement, (b) credit to the Cash Reserve Account an amount equal to the Cash Reserve Required Amount, and (c) payment of the issuance costs related to the issuance of the Notes. In addition, the Issuer may (subject to a corresponding increase of the initial amount of the Subordinated Loan (which is absolutely discretionary for the Subordinated Loan Provider)) further utilise the Subordinated Loan on any Additional Purchase Date and use the proceeds to (i) fund a portion of the Purchase Price for the Lease Assets sold by the Seller to the Issuer on such Additional Purchase Date pursuant to the terms of the Lease Asset Sale Agreement, and (ii) credit to the Cash Reserve Account an amount to ensure that the amount standing to the Cash Reserve Account equals the Cash Reserve Required Amount. The Subordinated Loan will be unsecured and subordinated to the rights of the Holders of the Notes. The Subordinated Loan will remain outstanding from the Closing Date to the Subordinated Loan Repayment Date.

In addition, the Subordinated Loan includes a general subordination (*Rangrücktritt*) in the sense of article 725b(4)(1) of the CO pursuant to which any amount payable by the Issuer under the Subordinated Loan is subordinated in right of payment to the prior payment in full of all present and future outstanding debt and other liabilities of the Issuer and that any amount payable by the Issuer under the Subordinated Loan shall be deferred (*gestundet*) for a specific term in the event that the Issuer suffers a qualified capital loss (*hälftiger Kapitalverlust*) pursuant to article 725a(1) CO (i.e. for as long as the assets do not exceed the sum of liabilities – considering for calculation purposes any remaining amount outstanding pursuant to this Agreement (be it for principal, for disbursement or otherwise) as *pari passu* with the claims of all other creditors – plus 50% of the sum of (i) the nominal share capital, (ii) the statutory capital reserve not repaid to the shareholders, and (iii) the statutory retained earnings not repaid to the shareholders). Such general subordination and deferment of payments shall last until the earlier of (i) the qualified capital loss described above or (ii) a subsequently suffered incurred over-indebtedness of the Issuer (*Überschuldung*) pursuant to article 725b(1) CO (i.e. the assets do not cover the corporate liabilities of the Issuer including any remaining amount outstanding pursuant to this Agreement (be it for principal, for disbursement or otherwise)) being remedied, in each case as confirmed according to a balance sheet that has been audited by the Issuer's auditors.

### **Repayments of the Subordinated Loan**

For so long as the Subordinated Loan is outstanding, the Issuer is required to make the monthly Fixed Disbursement and the Annual Permitted Disbursement to the Subordinated Loan. On each Monthly Payment Date during the Revolving Period, the Issuer, to the extent there are funds available pursuant to the Pre-Enforcement Priority of Payments, will make cash payments of the monthly Fixed Disbursement. In addition, on each Monthly Payment Date (other than the Monthly Payment Date occurring in January) during the Revolving Period, the Issuer, to the extent there are funds available pursuant to the Pre-Enforcement Priority of Payments, will make cash payments as partial payment of the expected Annual Permitted Disbursement for the then current financial year to the Subordinated Loan Provider in an amount not to exceed the Monthly Advance Disbursement Amount calculated for the applicable Monthly Payment Date and on the Monthly Payment Date (occurring in January) during the Revolving Period, the Issuer, to the extent there are funds available pursuant to the Pre-Enforcement Priority of Payments, will make cash payments in an amount equal to the Adjusted Advance Disbursement Amount.

Following the end of the Revolving Period, the Issuer will no longer make periodic payments towards Fixed Disbursements and the Annual Permitted Disbursement on each Monthly Payment Date, and will instead credit

any amounts that would otherwise have been available for such purpose to the Subordinated Loan Ledger, which amounts will then be applied as part of the Available Distribution Amount on the next Monthly Payment Date. Because such periodic payments of the Fixed Disbursements and the Annual Permitted Disbursement are not made following the end of the Revolving Period, each Fixed Disbursements and each Annual Permitted Disbursement thereafter will be made by adding such amount to the outstanding balance of the Subordinated Loan. Once the Notes have been repaid in full, the outstanding balance of the Subordinated Loan (including any Fixed Disbursements and Annual Permitted Disbursement that has been added thereto) will be repaid by the Issuer to the Subordinated Loan Provider on the earlier of either (a) the winding-up or liquidation of the Issuer, or (b) the Final Discharge Date (the "**Subordinated Loan Repayment Date**").

**Applicable law and jurisdiction**

The Subordinated Loan Agreement will in all respects, be governed by, and will be construed in accordance with, the substantive laws of Switzerland, without regard to the principles of conflict of laws. All disputes arising out of or in connection with the Subordinated Loan Agreement including without limitation matters of validity, conclusion, binding effect, interpretation, construction, performance or non-performance and remedies will be resolved by the courts of Zurich 1, Canton of Zurich, Switzerland.

## CERTAIN MATTERS OF SWISS LAW

*The following is a summary of certain aspects of Swiss law currently in force. This summary does not purport to describe all of the legal considerations that may be relevant to a prospective investor in the Notes. Prospective investors are advised to consult their own professional advisers on the implications of investing in the Notes. Any decision to invest in the Notes should be based on a consideration of this Prospectus as a whole. No civil liability will attach to any Transaction Party solely on the basis of this section of this Prospectus.*

### Debt Collection and Bankruptcy

#### *General overview*

The DEBA codifies the law with respect to debt enforcement procedures and insolvency procedures. The DEBA provides for different procedures depending on, amongst other factors, whether the obligation is secured or unsecured, or whether or not the debtor is registered in a Swiss cantonal commercial register (*Handelsregister*) in a specified form. Legal entities (such as the Issuer) as well as certain individuals registered in a Swiss cantonal commercial register (*Handelsregister*) as either (i) owner of a small business (*Einzelfirma*), (ii) member of a general partnership (*Kollektivgesellschaft*), (iii) unlimited partner or manager of a limited partnership (*Kommanditgesellschaft*) or (iv) as a manager of a partnership limited by shares (*Kommandiaktengesellschaft*) are subject to bankruptcy proceedings. Bankruptcy may be adjudicated either as a consequence of creditors pursuing debt collection proceedings without success or without prior debt collection. Individuals not registered in a Swiss cantonal commercial register (*Handelsregister*) are generally not subject to bankruptcy proceedings. Such individuals may not fall into bankruptcy and the rules on debt collection will apply, except in limited circumstances where the individual applies for bankruptcy itself.

#### *Debt collection in general*

Debt collection proceedings are initiated by the filing of an application for commencement of enforcement proceedings (*Betreibungsbegehren*) with the competent enforcement office (*Betreibungsamt*). The competent enforcement office is determined based on where the relevant debtor is registered or resident (in case of claims secured (i) by movable assets, alternatively at the location of the collateral and (ii) by real property (such as the claims embedded in transferred mortgage certificates) mandatorily at the place where the real property is located).

The enforcement office will then serve the debtor with the payment order (*Zahlungsbefehl*) (the "**Payment Order**"). In case of a secured claim, the owner of the collateral (if not identical to the debtor) must also be served with a Payment Order. The Payment Order provides for a payment period of 20 days or, in the case of claims secured by real property, six (6) months (thus, a request for realisation of the mortgaged real property may only be filed upon the lapse of such six (6) months period).

There is virtually no material assessment of the claim at this stage. The debtor may within ten days upon having been served with the Payment Order, file an objection (*Rechtsvorschlag*) to bring the procedure to a halt and obtain an individual stay of proceedings. In general, no reasons need to be given for the objection. The enforcement office notifies the creditor of the objection.

For claims based on an enforceable judgment, the creditor can without any further delay file an application to lift this stay with the court (*Rechtsöffnungsbegehren*). For claims not based on an enforceable judgement, but on a certified and/or signed document such as a duly issued mortgage certificate or a duly executed agreement evidencing the claim, provisional lifting of such stay can be applied for in summary proceedings (*provisorische Rechtsöffnung*). The duration of such proceedings depends on the workload of the respective court, but in general the procedure takes two (2) to four (4) months. In the event the objection is provisionally set aside in summary proceedings, the debtor may within 20 days bring an action in ordinary court proceedings for negative declaration that the creditor's claim does not exist (*Aberkennungsklage*). The duration of such a proceeding considerably depends on the workload of the Swiss judge leading the proceedings and the complexity of the matter (approximately 6 to 12 months for a first instance judgement, subject to a right of appeal).

In the case of a claim secured by a pledge (such as the charge over real property in a mortgage certificate), the creditor may file the request for the realisation of the collateral (*Verwertungsbegehren*) with the enforcement office, once the objection is definitively set aside by the court. Following such request, the enforcement office will initiate the process of realisation of the collateral.

In the case of an unsecured claim, the creditor may file a request for continuation of the enforcement proceeding, once the objection is definitively set aside by the court. In such a case, the enforcement office will initiate the process of collecting assets of the creditor that may be realised in order to cover the claim for which the debt collection proceedings have been initiated. In case the debtor is subject to bankruptcy proceedings, the

enforcement office will send a notification to the debtor (the so called threat of bankruptcy (*Konkursandrohung*) stating that the creditor may file a request for bankruptcy within 20 days, should the claim remain unpaid).

### ***Adjudication of bankruptcy in general***

Adjudication of bankruptcy as a result of prior debt collection proceedings

In the instance where a creditor pursues debt collection proceedings against a debtor that is subject to bankruptcy rules, no less than 20 days after the debtor has been served with the threat of bankruptcy, such creditor may file a petition for bankruptcy (*Konkursbegehren*) with the competent bankruptcy court, leading to a summary court trial in which bankruptcy is adjudicated or the case is dismissed. The adjudication of bankruptcy does have the effects as described below in section 5 (*Effects of the bankruptcy on contracts to which the debtor is a party*).

Adjudication of bankruptcy without debt collection proceedings

According to the DEBA, bankruptcy may also be adjudicated over a debtor without prior debt collection. The debtor (whether or not generally subject to bankruptcy rules) may declare itself insolvent at any time with the competent bankruptcy court. Bankruptcy will be adjudicated if there is no prospect of a successful restructuring.

In addition, Swiss corporate law provides for bankruptcy to be adjudicated in instances where a petition has been made due to "**over-indebtedness**" according to Article 725a CO. Over-indebtedness will be tested on both, a going concern and on a liquidation value basis, which will be determined based on audited accounts. The board of directors and, in certain circumstances, the auditors of an over-indebted company are obliged to file for bankruptcy.

Finally, in rare cases, a creditor may file for bankruptcy directly against a debtor that is subject to bankruptcy rules without previous debt collection actions if (i) the debtor has acted fraudulently, or is attempting to act fraudulently to the detriment of its creditors or (ii) if the debtor has obviously and permanently stopped all payments to its creditors. Furthermore, statutory provisions provide for the *ex officio* adjudication of bankruptcy in certain circumstances.

### ***Adjudication of bankruptcy without debt collection proceedings***

The bankruptcy proceedings described above relate to individuals and legal entities which are not subject to special legislation. Certain debtors, are subject to a different insolvency regime (the "**Special Insolvency Regime**"). A Special Insolvency Regime applies to licensed banks such as BANK-now and the Account Bank and certain other entities, such as, broker dealers, stock exchanges, multilateral trading facilities, central counterparties, central securities depositories, trade repositories, and payment systems; and in some instances may extend to unregulated affiliates of banks and group entities which participate significantly in the activities requiring a licence (the "**Special Insolvency Regime Entities**").

Special Insolvency Regime Entities are subject to the insolvency rules of the BA and the Swiss Banking Ordinance (the "**BO**"). Certain provisions of the DEBA are applicable, to the extent set out by the BA and the BO. Under the BA, FINMA rather than the ordinary enforcement offices are authorised to act in the event of insolvency of Special Insolvency Regime Entities. In particular, FINMA is empowered to open bankruptcy proceedings and to order the liquidation of Special Insolvency Regime Entities (such as BANK-now or the Account Bank).

The DEBA as well as the BA and the FINMA Bank Insolvency Ordinance (the "**BIO-FINMA** ") take a single legal entity approach. Any measure taken or any procedure opened relates to a single (bank) entity, and such measures or procedures will not affect or directly cut through to any other affiliate of the same group.

Switzerland is not a member state of the EU and accordingly, neither regulation EC 1346/2000 nor directive 2001/24/EC will apply to the insolvency of a Swiss bank.

According to article 25 BA, FINMA has broad powers to take measures if an entity under the Special Insolvency Regime is over-indebted, has serious liquidity problems or fails to fulfil the applicable capital-adequacy provisions after expiry of a deadline set by FINMA. If one of these pre-requisites is met, FINMA is authorised (i) to open restructuring proceedings (*Sanierungsverfahren*), or (ii) to open liquidation (bankruptcy) proceedings (*Bankenkonskurs*), and/or (iii) to impose protective measures (*Schutzmassnahmen*). Protective measures may be taken either in combination with proceedings according to (i) or (ii) or as a preliminary action on its own.

The liquidation (bankruptcy) is ordered if a restructuring is anticipated to be unsuccessful or has failed. In such event, FINMA withdraws the bank's banking licence, orders the liquidation, makes the respective announcement and appoints a liquidator.

As stated above, the BA and the BO grants broad powers to FINMA. In particular protective measures may include a variety of measures such as a bank moratorium (*Stundung*) or a maturity postponement (*Fälligkeitsaufschub*).

These measures may be ordered by FINMA either on a stand-alone basis or in connection with reorganisation or liquidation proceedings (see also Restructuring – Special rules applicable to restructuring measures). The DEBA rules regarding composition proceedings (*Nachlassstundung*), however, are not applicable.

### ***Effects of the bankruptcy on contracts to which the debtor is a party***

#### *Loss of capacity to dispose over assets*

Most importantly, the debtor loses its capacity to dispose of its assets upon adjudication of bankruptcy and, unless intended to remain in force by "nature" or specific provision in the respective agreement, any mandate or power of attorney by the debtor is automatically deemed revoked with the adjudication of bankruptcy.

#### *No automatic termination of all contracts*

As a general rule, bankruptcy does not result per se in the termination or the ability to terminate (ongoing) agreements to which the debtor is a party. There are, however, statutory provisions that provide for automatic termination of or grant termination rights for certain types of contract. In addition, the parties to an agreement may (and often will) provide for automatic or optional termination upon bankruptcy. Non-termination of agreements does not necessarily mean that the enforceability of certain rights are not affected.

#### *Acceleration*

Bankruptcy does result in the acceleration of all claims against a debtor (secured or unsecured), except for those secured by a mortgage on the debtor's real property, whereby the relevant claims become due upon bankruptcy. As a result of such acceleration, a creditor's bankruptcy claim consists of the principal amount of the debt (discounted at 5 per cent. if not interest bearing), interest accrued thereon until the date of bankruptcy, and (limited) costs of enforcement.

Upon bankruptcy, interest ceases to accrue. Only secured claims enjoy a preferential treatment insofar as interest that would have accrued until the collateral is realised will be honoured if and to such extent as the proceeds of the collateral suffice to cover such interests.

#### *Conditional and future claims*

Creditors' claims that have been established prior to bankruptcy, but that are limited in time or subject to a condition (precedent or subsequent), are (fully) admitted in the bankruptcy. A distribution out of the estate on the account of such claims occurs, however, only if and to such extent as the underlying condition has actually materialised.

There are no clear rules regarding the treatment of other claims that did not come into full existence before bankruptcy ("**Future Claims**"). Generally speaking, such claims may only participate in the proceedings if the grounds for them were set prior to bankruptcy, and if their nature and content was sufficiently established. Reliable rules or precedents as regards the treatment of future claims in bankruptcy are, however, missing.

Future Claims are to be distinguished from those claims that are a result from undertakings by the bankruptcy administration (such as the costs of the proceedings) (such claims bind the estate directly and are satisfied before any distribution of the proceeds of the estate takes place).

#### *Conversion of non-monetary claims*

Claims against the bankrupt debtor which are not for a sum of money are converted into a monetary claim of corresponding value. In general, the bankruptcy administration is, however, entitled to enter into and to fulfil those contracts instead of the debtor which had not or had only partially been fulfilled at the time of adjudication of bankruptcy ("right to enter into a contract"). This entitlement of the bankruptcy administration applies regardless of whether the obligation of the debtor is a monetary one or a non-monetary one. In practice, such an entry by the administration is the exception and not the rule. However, effectively, this entitlement results in a suspension of the rights and obligations of a specific contract until the bankruptcy administration has decided whether or not to enter into such a contract.

#### *Set-off*

Subject to a valid contractual set-off clause, the creditor of the debtor may as a rule set-off claims against debts it has towards the debtor, provided that both the claims and the debts existed at the time of adjudication of bankruptcy. A set-off in a bankruptcy is, however, limited to situations where the debtor of the bankrupt party willing to set-off a claim has become the creditor of the debtor prior to the adjudication of bankruptcy and even in such situations a set-off may be subject to challenge pursuant to Article 214 DEBA by any other creditor establishing that (i) a claim has been acquired prior to the declaration of bankruptcy, but upon knowledge of the bankrupt party's insolvency and (ii) with the purpose of gaining an advantage by virtue of such set-off to the

detriment of other creditors. (With regard to risks related to set-off, see "*RISK FACTORS—CERTAIN SWISS LAW CONSIDERATIONS—Set-off*").

#### *Special rules for Special Insolvency Regime Entities*

With regard to Special Insolvency Regime Entities, neither the BA nor the BO provide for special provisions relating to the effect of the initiation of insolvency proceedings. However, as a more general rule, it must be noted that throughout the entire proceedings, FINMA as competent authority does have wide discretion with regard to measures to be taken. In this respect, it must be noted that according to article 26 para. 3 BA, FINMA may overrule the provisions of the DEBA relating to the accruing of interest upon the adjudication of bankruptcy.

#### **Estate**

##### ***In General***

Bankruptcy means "general execution", i.e. the liquidation of all the assets of the debtor in favour of all of its creditors. A bankruptcy results in the winding up and dissolution of legal entities. All seizable assets owned by the debtor at the time of the opening of the bankruptcy proceedings, irrespective of where they are situated, form one sole (bankrupt) estate, which is destined to satisfy the creditors' claims. Switzerland, thus, has adopted the principle of universality. The extent to which a Swiss bankruptcy order will affect the debtor's assets abroad depends on the recognition of the Swiss bankruptcy adjudication by a foreign country, be it by way of bilateral treaty or ad hoc recognition.

Assets which are subject to a pledge and similar security rights are considered to be part of the bankrupt's estate. A pledgee is obliged to deliver the collateral to the bankrupt's estate (if necessary the bankruptcy administration is in charge of collecting such assets by initiating litigation (*Admassierungsklage*)) and the collateral is ordinarily sold by the bankruptcy office or the trustee. While the net proceeds of such sale will go to the secured creditor (up to the amount of the secured debt), the secured creditor has no right to a separate foreclosure even if a right to sell is stipulated in its favour. As a result the secured creditor may suffer a substantial delay in recovery, even in the case where the proceedings to realise the asset had been commenced separately before the opening of the bankruptcy.

The estate includes only assets of the debtor itself. Swiss law does not recognise substantive consolidation of the assets and liabilities of the debtor with those of its affiliates. A party contesting that an asset (situated in the estate) belongs to the bankrupt's estate generally has to request "separation" (*Aussonderung*) of the asset from the bankrupt's estate.

##### ***Special Rules for Special Insolvency Regime Entities***

Pursuant to the BIO-FINMA, all realisable assets of a Special Insolvency Regime Entity at the time of the decree of the liquidation form the bankruptcy estate are included, irrespective of whether the assets are located in Switzerland or abroad. However, due to the principle of territoriality, the question of whether the assets located abroad can be included in the Swiss bankruptcy proceedings depends on the laws of the respective jurisdiction where the assets are located and the applicable provisions on the conflict of laws, respectively.

Also, the BA provides for a right of segregation in favour of any depositor of the bank for any movable assets and securities deposited with the bank. In particular, such right to segregate allows a depositor to segregate in circumstances where the legal ownership in the security or asset is with the bank (e.g. as a consequence of commingling, etc.) and the depositor could not segregate on the basis of the general rules of the DEBA.

Moreover, in the case of a forced liquidation over a custodian with the purpose of a general liquidation, the liquidator will segregate ex officio in the amount of securities credited to account owners: (a) intermediated securities credited to the custodian's securities account with a third party custodian; (b) collective deposit securities, global certificates with the custodian, and uncertificated securities which are credited to its main register; and (c) freely disposable rights of the custodian against third parties for the delivery of intermediated securities from cash transactions, expired future contracts, hedging transactions or from issues for the account of the account owners.

#### ***Claims admission and distribution***

##### *Schedule of claims*

Secured and unsecured claims are dealt with in the so called "schedule of claims procedure" (*Kollokationsverfahren*). The liquidator decides on the admission or non-admission of claims by entering or refusing to enter claims in the "schedule of claims". The claims scheduled may be contested by way of legal action to be brought within twenty (20) calendar days of the announcement for inspection before the court of the place of the bankruptcy proceedings. Legal action from a creditor whose claim has been rejected or not admitted as



requested has to be directed against the bankrupt estate, whereas an action to challenge the admission of another creditor has to be directed against such other creditor.

#### *Ranking and distribution*

In the distribution, creditors of the same class enjoy equal treatment among themselves in proportion to their specific claims admitted. Creditors of lower ranking claims participate in the distribution only once all higher ranking claims are fully satisfied.

First, all costs pertaining to the opening and conducting of the bankruptcy proceedings will be defrayed out of the proceeds.

Second, creditors of claims that are secured by a pledge right or a similar right enjoy a separate satisfaction, their claims are satisfied directly with the proceeds from the realisation of the specific collateral. In case several assets serve as security for the same claim, the proceeds of all such assets are applied proportionately. Secured claims participate as unsecured claim in the amount of the shortfall of their collateral. Mortgaged creditors are satisfied according to their rank which, absent contractual stipulations to the contrary, is determined by the time of entry into the land register. Each rank is paid in full before the next following rank receives any distribution.

Third, creditors of unsecured claims are ranked into three (3) classes. The first and the second class, which are privileged, comprise claims under e.g. employment contracts, accident insurance, pension plans and family law. Certain privileges can further result for the government and its subdivisions based on specific provisions of federal law. All other creditors are treated equally in the third class. Under Swiss law it is uncertain whether subordination provisions of the type included in the Transaction Documents would be enforceable against an insolvency administrator of a Swiss debtor or whether the creditor benefiting from a subordination would have to rely on the redistribution provisions set out in the DEBA.

#### *Special rules for Special Insolvency Regime Entities*

With regard to Special Insolvency Regime Entities, the BA as well as the BIO-FINMA provide for some special provisions. Most importantly, the BA provides that deposits which are not in bearer form, including medium-term notes (*Kassenobligationen*) which are deposited with the bank in the name of the depositor, up to the amount of CHF 100,000 per creditor rank in the second class (i.e. in priority of any other unsecured third class creditor). These payments are to be made immediately. Also claims of bank foundations acting as pension funds according to article 37a para. 5 BA rank in the second class up to the amount of CHF 100,000 per insured person.

In addition to the bankruptcy privilege, certain deposits made with Swiss banks are protected by a deposit protection scheme. Accordingly, deposits made with Swiss bank up to an amount of CHF 100,000 are covered by Swiss Banks' and Securities Dealers' Deposit Protection which is a mere guarantee but no prefunded pool. The deposit protection system is limited to a maximum aggregate amount of CHF 6 billion. Such amount may not be sufficient to cover the total deposits made with Swiss banks.

### **Restructuring**

#### *General*

The DEBA provides for reorganisation procedures by composition with the debtor's creditors. Reorganisation is initiated by a request with the competent court for a stay (*Nachlassstundung*) pending negotiation of one of the several statutory types composition agreement with the creditors and confirmation of such agreement by the competent court.

The DEBA further confers the right to the cantonal governments, subject to the consent of the Swiss Federal Council, to stay certain procedures under the DEBA, including the declaration of bankruptcy at the debtor's request if the debtor's inability to pay its debts is temporary and due to extraordinary circumstances of general implication (e.g. a general economic crisis). This so-called emergency moratorium (*Notstundung*) is an exceptional remedy, which has been applied rarely in the past.

#### *Special rules applicable to Special Insolvency Entities*

#### *General*

As mentioned above, Special Insolvency Regime Entities are subject to an insolvency regime that (i) establishes FINMA as sole bankruptcy authority, and (ii) provides it with broad discretion as to pre-insolvency measures, the timing of the opening of bankruptcy proceedings, the recognition of and co-operation with foreign insolvency proceedings and the processing of a Swiss insolvency.

## Pre-Insolvency Measures.

The BA and the BIO-FINMA distinguish between pre-insolvency protective or restructuring measures that are initiated with a view to reorganise or restructure the bank outside of bankruptcy proceedings, and insolvency measures, i.e. withdrawal of the banking licence followed by the bankruptcy of the bank (if no realistic chance of restructuring exists).

Whereas the opening of bankruptcy proceedings will be publicly announced, pre-insolvency measures will only be publicly announced by FINMA if it deems it necessary or appropriate for enforcing the measures and/or for the protection of third parties. Accordingly, it should be noted that the imposition of protective measures may not in all instances be made available to the public.

## Protective Measures

The BA does not contain an exhaustive list of protective measures and FINMA has broad discretion as to the nature and suitability of such measures. However, article 26 BA specially mentions as potential measures: (i) issuance of instructions to the governing bodies of the bank, (ii) appointment of a person charged with the investigation pursuant to article 36 of the Swiss Financial Market Supervision Act ("**FINMASA**"), (iii) withdrawal of power of representation of the governing bodies or remove them from office, (iv) removing of banking-law or company-law auditors from office, (v) limitation of business activities of the bank, (vi) preventing the bank from making or accepting payments or undertaking security trades, (vii) closing the bank, (viii) decree a stay of enforcement and postponement of maturity, and (ix) stop the accrual of interest on the bank's liabilities. In particular, FINMA may exercise direct influence on the board of directors and/or management of the bank. As an example, it may request the board and/or the management to organise the bank's business differently, prevent the management from entering into certain transactions, reduce or close the bank's business in certain fields etc. Pursuant to the wording of article 26 BA, FINMA may issue measures which would otherwise require shareholders' approval. Also, FINMA's broad discretion in imposing and interpreting protective measures of the BA may deviate substantially from current and common interpretation of such applicable rules. Recent practice in this respect shows that it cannot be excluded that such a scenario is to occur and that new provisions or new interpretations may deviate from the current legal framework and its current interpretation.

## Restructuring Proceedings

FINMA may, in case of a well-founded prospect of restructuring, commission one (or more) person(s) with the restructuring of the bank and provide it with instructions, accordingly. The restructuring will develop a plan of restructuring which shall ensure that the bank fulfils all regulatory requirements after the restructuring. Should the plan of restructuring negatively affect the rights of creditors, it has to be disclosed, and creditors may raise objections. The plan of restructuring will need to be approved by FINMA; however no consent of the bank's shareholders is required. If affected bank creditors representing more than the half of the amount of regular claims reject the restructuring plan, FINMA would order the opening of bankruptcy

## **Avoidance Action**

### *Overview*

The receiver in bankruptcy and certain creditors may, by means of an appropriate lawsuit, challenge certain arrangements or dispositions made by the insolvent entity during a period (suspect period) preceding the declaration of bankruptcy or, in case of a composition agreement with assignment of assets (*Nachlassvertrag mit Vermögensabtretung*), the grant of the moratorium. Equivalent events under the BA are FINMA's approval of the plan of restructuring or FINMA's decree of protective measures according to Article 26 para. 1 lit. e to h BA. For purposes of calculating the suspect periods, the duration of preceding composition and debt collection proceedings will not be counted.

The assessment of the risk of avoidance actions is highly fact dependent and precedents do not always provide systematic guidance in this respect. Possible challenges relate to (i) gifts and other transactions at an undervalue (*Schenkungs pauliana*), (ii) certain acts of a debtor, undertaken at such time as the debtor was over-indebted (*Überschuldungspauliana*), and (iii) dispositions made by the debtor with the intent to disadvantage its creditors or to prefer certain of its creditors to the detriment of other creditors (*Absichtspauliana*) (all as described below). Acts undertaken during a moratorium in composition proceedings with the approval of the probate court (*Nachlassgericht*) or a creditors' committee (*Gläubigerausschuss*) are now expressly exempt from challenge (Article 285 para. 3 DEBA).

### *Avoidance of Gifts and Transactions at an Undervalue*

Article 286 DEBA allows the avoidance of gifts and other transactions at an undervalue, which the debtor made within a suspect period of 12 months prior to adjudication of bankruptcy, the grant of a moratorium or an equivalent event under the BA. Any such transaction at an undervalue may be challenged based on the objective elements of (i) the gratuitous nature of such transaction, and (ii) established damages resulting therefrom to other creditors of the debtor.

If the challenge relates to a transaction for the benefit of a party closely associated with the debtor such as group companies, shareholders or even friends or relatives, the gratuitous nature of such transaction is presumed and it is for the defendant to prove that adequate consideration was provided in turn for any benefits received. Damages to creditors are presumed in the context of avoidance where the creditors have suffered final losses (*Verlustscheingläubiger*) in a debt collection procedure or if the bankruptcy estate challenges an act. It is then up to the defendant to prove that the challenged act did not lead to such damages.

### *Avoidance due to Over-Indebtedness*

Other than Article 286 DEBA, Article 287 DEBA targets specific acts of the insolvent debtor within the suspect period of 12 months prior to adjudication of bankruptcy, the grant of a moratorium or an equivalent event under the BA, where the debtor, as an additional objective prerequisite, was already over-indebted (*überschuldet*) at the time the relevant act was undertaken by the debtor. The term over-indebted refers to the fact when the debtor's assets do not cover its liabilities. The existence of such over-indebtedness at the time of the relevant transaction or act is, as a rule, to be proven by whoever challenges the transaction or act based on the existence thereof.

Specifically targeted are acts that prefer one creditor over the others in the light of such over-indebtedness. Such acts include (i) the posting of collateral for an existing but unsecured obligation with no pre-existing undertaking to post collateral for such obligation, (ii) settlement of monetary claims other than in cash or commonly used payment means, and (iii) the settlement of claims prior to their stated maturity.

These acts must result in damages to the creditors. Such damages are presumed in the context of avoidance where the creditors have suffered final losses (*Verlustscheingläubiger*) in a debt collection procedure or if the bankruptcy estate challenges an act. It is then up to the defendant to prove that the challenged act did not lead to such damages.

There is a subjective element also. The debtor's counterparty to the challenged transaction or act may avoid a challenge of the transaction or act if it can prove that it did not and, being diligent, could not have known about the debtor's over-indebtedness. While, as mentioned above, the over-indebtedness as such needs to be proven by the challenging party, once established, the counterparty to the transaction or act is, subject to the proof of the contrary, presumed to have been aware thereof (in particular in the case of intra group transactions).

### *Avoidance for Intent*

Article 288 DEBA targets any act of a debtor within the suspect period of five (5) years prior to adjudication of bankruptcy, the grant of a moratorium or an equivalent event under the BA to the extent that such act was made with the bankrupt debtor's intent to prefer certain creditors over others or to disadvantage or disfavour certain of its creditors or should reasonably have foreseen such result and if this intention was, or exercising the requisite due diligence, must have been known to the counterparty.

As for the other avoidance actions, in terms of objective prerequisites, the act of the debtor must have led to losses suffered by its creditors. While the DEBA does not specifically mention this prerequisite, it nevertheless follows from the nature and aim of an avoidance action. Again, such damages are presumed in the context of avoidance where the creditors have suffered final losses (*Verlustscheingläubiger*) in a debt collection procedure or if the bankruptcy estate challenges an act. It is then up to the defendant to prove that the challenged act did not lead to such damages.

The term "**act**" must be read in a very broad sense. It is not limited to the conclusion of contracts, but includes any act of the debtor, in particular also any act which the DEBA specifically targets in one of the other two (2) avoidance actions, if such act meets the further requirements of the particular avoidance for intent pursuant to Article 288 DEBA.

In terms of subjective elements, avoidance for intent calls for intent to prefer or to disadvantage creditors on the debtor's side and such intent must have been recognisable to the counterparty of the relevant act. If the challenge relates to a transaction with a party closely associated with the debtor such as group companies, shareholders or even friends or relatives, recognisability of such intent will be presumed (subject to proof of the contrary by the defendant).

### **Cross border insolvency considerations**

#### *Assets affected and claims admissible by or in Swiss debt collection and bankruptcy proceedings*

Basically, even if the DEBA and the BA implement the concept of universality, foreign legislation may impede the allocation to any debt collection and bankruptcy proceeding of assets located outside of Switzerland. Therefore, such a proceeding conducted by Swiss authorities may only affect assets of the debtor that are located in Switzerland. However, also foreign creditors may file their claims in the course of debt collection and bankruptcy proceedings conducted in Switzerland.

#### *Jurisdiction Clauses and Insolvency Actions*

As a general rule, under Swiss law, jurisdiction clauses have no effect on actions brought under the DEBA, i.e. to issues that relate to Swiss bankruptcy or insolvency law rather than to contractual law. These actions must generally be brought before the court at the place of the insolvency proceeding. Accordingly, in general, a jurisdiction clause in favour of foreign courts would not be effective in case of actions relating to insolvency proceedings.

#### *Foreign enforcement proceedings*

The existence of foreign insolvency proceedings alone does not affect the Swiss debtor's or the foreign debtor's assets in Switzerland. Rather, absent recognition proceedings pursuant to Article 166 et seq. of the Federal Private International Law Act ("**PILA**"), such assets remain subject to attachment proceedings by creditors. To commence such recognition proceedings to protect Swiss assets, a creditor or the receiver of the foreign insolvency proceeding must apply to a court for recognition of the foreign insolvency order in the local court in the district where the foreign debtor's Swiss assets are located. To obtain recognition, the applicant must establish, *inter alia*, that (i) the foreign insolvency court had proper jurisdiction; (ii) the foreign order is enforceable in the rendering jurisdiction; (iii) minimal procedural requirements were observed; (iv) the foreign jurisdiction reciprocally recognises similar Swiss insolvency orders on assets located in such foreign jurisdiction; and (v) enforcement of the order will not violate Swiss public policy. The reciprocity requirement is applied on a state by state basis and is met if such foreign jurisdiction recognises Swiss insolvency orders based upon a bilateral treaty or ad hoc recognition.

Recognition of foreign insolvency orders has a similar effect as domestic bankruptcy orders (see "*Cross border insolvency considerations—Assets affected and claims admissible by or in Swiss debt collection and bankruptcy proceedings*" above). According to the principle of universality, recognition of a foreign insolvency order by Swiss authorities protecting a debtor's assets apply to all of such debtor's assets located in Switzerland.

For an analysis of certain risks related to the commencement of Swiss insolvency proceedings in respect of the Issuer, see further "*RISK FACTORS—RISKS RELATING TO CERTAIN TRANSACTION PARTIES—Insolvency of the Issuer*".

### **Consumer Credit Act**

Certain Lease Agreements which will form part of the Purchased Lease Assets may be characterised as consumer credit agreements subject to the CCA. The CCA requires any person that grants consumer credits on a professional basis (*gewerbsmässig*) to be licensed (unless such lender is a licensed Swiss bank under the BA). However, no authorisation or license under the CCA is necessary if certain exemptions apply, most notably a license is not required if the creditor's or the credit broker's activities consist of giving or acting as a broker for consumer credits to finance the acquisition of their own goods or services.

The license requirements are set out in the Ordinance on the Consumer Credit Act ("**CCO**") and indicate that a lending institution must (i) have employees which are suitably qualified (e.g. relevant professional experience of at least three (3) years, no criminal record, no loss certificates), (ii) professional liability insurance coverage of CHF 500,000 or an equivalent bank guarantee, (iii) capital/equity capital (*Eigenkapital*) of 8 per cent. of aggregate consumer loans outstanding (but must be at least CHF 250,000).

The CCO does not contain a definition of equity capital, nor do the CCA and the CCO describe what activities fall within the meaning of 'granting' a consumer credit.

In the Transaction contemplated in this Prospectus, the transfer of the Purchased Lease Assets to the Issuer, will enable the Issuer to rely on the exemption described above as the Issuer becomes the owner of the Leased Vehicles. Accordingly, the Issuer will provide financing for its own goods to the Lessees by means of the Lease Agreements. As a result, the Issuer is not subject to any licensing requirement under the CCA.

### **Intermediated Securities**

The Notes will be issued as simple uncertificated securities (*einfache Wertrechte*) in accordance with art. 973c CO and entered into the main register (*Hauptregister*) with SIX SIS AG or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (SIX SIS AG or any such other intermediary, the "**Intermediary**"). Once the uncertificated securities are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Notes will constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) ("**FISA**") ("**Intermediated Securities**"). No individually certificated Notes (*Wertpapiere*) will be printed or delivered. None of the Issuer, the Trustee, the Bondholders' Representative, the Principal Paying Agent or any other party will at any time have the right to effect or demand the conversion of such Notes into, or the delivery of, a permanent global certificate (*Globalurkunde*) or individually certificated securities (*Wertpapiere*).

## SWISS LAW BONDHOLDER PROVISIONS

*The following is a summary of certain aspects of Swiss law currently in force. This summary does not purport to describe all of the legal considerations that may be relevant to a prospective investor in the Notes. Prospective investors are advised to consult their own professional advisers on the implications of investing in the Notes. Any decision to invest in the Notes should be based on a consideration of this Prospectus as a whole.*

### **Community of Bondholders, Bondholders' Meeting and Bondholders' Representative**

Holders of bonds issued by a Swiss issuer in a public offering in Switzerland form a community of bondholders (*Gläubigergemeinschaft*) subject to Articles 1157 to 1186 CO. The community of bondholders may also transfer certain powers to a "bondholders' representative" (*Anleihensvertreter*).

Resolutions of the community of bondholders are passed at a bondholders' meeting (*Gläubigerversammlung*). The bondholders' meeting may resolve on any matter affecting the interests of the bondholders. A resolution will be binding on all bondholders provided it has been passed in accordance with Articles 1157 to 1186 CO and, if required by Article 1176 CO, approved by the competent higher cantonal composition authority.

Individual bondholders may assert their rights independently (subject to the non-petition provisions) only if (i) the bondholders' meeting has not validly resolved on the matter, or (ii) the matter has not been transferred to a duly appointed "bondholders' representative" in the terms and conditions of the bonds or by resolution of the bondholders' meeting.

### **Majority Requirements**

There are four (4) types of bondholders' meeting resolutions, each requiring a different majority as set out in further detail below.

Where a majority cannot be attained at a bondholders' meeting, the issuer may collect additional votes within the two (2) months following the date of the bondholders' meeting.

#### ***Resolutions that do not alter bondholders' rights***

Resolutions that do not adversely affect bondholders' rights and do not impose material obligations upon them require an absolute majority of the votes represented at the bondholders meeting, unless the law or the terms and conditions of the bond require a higher majority.

#### ***Resolutions within the scope of Article 1170 CO***

Pursuant to Article 1170 CO, the bondholders' meeting can resolve on the following measures (or any combination thereof) with a majority of at least two thirds of the principal of the bonds outstanding. The terms and conditions of the bonds may increase the required quorum (subject to certain limitations):

- (a) moratorium on interest for up to five (5) years, with the option of extending the moratorium twice for up to five (5) years each time;
- (b) waiver of up to five (5) years' worth of interest within a seven (7) year period;
- (c) decrease of the interest rate by up to one-half of the rate envisaged in the bond issue conditions or conversion of a fixed interest rate into a rate dependent on the business results, both measures to last for up to ten years, with the option of an extension for up to five (5) years;
- (d) extension of the redemption time limit by up to ten years by means of a reduction in the annual payment or an increase in the number of the redemption shares or temporary suspension of such payments, with the option of an extension for up to five (5) years;
- (e) suspension of a bond issue now due or maturing within five (5) years or of portions thereof for up to ten years, with the option of an extension for up to five (5) years;
- (f) authorisation of an early redemption of the bond capital;
- (g) granting of a priority lien for new capital raised for the issuing company and changes to the collateral provided for a bond issue or full or partial waiver of such collateral;
- (h) consent to an amendment of the provisions governing restrictions on issues of bonds in relation to the share capital; and
- (i) consent to a total or partial conversion of bonds into shares.

To be effective and binding on all bondholders, a resolution of the bondholders' meeting regarding any of the measures set out above must be approved by the higher cantonal composition authority (*obere kantonale Nachlassbehörde*).

***Resolutions on the revocation or alteration of the authority granted to a representative of the bondholders***

For the revocation or modification of the authority granted to the representative of the bondholders, the consent of the bondholders holding more than half of the principal of the bonds outstanding is required. If the representative is appointed under the terms of the bonds, the consent of the issuer is required.

***Resolutions that alter the rights of bondholders***

Pursuant to article 1173 CO, resolutions on matters which would adversely affect the rights of bondholders (other than those listed in Article 1170 CO) or impose obligations on bondholders not set out in the terms and conditions of the bonds or otherwise agreed upon issuance of the bonds require the consent of all bondholders. Obtaining consent of all bondholders is not possible in practice for listed bonds, such as the Notes. Consequently, it is highly unlikely that resolutions that are in the interest of all bondholders can be passed at a meeting. For this reason and because a new article 1186 CO (*Differing agreements*) entered into force on 1 January 2023 pursuant to which, "*The rights conferred by law on the community of creditors and the bond representative may only be excluded, amended or restricted by the bond issue conditions*", Condition 14 (*Meetings of Noteholders*) provides that in case any requirement to obtain consent of all Noteholders on the basis of article 1173 CO is not mandatorily applicable at the relevant time due to a change of Swiss law or the interpretation thereof (which is to be confirmed to the Bondholders' Representative by a legal opinion issued by a reputable Swiss law firm in a form satisfactory to the Bondholders' Representative), any resolution subject to a mandatory consent requirement by all Noteholders prior to such change shall be taken by a two thirds majority of the Aggregate Note Principal Amount Outstanding.

***Convocation of the bondholders' meeting***

The bondholders' meeting is called by the issuer which is bound to call the bondholders' meeting, if either bondholders' holding at least 5 per cent. of the principal of the bonds outstanding or the representative of the bondholders so requests in writing indicating the purpose and the reasons for the calling. As an exception to this rule, in case the issuer becomes bankrupt, it will be the bankruptcy administrator who immediately calls a bondholders' meeting which transfers full powers to the representative already appointed or to be appointed in order to ensure that the rights of the bondholders will be enforced in an equal manner. If no decision on the transfer of full powers is reached, each bondholder will enforce its rights under the bond issuance separately.

The details of the manner of convening the meeting and the proceedings (including publication of notice, agenda, admission, chairman, minutes, recording of resolutions etc.) are regulated in the Ordinance on the Community of Bondholders (*Verordnung über die Gläubigergemeinschaft bei Anleiheobligationen*).

***Representative of the bondholders (Anleihevertreter)***

Pursuant to applicable legal provisions, the terms and conditions of a bond or the bondholders' meeting may appoint a representative. Such representative has the powers transferred to him by law, by the terms and conditions of the bond issue (within the limits set by applicable law) or by the bondholders' meeting. To the extent the representative is entitled to exercise the rights of the bondholders, the bondholders may not independently exercise their rights.

Pursuant to Condition 13 (*Appointment of Bondholders' Representative*), the Trustee will be appointed as Bondholders' Representative for the purposes of Articles 1157 to 1186 CO. Furthermore, as a condition to subscribing for or purchasing any Note, each Noteholder acknowledges and agrees that to extent that the Bondholders' Representative is entitled to act as bondholders' representative pursuant to this Condition 13 (*Appointment of Bondholders' Representative*), no Noteholder may independently exercise any rights under the Conditions, the Claims Pledge Agreement and any other Security Agreements (if any). In particular, Noteholders may not independently exercise their rights to enforce Security Interests under the Claims Pledge Agreement and any other Security Agreement (if any).

## TAXATION IN SWITZERLAND

*The following is a summary of certain Swiss tax consequences of the purchase, beneficial ownership and disposition of the Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes and may not apply to certain other classes of persons. The summary is based upon Swiss tax laws and tax practice as in effect on the date of this Prospectus, which are subject to prospective or retroactive change. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their own advisors as to the Swiss or other tax consequences of the purchase, beneficial ownership and disposition of the Notes.*

This section should be read in conjunction with "RISK FACTORS—CERTAIN TAX CONSIDERATIONS".

### **Swiss Withholding Tax (*Verrechnungssteuer*)**

Payments of interest (be it periodic, as original issue discount or premium upon redemption, if any) on the Notes will be subject to the Swiss withholding tax (*Verrechnungssteuer*). The Issuer will be required to withhold the tax at the current rate of 35 per cent.

### **Swiss Stamp Tax (*Stempelsteuern*)**

The issuance of the Notes on the issue date (primary market) will not be subject to the Swiss federal securities transfer stamp tax (*Umsatzabgabe*). Subsequent dealings in the Notes in the secondary markets where a bank or another securities dealer in Switzerland (as defined in the Swiss federal stamp tax legislation) acts as an intermediary, or is a party, to the transaction, may be subject to the Swiss federal securities transfer stamp tax at an aggregated rate of up to 0.15 per cent. In addition, the sale of Notes by or through a member of the SIX Swiss Exchange may be subject to a stock exchange levy.

### **Swiss Income Tax**

#### ***Notes held by non-Swiss resident holders***

Payments by the Issuer (be it as periodic, as original issue discount or premium upon redemption, if any) of interest on, and repayment of principal of, the Notes, to, and gain realised on the sale or redemption of Notes by, a holder of Notes, who is not a resident of Switzerland, and who during the relevant taxation year has not engaged in a trade or business through a permanent establishment or a fixed place of business in Switzerland to which the Notes are attributable ("**Non-Resident Holder**"), will not be subject to any Swiss federal, cantonal or communal income tax.

#### ***Notes held by Swiss resident holders as private assets***

An individual who resides in Switzerland and holds a Note privately ("**Resident Private Holder**"), is required to include all payments of interest received on such Note (be it periodic, as original issue discount or premium upon redemption, if any) in his or her personal income tax return for the relevant tax period and is taxable on the net taxable income for such tax period at the prevailing tax rates.

A capital gain realised by a Resident Private Holder on the sale or other disposition of is exempt from Swiss federal, cantonal and communal income tax. Conversely, a Resident Private Holder who realises a capital loss on the sale or other disposition of Notes is not allowed to take an income tax deduction for such loss. See "*Notes held as Swiss business assets*" below for a summary on the tax treatment of individuals classified as "professional securities dealers".

#### ***Notes held as Swiss business assets***

Individuals who hold Notes as part of a business in Switzerland, and Swiss-resident corporate taxpayers, and corporate taxpayers residing abroad holding Notes as part of a Swiss permanent establishment or fixed place of business in Switzerland ("**Resident Commercial Holder**"), are required to recognise payments of interest on, and any capital gain or loss realised on the sale or other disposal of, such Notes in their income statement for the respective tax period and will be taxable on any net taxable earnings for such period at the prevailing tax rates. The same taxation treatment also applies to Swiss-resident individuals who, for Swiss income tax purposes, are classified as "professional securities dealers" for reasons of, inter alia, frequent dealings, or leveraged transactions, in securities.



## **SUBSCRIPTION AND SALE**

### **Subscription of the Notes**

Pursuant to the Subscription Agreement, the Sole Arranger and Lead Manager has agreed with the Issuer to purchase the Notes at the subscription price of CHF 215,000,000.

The Subscription Agreement is subject to a number of conditions and may be terminated by the Sole Arranger and Lead Manager in certain circumstances prior to payment for the Notes. The Issuer and the Seller have agreed to indemnify the Sole Arranger and Lead Manager against certain liabilities in connection with the issue of the Notes.

### **Selling Restrictions**

#### **General**

Other than the admission of the Notes to SIX Swiss Exchange, no action has been or will be taken by the Issuer, the Seller or the Sole Arranger and Lead Manager that would permit a public offer of the Notes, or possession or distribution of any offering material in relation to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, form of application, advertisement or other material may be distributed in or from or published in any country or jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

All offers and sales of the Notes by it will be made on the same terms.

No person has been authorised to give any information or to make any representations other than as contained in this Prospectus in connection with the issue and sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Seller or the Sole Arranger and Lead Manager. Neither the delivery of this Prospectus nor any allotment or sale made hereunder will, under any circumstances, create any implication that there has been no change in the affairs of the Issuer and its subsidiaries since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

Each of the Issuer and the Seller has represented, warranted and undertaken that (other than any action carried out by the Sole Arranger and Lead Manager) the Notes have not been offered, sold or otherwise made available by it to any investor and the Notes will not be offered, sold or otherwise made available by it, directly or indirectly, to any investor.

#### **United States of America and U.S. persons**

The Notes have not been and will not be registered under the Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws or "blue sky" laws of any state or any other relevant jurisdiction of the United States and therefore may not be offered, sold, resold or otherwise transferred, directly or indirectly within the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act). Accordingly, the Notes are being offered outside the United States to persons other than U.S. persons (as defined under Regulation S under the Securities Act).

The Sole Arranger and Lead Manager, the Seller and the Issuer has represented, warranted and agreed that it will not offer or sell the Notes as part of its distribution at any time within the United States or to, or for the account or benefit of, U.S. persons (as defined under Regulation S under the Securities Act) except in certain transactions exempt from the registration requirements of the Securities Act.

The Notes offered and sold by the Issuer may not be purchased by, or for the account or benefit of, any "U.S. Person" as defined in the U.S. Risk Retention Rules ("**Risk Retention U.S. Persons**"). Prospective investors should note that the definition of "U.S. Person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. Person" under Regulation S. Each purchaser of Notes from the Issuer, including beneficial interests therein, will be deemed to represent and agree that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note, and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules. None of the Sole Arranger and Lead Manager or any person who controls any of them or any director, officer, employee, agent or affiliate of such persons has any liability or responsibility whatsoever for determining the proper characterisation of potential investors for the requirements of the U.S. Risk Retention Rules or for determining the availability of the exemption provided for in Rule 20 of the U.S. Risk Retention Rules. None of the Sole Arranger and Lead Manager or any person who controls them or

any director, officer, employee, agent or affiliate of the Sole Arranger and Lead Manager accepts any liability or responsibility whatsoever for any such determination.

### United Kingdom

The distribution of this Prospectus and any other document in connection with the offering and issuance of the Notes is directed only to persons who are outside of the United Kingdom.

### Prohibition of sales to EEA Investors (including EEA Retail Investors)

- (a) In relation to each Member State of the European Economic Area (each a "**Member State**"), Sole Arranger and Lead Manager has represented and agreed that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Prospectus to the public in that Member State except that it may make an offer to the public in that Member State:
- (i) to any legal entity which is a qualified investor as defined in the Prospectus Regulation; or
  - (ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Issuer for any such offer, or
  - (iii) in any circumstances falling within Article 1(4) of the Prospectus Regulation,
- provided that no such offer of Notes shall require the Issuer or the Sole Arranger and Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation.
- (b) For the purposes of the foregoing:
- (i) the expression "retail investor" means a person who is one (or more) of the following:
    - (1) a retail client as defined in point (11) of Article 4 (1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
    - (2) a customer within the meaning of Directive (EU) 2016/97 (as amended, 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
    - (3) not a qualified investor as defined in Regulation 2017/1129/EU (as may be amended or superseded from time to time, the "**Prospectus Regulation**"); and
  - (ii) 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 the Notes.
- (c) 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 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 MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC, 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. Consequently no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### Investor Compliance

Persons into whose hands this Prospectus comes are required by the Issuer to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver the Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

**USE OF PROCEEDS**

The net proceeds of the issue of the Notes are expected to amount to CHF 214,520,000 and will, together with the funding under the Subordinated Loan not allocated to the Cash Reserve Account, be used by the Issuer pay the Purchase Price for the Lease Assets sold and assigned by the Seller to the Issuer on the Initial Purchase Date pursuant to the terms of the Lease Asset Sale Agreement and to pay certain expenses.

## **RATING OF THE NOTES**

The Notes are expected to be assigned a "AAAsf" rating by Fitch, a "Aaa (sf)" rating by Moody's and a "AAA (sf)" rating by DBRS.

It is a condition of the issue that the Notes receive the ratings indicated above.

The ratings address the ultimate payment of principal and the timely payment of interest on the Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the applicable Rating Agency at any time. If any of the ratings initially assigned to the Notes by the Rating Agencies are subsequently withdrawn or lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes.

The Issuer has not requested a rating of the Notes by any rating agency other than the Rating Agencies. There can be no assurance, however, as to whether any other rating agency will rate the Notes or, if it does, what rating would be assigned by such other rating agency. The rating assigned to the Notes by such other rating agency could be lower than the respective ratings assigned by the Rating Agencies.

## GENERAL INFORMATION

### Authorisation

The issue of the Notes has been authorised by a resolution of the Board of the Issuer passed on 15 May 2023.

### Swiss Listing

The Notes have been admitted to provisional trading on the SIX Swiss Exchange with effect from 17 May 2023 and application will be made for the Notes to be listed in compliance with the standard for bonds on the SIX Swiss Exchange. The last day of trading for the Notes will be the second trading day prior to the date upon which the Notes will be fully redeemed or the Final Maturity Date. In accordance with Article 58a of the Listing Rules of the SIX Swiss Exchange, Credit Suisse AG has been appointed by the Issuer to lodge the listing application with SIX Exchange Regulation of the SIX Swiss Exchange.

### Clearing Codes

The Notes have been accepted for clearance through SIX SIS AG as follows:

Swiss Security Number	ISIN	Common Code
125592448	CH1255924487	262448886

### Litigation

The Issuer is not and has not been involved in any legal, governmental or arbitration proceedings which may have or have had since its date of incorporation a significant effect on its financial position or profitability and the Issuer is not aware that any such proceedings are pending or threatened.

The Seller is not and has not been involved in any legal, governmental or arbitration proceedings which may have or have had since 31 December 2022 (being the date of the most recent annual audited financial statements of the Seller) a significant effect on its financial position or profitability and the Issuer is not aware that any such proceedings are pending or threatened.

### Financial Statements

No financial statements have been prepared in respect of the Issuer apart from the audited opening balance sheet as per 4 April 2023 (see "*Annex – Issuer's opening Balance Sheet*").

### Material Change

Since 4 April 2023 (being the date of incorporation of the Issuer), there has been no material adverse change in the financial position or prospects of the Issuer, and since 31 December 2022 (being the date of the most recent annual audited financial statements of the Seller), there has been no material adverse change in the financial position of the Seller.

### Availability of Documents

Copies of the following documents are available in physical form for inspection during usual business hours at the offices of the Issuer and the Specified Office of the Principal Paying Agent for the life of the Notes:

- (a) the Issuer's Articles and the organisational regulations (*Organisationsreglement*) of the Issuer;
- (b) all reports, letters and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to herein;
- (c) the Transaction Documents referred to in this Prospectus (other than the Subscription Agreement); and
- (d) further copies of this Prospectus (including the Conditions).

### Miscellaneous

No website referred to herein forms part of this Prospectus.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

## GLOSSARY OF DEFINED TERMS

Except where the context otherwise requires, the following defined terms used in the Transaction Documents and herein will have the meanings set out below:

"**Acceleration Notice**" has the meaning given to such term in Condition 4.1(d) (*Events of Default relating to the Issuer*);

"**Account Bank**" has the meaning given to it in Condition 22 (*Definitions*);

"**Account Bank Agreement**" has the meaning given to it in Condition 22 (*Definitions*);

"**Account Claims**" has the meaning given to such term in clause 6 (*Pledge of Pledged Claims*) of the Claims Pledge Agreement;

"**Additional Account**" has the meaning given to it in Condition 22 (*Definitions*);

"**Additional Cut Off Date**" has the meaning given to it in Condition 22 (*Definitions*);

"**Additional Listing**" means the listing of Eligible Lease Agreements, Eligible Dealer Agreements and further information attached to the Offer Letter delivered as of the Additional Offer Date in an appendix to the Lease Asset Sale Agreement;

"**Additional Offer Date**" means the date falling four (4) Business Days prior to the Monthly Payment Date, or in the event that such day is not a Business Day, the next following Business Day;

"**Additional Purchase Date**" means the 23<sup>rd</sup> calendar day of each calendar month, or in case such day is not a Business Day, the next following Business Day, provided that the first Additional Purchase Date shall be 23 June 2023;

"**Adjusted Advance Disbursement Amount**" means, with respect to each Monthly Payment Date that falls in January, an amount equal to the excess (if any) of (a) the Annual Permitted Disbursement for the immediately preceding financial year of the Issuer, over (b) the aggregate of all Monthly Advance Disbursement Amounts paid to the Subordinated Loan Provider for the same financial year;

"**Affected Investors**" means EU-regulated credit institutions, EU-regulated investment firms, certain alternative investment fund managers, EU-regulated insurers or reinsurers, certain investment companies authorised in accordance with Directive 2009/65/EC, managing companies as defined in that Directive (together, "UCITS"), institutions for occupational retirement provision falling within the scope of Directive (EU) 2016/2341 (subject to certain exceptions), and certain investment managers and authorised entities appointed by such institutions (together, "IORPs") subject thereto (each an "**Affected Investor**").

"**Affected Lease Asset**" means the PPI Lease Asset and each an "**Affected Lease Asset**";

"**Affected Lease Asset Discovery Date**" means the date on which the Seller or the Servicer or the Issuer determines or is notified that a Purchased Lease Asset has become an Affected Lease Asset after the relevant Cut Off Date;

"**Affected Lease Asset Notice**" means the notice served by the Seller or Servicer, as the case may be, to the other party whereby the Seller or the Servicer determines or is notified that a Purchased Lease Asset has become an Affected Lease Asset;

"**Affected Lease Asset Repurchase Date**" shall occur and be consummated (i) if the Affected Lease Asset Notice has been served by the Seller, on the second Additional Purchase Date following the Affected Lease Asset Discovery Date and (ii) if the Affected Lease Asset Notice has been served by the Servicer or the Issuer, on the second Additional Purchase Date following the date on which the Affected Lease Asset Notice has been served and in either case have economic effect as of the Economic Effective Date immediately preceding such Affected Lease Asset Repurchase Date;

"**Affiliate**" or "**affiliate**" means any person directly or indirectly controlling, controlled by, or under direct or indirect common control with, another person or any Subsidiary of such other person provided that a person will be deemed to control another person if such person owns at least 50 per cent. of the ownership interests in the controlled person;

"**Aggregate Note Principal Amount Outstanding**" has the meaning given to it in Condition 22 (*Definitions*);

"**Amendment**" means any supplement or other amendment of, or any authorisation or other waiver of any actual or prospective breach of any term of the Notes or any other Transaction Document (including any of the schedules, exhibits or annexes to that Transaction Document);

**"Ancillary Rights"** means:

- (a) any and all rights (including for the avoidance of doubt any accessory rights (*Nebenrechte*)) arising pursuant to the relevant Lease Agreement and Dealer Agreement, as applicable, including (i) all rights to receive and obtain payment under the Lease Agreements for the Lease Receivables arising thereunder including rights of enforcement under that document against the relevant Lessee and (ii) any and all rights and claims under any insurance policies entered into by a Lessee (which have been assigned by the Lessee to the Seller) covering the related Leased Vehicle, to the extent still unpaid as of the relevant Cut Off Date or arising after the relevant Cut Off Date;
- (b) any and all rights and claims arising under any Security Interest relating to a Lease Asset including, without any limitation, any Deposit;
- (c) any and all rights in relation to any claim made by the Seller under an insurance policy held by the Seller; and
- (d) any and all rights to the Residual Value Proceeds, to the extent still unpaid as of the relevant Cut Off Date or arising after the relevant Cut Off Date;

**"Annual Note Interest Amount"** has the meaning given to it in Condition 22 (*Definitions*);

**"Annual Permitted Disbursement"** means the relevant disbursements under and pursuant to the Subordinated Loan Agreement in an amount which is calculated as the annual amount payable on the balance of the Subordinated Loan at the rate that causes the annual taxable income of the Issuer to equal 0.01 per cent. (or, if higher, CHF 25,000) of the average of the Aggregate Note Principal Amount Outstanding, for any financial year of the Issuer, payable as Monthly Advance Disbursement Amounts on each Payment Date (other than the Payment Date in January of any financial year of the Issuer) and the Adjusted Advance Disbursement Amount payable on the Payment Date in January of any financial year of the Issuer;

**"Applicable Law"** has the meaning given to it in Condition 22 (*Definitions*);

**"APR"** means with respect to a Lease Agreement, the annual percentage rate of finance charges stated in the applicable Lease Agreement;

**"Auditors"** means the statutory auditors (*Revisionsstelle*) of the Issuer appointed from time to time;

**"Authorised Investments"** means:

- (a) securities either:
  - (i) issued by the government of Switzerland with a scheduled maturity date falling prior to the next following Monthly Payment Date, provided that such securities have: (A) either a long-term rating of at least "AA-" by Fitch (or its equivalent by another internationally recognised rating agency) or a short-term rating of at least "F1+" by Fitch (or its equivalent by another internationally recognised rating agency), (B) either a long-term rating of at least "AA (low)" by DBRS or a short-term rating of at least "R-1 (middle)" by DBRS or a DBRS Equivalent Rating of the issuing entity or guaranteeing entity of at least "AA (low)" or "R-1 (middle)" and (C) a long-term rating of at least "A1" by Moody's and short-term rating of at least "P-1"; or
  - (ii) with a scheduled maturity date falling prior to the next following Monthly Payment Date, provided that such securities have: (A) either a long-term rating of at least "AA-" by Fitch (or its equivalent by another internationally recognised rating agency) or a short-term rating of at least "F1+" by Fitch (or its equivalent by another internationally recognised rating agency), (B) either a long-term rating of at least "AA (low)" by DBRS or a short-term rating of at least "R-1 (middle)" by DBRS or a DBRS Equivalent Rating of the issuing entity or guaranteeing entity of at least "AA (low)" or "R-1 (middle)" and (C) a long-term rating of at least "Aa3" by Moody's and short-term rating of at least "P-1";
- (b) demand or time deposits, certificates of deposit and unsecured debt obligations with maturities of up to thirty (30) calendar days, including commercial paper, provided that the issuing entity or, if such investment is guaranteed, the guaranteeing entity, is rated at least, (A) in the case of Fitch, a long-term rating of at least "A" or a short-term rating of at least "F1", (B) in case of DBRS, a long-term rating of at least "A" or a short-term rating of at least "R-1 (low)" or a DBRS Equivalent Rating of the issuing entity or guaranteeing entity of at least "A" or "R-1(low)" by DBRS and (C) a short-term rating of at least "P-1" in case of Moody's; or

- (c) in other obligations or securities that will not result in a reduction or withdrawal of the then current rating of the Notes,

provided that any such deposits, obligations or securities shall be denominated in Swiss Francs (CHF) and that any such deposit, obligation or security shall be due such that the full notional amount would be available for application on the immediately following Monthly Payment Date and that the principal invested under such deposit, obligation or security is scheduled to be returned in full. For the avoidance of doubt, no such investment shall be made, in whole or in part, actually or potentially, in tranches, credit linked notes, swaps or other derivatives instruments, or synthetic securities;

"**Available Distribution Amount**" has the meaning given to it in Condition 9.1 (*Available Distribution Amount*);

"**Available Post-Enforcement Funds**" has the meaning given to it in Condition 22 (*Definitions*);

"**BA**" has the meaning given to it in Condition 22 (*Definitions*);

"**Board**" means the board of directors (*Verwaltungsrat*) of the Issuer;

"**Board Member(s)**" has the meaning given to it in Condition 22 (*Definitions*);

"**Board Reserved Matter**" means any matter to be considered by the Board relating to:

- (a) filing of insolvency or similar proceedings by the Issuer;
- (b) the calling of a shareholders' meeting to resolve on any amendment to the Issuer's Articles (to the extent the amendment is not required by any applicable law) or the dissolution or liquidation of the Issuer;
- (c) the consideration of any transaction and dealing in which, in the sole discretion of the Independent Director, another member of the Board has a direct or indirect interest conflicting with the interests of the Issuer;
- (d) any liquidation or sale of assets with the exception of a sale of assets as specifically provided for in the Transaction Documents;
- (e) conclusion and Amendment of any of the Transaction Documents; and
- (f) any amendment of the board reserved matters in the organisational regulations;

"**Bondholder Provisions**" has the meaning given to it in Condition 22 (*Definitions*);

"**Bondholders' Representative**" has the meaning given to it in Condition 22 (*Definitions*);

"**Business Day**" has the meaning given to it in Condition 22 (*Definitions*);

"**Calculation Date**" has the meaning given to it in Condition 22 (*Definitions*);

"**Cash Accounts**" means the Collection Account, the Payment Account, the Note Interest Account, the Deposit Account, the Cash Reserve Account and any Additional Account in which only cash is deposited;

"**Cash Accounts Control Agreement**" means the cash accounts control agreement dated on or about the Signing Date between the Issuer, the Bondholders' Representative and the Account Bank pursuant to which the Issuer grants a Security Interest in the form of a Pledge over the monies standing from time to time to the credit of the Cash Accounts, substantially in the form of Schedule 2 (*Form of Cash Accounts Control Agreement*) of the Claims Pledge Agreement;

"**Cash Management Agreement**" has the meaning given to it in Condition 22 (*Definitions*);

"**Cash Management Services**" means all the services, duties, liabilities and obligations to be performed and provided by the Cash Manager under the Cash Management Agreement and each of the other Transaction Documents to which it is, in its capacity as the Cash Manager, a party;

"**Cash Manager**" has the meaning given to it in Condition 22 (*Definitions*);

"**Cash Manager Fee Letter**" means the letter agreement dated on or about the Signing Date between the Issuer and the Cash Manager;

"**Cash Manager Termination Event**" means the occurrence of any of the following events:

- (a) the Cash Manager fails to make a deposit or a payment when required to be made by the Cash Manager under the Cash Management Agreement (subject to there being sufficient funds in the relevant Transaction Account for such purpose and the Cash Manager having received all material information that is to be provided by any other party which is required for the Cash Manager to be able to perform



its payment duties hereunder), unless such failure is remedied (i) within two (2) Business Days or (ii) if such failure is caused by the occurrence of a Force Majeure Event, within five (5) Business Days;

(b) the Cash Manager fails to comply with any of its other covenants or obligations under the Cash Management Agreement which failure would, in the opinion of the Trustee (acting on the direction of the Requisite Percentage of the Noteholders), have a Material Adverse Effect; or

(c) an Insolvency Event occurs with respect to the Cash Manager;

"**Cash Reserve Account**" has the meaning given to it in Condition 22 (*Definitions*);

"**Cash Reserve Release Event**" has the meaning given to it in Condition 22 (*Definitions*);

"**Cash Reserve Required Amount**" has the meaning given to it in Condition 22 (*Definitions*);

"**CC**" means the Swiss Civil Code.

"**CCA**" means the Swiss Consumer Credit Act of 23 March 2001;

"**Challenge Notice**" means a notice of objection sent by one party to the Lease Asset Sale Agreement to the other party of the Lease Asset Sale Agreement following receipt of a Notice of Breach;

"**Challenge Period**" means the period during which a Challenge Notice can be sent pursuant to the Lease Asset Sale Agreement;

"**Challenge Settlement Date**" means, in respect of an Ineligible Lease Asset, (i) in case no Challenge Notice has been served within the Challenge Period or a Notice of Breach has been accepted by the Issuer or the Seller (as applicable), the Ineligibility Discovery Date; or (ii) in case a Challenge Notice has been served, the date on which the matter at dispute according to the Challenge Notice has been finally resolved;

"**Claims Pledge Agreement**" has the meaning given to it in Condition 22 (*Definitions*);

"**Closing Date**" means 23 May 2023 or such other date as may be agreed between the Issuer and the Sole Arranger and Lead Manager;

"**CO**" means the Swiss Code of Obligations of 30 March 1911;

"**Collateral Assets**" has the meaning given to it in clause 7 (*Pledge of Securities Account Assets*) of the Claims Pledge Agreement;

"**Collection Account**" has the meaning given to it in Condition 22 (*Definitions*);

"**Collections**" has the meaning given to it in Condition 22 (*Definitions*);

"**Commercial Customer**" means a Lessee that is a corporation or company (such as an *Aktiengesellschaft (AG)* or *Gesellschaft mit beschränkter Haftung (GmbH)*), simple partnership (excluding, for the avoidance of doubts, any self-employed commercial individuals), general partnership or limited partnership;

"**Conditions**" means the terms and conditions of the Notes in the form attached to the Prospectus (*Terms and Conditions of the Notes*), as any of the same may from time to time be modified in accordance with the Conditions and any reference to a numbered Condition shall be construed accordingly;

"**Contemplated Repurchase**" has the meaning given to such term in clause 12.2 (*Upon a repurchase under the Lease Asset Sale Agreement*) of the Claims Pledge Agreement;

"**Corporate Services**" has the meaning given to such term in clause 2.3.1 (*Corporate Services*) of the Corporate Services Agreement;

"**Corporate Servicer**" has the meaning given to it in Condition 22 (*Definitions*);

"**Corporate Services Agreement**" has the meaning given to it in Condition 22 (*Definitions*);

"**Corporate Sub Servicer**" has the meaning given to it in Condition 22 (*Definitions*);

"**Corporate Sub Servicer Termination Event**" means the occurrence of any of the following events:

(a) the Corporate Sub Servicer shall have breached or failed to perform any undertaking or material obligation applicable to it under the Corporate Sub Services Agreement and, if such breach or failure is capable of being remedied, such breach or failure has not been remedied within ten (10) Business Days after the Corporate Sub Servicer obtains knowledge thereof;

- (b) any representation or warranty made by the Corporate Sub Servicer in (i) the Corporate Sub Services Agreement, or (ii) in any notice or other document, certificate or statement delivered by it pursuant thereto or in connection therewith proves to be incorrect in any material respect;
- (c) an Insolvency Event shall have occurred with respect to the Corporate Sub Servicer;
- (d) it becomes (i) unlawful for the Corporate Sub Servicer to perform any of its material obligations under the Corporate Sub Services Agreement (including, without limitation, a change in offices or services) or (ii) any of the obligations of the Corporate Sub Servicer under the Corporate Sub Services Agreement cease to be legal, valid and binding; or
- (e) the occurrence of an event or any series of events or the existence of any circumstance which could have a material adverse effect on the Corporate Sub Servicer's ability to perform and observe any of its obligations under the Corporate Sub Services Agreement;

"**Corporate Sub Services**" has the meaning given to such term in clause 2.2.1 (*Corporate Sub Services*) of the Corporate Sub Services Agreement;

"**Corporate Sub Services Agreement**" has the meaning given to it in Condition 22 (*Definitions*);

"**Covenant to Pay**" means the covenants of the Issuer in respect of the Notes contained in Condition 6 (*Payments on the Notes*) and Condition 7 (*Payments of Interest*) and, in respect of the Secured Obligations, contained in clause 3 (*Issuer's Covenant to Pay*) of the Trust Agreement;

"**Credit Suisse e-banking**" means the online banking system of the Account Bank.

"**CRS**" means the common reporting standard more fully described as the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, and any treaty, law or regulation of Switzerland or any other jurisdiction which facilitates implementation of the common reporting standard;

"**Cumulative Gross Loss Ratio**" means as of any Cut Off Date, the quotient, expressed as a percentage, of:

- (a) the aggregate Defaulted Lease Amounts of all Defaulted Lease Assets that are Purchased Lease Assets in the period running from the Initial Purchase Date, to, and including, the relevant Cut Off Date,

divided by

- (b) the aggregate balance of all Purchased Lease Assets in the period running from, and including, the Initial Purchase Date, to, and including, the relevant Cut Off Date,

provided that for sub-clause (b) above, the balance of a Purchased Lease Asset shall be deemed to be the balance of such asset as of the Cut Off Date immediately prior to the Purchase Date on which such Lease Asset became a Purchased Lease Asset;

"**Cut Off Date**" has the meaning given to it in Condition 22 (*Definitions*);

"**Day Count Fraction**" has the meaning given to it in Condition 7.1(c) (*Interest Calculation*);

"**DBRS**" or "**DBRS Morningstar**" means (i) for the purpose of identifying which DBRS entity which has assigned the credit rating to the Rated Notes, DBRS Ratings Limited and any successor to this rating activity, and (ii) in any other case, any entity that is part of DBRS Morningstar, which is either registered or not under the UK CRA Regulation, as it appears from the last the last available list published by Financial Conduct Authority (FCA) on the FCA register, or any other applicable regulation ("<https://register.fca.org.uk/s/>") or any successor to its credit rating business;

"**DBRS Equivalent Chart**" means:

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+

A	A2	A	A
A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B
B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC
CCC	Caa2	CCC	
CCC(low)	Caa3	CCC-	
CC	Ca	CC	
		C	
D	C	D	D

**"DBRS Equivalent Rating"** means with respect to any issuer rating or senior unsecured debt rating (or other rating equivalent), (i) if a Fitch public rating, a Moody's public rating and an S&P Global public rating are all available, (a) the remaining rating (upon conversion on the basis of the DBRS Equivalent Chart) once the highest and the lowest rating have been excluded or (b) in the case of two or more same ratings, any of such ratings (upon conversion on the basis of the DBRS Equivalent Chart); (ii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) above, but public ratings by any two of Fitch, Moody's and S&P Global are available, the lower rating available (upon conversion on the basis of the DBRS Equivalent Chart); and (iii) if the DBRS Equivalent Rating cannot be determined under paragraph (i) or paragraph (ii) above, and therefore only a public rating by one of Fitch, Moody's and S&P Global is available, such rating will be the DBRS Equivalent Rating (upon conversion on the basis of the DBRS Equivalent Chart).

**"Dealer"** means a dealer that entered into a Dealer Agreement with the Seller;

**"Dealer Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Dealer Receivables"** has the meaning given to it in Condition 22 (*Definitions*);

**"Dealer Repurchase Obligation"** has the meaning given to it in Condition 22 (*Definitions*);

**"Dealer Repurchase Price"** has the meaning given to it in Condition 22 (*Definitions*);

**"DEBA"** has the meaning given to it in Condition 22 (*Definitions*);

**"Deemed Collections"** has the meaning given to it in Condition 22 (*Definitions*);

**"Defaulted Lease Amount"** means;

- (a) in case the Lease Asset becomes a Defaulted Lease Asset in accordance to paragraph (a) of the definition of Defaulted Lease Asset, the Outstanding Balance at the relevant Additional Cut Off Date; and
- (b) in case the Lease Asset becomes a Defaulted Lease Asset in accordance to paragraph (b) of the definition of Defaulted Lease Asset, the Outstanding Balance that has been written off by the Servicer on the date it has become a Written Off Lease Asset;

**"Defaulted Lease Asset"** means a Purchased Lease Asset in respect of which:

- (a) any amount due in respect of such Purchased Lease Asset that on the subsequent Economic Effective Date remains unpaid for four (4) months (as reported by the Servicer on the relevant Cut Off Date); or

- (b) the Servicer, acting in accordance with the servicing procedures, has terminated the relevant Lease Agreements and written off any Outstanding Balance in its systems in respect of such Purchased Lease Assets at any time prior to it meeting the condition referred to in paragraph (a) above;

**"Delinquency Percentage"** means, as of any Calculation Date, the quotient, expressed as a percentage, of:

- (a) the aggregate Outstanding Balance of Delinquent Lease Assets that are Purchased Lease Assets;

divided by

- (b) the aggregate Outstanding Balance of all Performing Lease Assets that are Purchased Lease Assets;

**"Delinquent Lease Asset"** means any Purchased Lease Asset other than a Defaulted Lease Asset, that is two or more instalment payments in arrears. An instalment is considered in arrears if at least 50% is unpaid after its due date;

**"Deposit"** has the meaning given to it in Condition 22 (*Definitions*);

**"Deposit Account"** means the Swiss Francs denominated interest-bearing bank account with the account number 0848-1805285-41-3 held in the name of the Issuer at the Account Bank, IBAN CH97 0483 5180 5285 4100 3 as well as any other Swiss Francs denominated bank accounts specified as such by or on behalf of the Issuer with the consent of the Trustee and Bondholders' Representative in the future in addition to or in substitution for such Deposit Account in accordance with the Account Bank Agreement and the Claims Pledge Agreement for the purpose of the Deposits received and reimbursable by the Issuer in connection with the Purchased Lease Assets;

**"Deposit Reduction Amount"** means, with respect to any Lease Agreement, the amount of the Deposit applied against any outstanding amount payable by the Lessee under such Lease Agreement in accordance with its terms and the Seller's Credit and Collection Policies and Procedures;

**"Deposit Repayment"** means a Deposit which is due for repayment to a Lessee in accordance with either (i) a Purchased Lease Agreement or (ii) a Lease Agreement that will become a Purchased Lease Agreement (provided such repayment is to be made after the relevant Cut Off Date);

**"Deposit Required Amount"** means, for any Payment Date, the amount equal to all Deposits received and reimbursable by the Issuer in connection with the Purchased Lease Assets, in each case, prior to the next Payment Date;

**"Determination Period"** has the meaning given to it in Condition 22 (*Definitions*);

**"DPA"** means the Swiss Data Protection Act of 19 June 1992;

**"Early Amortisation Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Early Amortisation Event"** has the meaning given to it in Condition 22 (*Definitions*);

**"Early Redemption Date"** has the meaning given to such term in Condition 8.3(a) (iii) (*Optional early redemption following the end of the Revolving Period*);

**"Economic Effective Date"** means, with respect to any Lease Asset purchased on the Initial Purchase Date, 1 May 2023 or with respect to any Lease Asset purchased on an Additional Purchase Date, the first calendar day of each calendar month;

**"Eligibility Criteria"** means the eligibility criteria in respect of the Lease Assets as listed and described in Schedule 5 (*Eligibility Criteria*) of the Lease Asset Sale Agreement;

**"Eligible Dealer Agreement"** means a Dealer Agreement that forms part of an Eligible Lease Asset;

**"Eligible Lease Agreement"** means a Lease Agreement that is part of an Eligible Lease Asset;

**"Eligible Lease Asset"** means a Lease Asset that meets the Eligibility Criteria as of the relevant Cut Off Date;

**"Enforcement Event"** has the meaning given to such term in Condition 4.1(d) (*Events of Default relating to the Issuer*);

**"Enforcement Event Notice"** means a notice substantially in the form set out in the Account Bank Agreement;

**"Extraordinary Resolution"** has the meaning given to it in Condition 22 (*Definitions*);

**"FATCA"** means Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986, as amended, any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b) of the Code, any intergovernmental agreement entered into pursuant to such Sections of the Code, or any U.S. or

non-U.S. fiscal or regulatory legislation, rules, guidance notes, or practices adopted pursuant to any such intergovernmental agreement;

"**Final Discharge Date**" has the meaning given to it in Condition 22 (*Definitions*);

"**Final Maturity Date**" means the Monthly Payment Date falling in February 2032;

"**FINMA**" means the Swiss Financial Market Supervisory Authority;

"**FinSA**" means the Swiss Financial Services Act of 15 June 2018;

"**FISA**" means the Swiss Federal Intermediated Securities Act of 3 October 2008;

"**Fitch**" means Fitch Ratings Limited, or any successor to its credit rating business;

"**Fixed Disbursement**" has the meaning given to it in Condition 22 (*Definitions*);

"**Fixed Disbursement Amount**" has the meaning given to it in Condition 22 (*Definitions*);

"**Force Majeure Event**" means an event beyond the reasonable control of the person affected arising as a result of, including but not limited to, nationalisation, expropriation or other similar government actions, currency restrictions, market interruptions affecting the execution or settlement of transactions, strike, lock out, labour dispute, act of God, war, terrorism, natural disasters, insurrection, revolution, riot, civil commotion, malicious damage, breakdown, failure or malfunction of plant or machinery, telecommunications, computer software, hardware or system failure, fire, flood and other circumstances affecting the supply of good or services;

"**Fraud Lease Asset**" means a Purchased Lease Asset which becomes, after the relevant Cut Off Date as of which the Seller made the Lease Asset Representations and Warranties in relation to such Purchased Lease Asset, subject to fraud (i.e. in the event the relevant Lessee does not return the Leased Vehicle when a Lessee moves or either the relevant Dealer or the relevant Lessee committed fraud by forging an application to have the Seller's name removed from section "Code 178" of the Leased Vehicle's registration documents (*Halterwechsel verboten* or the Lessee has committed identity theft to fraudulently secure a lease));

"**Fraud Lease Asset Exercise Notice**" means a notice served on the Issuer by the Seller on the immediately preceding Fraud Lease Asset Repurchase Date in accordance with the terms of the Lease Asset Sale Agreement;

"**Fraud Lease Asset Repurchase Date**" means the second Additional Purchase Date following the date on which the Fraud Lease Asset Exercise Notice has been served by the Seller;

"**Governmental Authority**" has the meaning given to it in Condition 22 (*Definitions*);

"**Guidelines**" means:

- (a) guideline S-02.123 in relation to interbank loans of 22 September 1986 (*Merkblatt S-02.123 vom 22. September 1986 betreffend Verrechnungssteuer auf Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben)*);
- (b) guideline S-02.130.1 in relation to accounts receivables of Swiss debtors of April 1999 (*Merkblatt S-02.130.1 vom April 1999 betreffend Geldmarktpapiere und Buchforderungen inländischer Schuldner*);
- (c) circular letter No. 34 in relation to customer credit balances of 26 July 2011 (*Kreisschreiben Nr. 34 vom 26. Juli 2011 betreffend Kundenguthaben*);
- (d) circular letter No. 15 in relation to bonds and derivatives of 3 October 2017 (*Kreisschreiben Nr. 15 vom 3. Oktober 2017 betreffend Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer sowie der Stempelabgaben*);
- (e) practice note 010-DVS-2019 dated 5 February 2019 published by the Swiss Federal Tax Administration regarding Swiss Withholding Tax in the Group (*Mitteilung-010-DVS-2019-d vom 5. Februar 2019 - Verrechnungssteuer: Guthaben im Konzern*);
- (f) circular letter No. 46 of 24 July 2019 (1-046-VS-2019) in relation to syndicated credit facilities, promissory note loans, bills of exchange and subparticipations (*Kreisschreiben Nr. 46 vom 24. Juli 2019 betreffend "Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen"*); and
- (g) circular letter No. 47 of 25 July 2019 (1-047-V-2019) in relation to bonds (*Kreisschreiben Nr. 47 vom 25. Juli 2019 betreffend "Obligationen"*), in each case as issued, amended or replaced from time to time, by the Swiss federal tax administration or as substituted or superseded and overruled by any law, statute, ordinance, court decision, regulation or the like as in force from time to time.

each as issued, amended or substituted from time to time by the Swiss federal tax administration (EStV) or as substituted or superseded and overruled by any law, statute, ordinance, court decision, regulation or the like as in force from time to time;

**"Income Tax Payment Date"** means the date any income tax amount is due and payable by the Issuer to the relevant Tax Authority;

**"Indemnified Party"** has the meaning given to such term in clause 23.5 (*Indemnity*) of the Claims Pledge Agreement;

**"Independent Director"** means a Board Member who has been appointed as an independent member of the Board of Directors who shall be independent from BANK-now in the sense of the Swiss Code of Best Practice for Corporate Governance;

**"Independent Shareholder"** means the two (2) individual shareholders not related to BANK-now holding 1% each of the Issuer's shares;

**"Ineligibility Discovery Date"** means the date on which a party to the Lease Asset Sale Agreement becomes aware or has knowledge that a Purchased Lease Asset is an Ineligible Lease Asset;

**"Ineligible Lease Asset"** means if, (a) contrary to the relevant Lease Asset Representation and Warranty, a Purchased Lease Asset did not meet the Eligibility Criteria as of the relevant Cut Off Date as of which the relevant Lease Asset Representation and Warranty in relation to Eligibility Criteria was given by the Seller to the Issuer or (b) the sale and purchase of any Purchased Lease Asset results in a breach of the Replenishment Criteria;

**"Ineligible Lease Asset Repurchase Date"** means the second Additional Purchase Date following the Challenge Settlement Date;

**"Initial Cut Off Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Initial Listing"** means the listing of Eligible Lease Agreements, Eligible Dealer Agreements and further information attached to the Offer Letter delivered as of the Initial Offer Date in an appendix of the Lease Asset Sale Agreement;

**"Initial Offer Date"** means 15 May 2023;

**"Initial Purchase Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Insolvency Event"** has the meaning given to it in Condition 22 (*Definitions*);

**"Insolvency Proceedings"** has the meaning given to it in Condition 22 (*Definitions*);

**"Interest Payment Date"** has the meaning given to it in Condition 7.1(c) (*Interest Calculation*);

**"Interest Period"** has the meaning given to it in Condition 7.1(c) (*Interest Calculation*);

**"Interest Rate"** has the meaning given to it in Condition 7.1(c) (*Interest Calculation*);

**"Intermediary"** means SIX SIS or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange;

**"Intermediated Securities"** has the meaning given to such term (*Bucheffekten*) in the FISA;

**"Investment Earnings"** has the meaning given to it in Condition 22 (*Definitions*);

**"Investor Report"** means a report prepared by the Cash Manager substantially in the form set out in Schedule 2 (*Form of Investor Report*) of the Cash Management Agreement for dissemination to investors;

**"IRS"** means the United States Internal Revenue Service or any successor thereto;

**"ISIN Code"** means an international securities identification number that uniquely identifies a security;

**"Issuer"** means Auto lease-now 2023-1 AG;

**"Issuer Covenants"** has the meaning given to it in Condition 22 (*Definitions*);

**"Issuer Event of Default"** has the meaning given to such term in Condition 4.1(a) (*Events of Default relating to the Issuer*);

**"Issuer Event of Default Notice"** has the meaning given to such term in Condition 4.1(b) (*Events of Default relating to the Issuer*);

**"Issuer Representations and Warranties"** means the representations and warranties given by the Issuer and set out in clause 5.1 (*Representations and warranties*) and Schedule 1 (*Issuer Representations and Warranties*) of the Trust Agreement;

**"Issuer's Articles"** means the articles of association (*Statuten*) of the Issuer in the form set out in Schedule 1 (*Issuer's Articles*) of the Corporate Services Agreement, as amended from time to time;

**"Issuer's Assets"** has the meaning given to it in Condition 22 (*Definitions*);

**"Lease Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Lease Asset Representations and Warranties"** means the representations and warranties listed in Schedule 9 (*Lease Asset Representations and Warranties*) and given by the Seller under Clause 4.2 (*Lease Asset Representations and Warranties*) of the Lease Asset Sale Agreement;

**"Lease Asset Sale Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Lease Assets"** means the Lease Agreements (including, for the avoidance of doubt, any Lease Receivables), the Dealer Agreements (including, for the avoidance of doubt, any Dealer Receivables), the Leased Vehicles and the Ancillary Rights and a **"Lease Asset"** means a package consisting of a Leased Vehicle, the Lease Agreement pursuant to which such Leased Vehicle is leased to the Lessee (including, for the avoidance of doubt, any Lease Receivable), the Dealer Agreement (including, for the avoidance of doubt, any Dealer Receivables) and all related Ancillary Rights that have been purchased by the Seller;

**"Lease Outstanding Amount"** means, with respect to any Lessee, any outstanding amount payable by the Lessee under the relevant Lease Agreement in accordance with the terms of such Lease Agreement and the Seller's Credit and Collection Policies and Procedures including any early termination amount;

**"Lease Receivable"** has the meaning given to it in Condition 22 (*Definitions*);

**"Leased Vehicle"** means any passenger cars, motorcycles and light commercial vehicles financed under a Lease Agreement, for the avoidance of doubt including new vehicles and used vehicles, which is leased to a Lessee under a Lease Agreement;

**"Ledgers"** means the Replenishment Ledger, the Subordinated Loan Ledger and the VAT Ledger and any other ledger maintained on the Collection Account by the Cash Manager;

**"Lessee"** means, in respect of a Lease Agreement, an consumer or commercial lessee under a Lease Agreement or their heirs, executors, successors, guarantors or assignees who assume the obligations of such lessee thereunder, to whom the Seller has leased one or more vehicles on the terms of the relevant Lease Agreement(s);

**"Lessee Notification Event"** has the meaning given to it in Condition 22 (*Definitions*).

**"Lessee Reimbursement Date"** means any date on which a Lease Asset reaches maturity and the relevant Lessee receives its Deposit back;

**"Liabilities"** has the meaning given to it in Condition 22 (*Definitions*);

**"Light Commercial Vehicle"** means a vehicle used for commercial purposes that is less than 3.5 tons in weight;

**"Listing Rules"** means the rules applicable to listing on the SIX Swiss Exchange;

**"Master Definitions and Framework Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the transferability of the Lease Assets or a significant portion thereof in the manner contemplated by the Lease Asset Sale Agreement;
- (b) the collectability of the Purchased Lease Assets or any significant portion thereof;
- (c) the ability of the Issuer to perform any of its respective material obligations under the Notes or any of the other Transaction Documents; or
- (d) the legality, validity or enforceability of any of the Transaction Documents to which the Issuer is party or the rights of the Issuer hereunder or thereunder (as applicable);

**"Meeting(s)"** has the meaning given to it in Condition 22 (*Definitions*);

**"Meetings"** has the meaning given to it in Condition 22 (*Definitions*);

**"Member State"** means each member state of the EEA;

**"Minimum Long-term Rating"** means, in respect of any person: (i) in the case of Fitch, a rating of "A" with respect to such person's long term deposit rating, or if a long term deposit rating is unavailable, such person's long term unsecured, unsubordinated, unguaranteed debt obligations; (ii) in the case of Moody's, a rating of "A3" with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations (in case of the Account Bank, with reference to Credit Suisse AG (as its parent entity)); and (iii) in the case of DBRS, a rating of "A" with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations, or, in each case, such other rating that would not adversely affect the then rating of the Notes;

**"Minimum Short-term Rating"** means, in respect of any person: (i) in the case of Fitch, a rating of "F-1" with respect to such person's short term deposit rating, or if a short term deposit rating is unavailable, such person's short term unsecured, unsubordinated, unguaranteed debt obligations being rated and (ii) in the case of Moody's, a rating of "P-1" with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations (in case of the Account Bank, with reference to Credit Suisse AG (as its parent entity)) or, in each case, such other rating that would not adversely affect the then rating of the Notes.

**"Modification Certificate"** has the meaning give to it in Condition 18 (*Additional Right of Modification*);

**"Monthly Advance Disbursement Amount"** has the meaning given to it in Condition 22 (*Definitions*);

**"Monthly Instalments"** means the scheduled monthly instalments payable by a Lessee to the Servicer (on behalf of the Issuer) or the Seller (as applicable) in accordance with a Lease Agreement, consisting of (a) a principal component, (b) an interest component, and (c) a VAT component;

**"Monthly Payment Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Moody's"** means Moody's Investors Service, Inc. or any successor to its credit rating business;

**"Non-Responsive Rating Agency"** has the meaning give to it in Condition 18 (*Additional Right of Modification*);

**"Note Discharge Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Noteholder Reserved Matter"** means any proposal at a meeting of the Noteholders to consider any of the matters listed in Article 1170 CO from time to time and which as at the Closing Date comprise:

- (a) moratorium on interest for up to five (5) years, with the option of extending the moratorium twice for up to five (5) years each time;
- (b) a waiver of up to five (5) years' worth of payment of interest under Condition 7 (Payments of Interest) within a seven (7) year period;
- (c) a decrease of the Interest Rate by up to one-half of the Interest Rate or the conversion of the Interest Rate into a rate dependent on the business results of the Issuer, both measures to last up to ten (10) years, with the option of an extension for up to five (5) years;
- (d) an extension of the Final Maturity Date by up to ten (10) years by means of a reduction in the amount of principal or interest payable on any date in respect of the Notes or temporary suspension of such payments, with the option of an extension for up to five (5) years;
- (e) a suspension of a payment of principal on the Notes due or maturing within five (5) years or of portions thereof for up to ten (10) years, with the option of an extension for up to five (5) years;
- (f) an authorisation of an early redemption of the Notes;
- (g) a granting of a priority lien for new capital raised by the Issuer and altering of the Security or full or partial waiver of the Security;
- (h) an amendment of the provisions governing restrictions on issue of further Notes or other notes; or
- (i) conversion or substitution of the Notes for, or the conversion of such Notes into, shares of the Issuer.

**"Note Interest Account"** has the meaning given to it in Condition 22 (*Definitions*);

**"Note Interest Amount"** has the meaning given to it in Condition 22 (*Definitions*);

**"Note Interest Required Amount"** has the meaning given to it in Condition 22 (*Definitions*);

**"Note Principal Amount Outstanding"** has the meaning given to it in Condition 22 (*Definitions*);



**"Note Principal Required Amount"** has the meaning given to it in Condition 22 (*Definitions*);

**"Noteholders"** or **"Holders"** means in relation to any Notes if such Notes are held in the form of Intermediated Securities, the person holding such Note in a securities account (*Effektenkonto*) that is in such person's name or, in the case of intermediaries (*Verwahrungsstellen*), the intermediary holding such Notes for its own account in a securities account that is in its name;

**"Notes"** means the CHF 215,000,000 fixed rate Class A asset-backed notes issued pursuant to and constituted by the Conditions and due on the Final Maturity Date;

**"Notice of Breach"** means a notice sent by one party to the Lease Asset Sale Agreement to the other party of the Lease Asset Sale Agreement stating that contrary to the relevant Lease Asset Representation and Warranty, a Purchased Lease Asset did not meet the Eligibility Criteria as of the relevant Cut Off Date on which the relevant Lease Asset Representation and Warranty relation to the Eligibility Criteria was given;

**"Notices Condition"** means Condition 19 (*Form of Notices*);

**"Offer Date"** means the Initial Offer Date and any subsequent Additional Offer Date (as applicable);

**"Offer Letter"** means an offer letter substantially in the form set out in the Lease Asset Sale Agreement;

**"Optional Redemption Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Outstanding Balance"** means:

- (a) in relation to a Lease Asset other than a Defaulted Lease Asset as of any date of determination the sum of the following:
  - (i) the aggregate of all principal elements (but not, for the avoidance of doubt, interest and VAT elements) of future Monthly Instalments accruing under the related Lease Agreement after the relevant date;
  - (ii) the principal element, the interest element and the VAT element of any open Monthly Instalment (i.e. a Monthly Instalment billed but not paid as of the relevant date);
  - (iii) the amount of the relevant Dealer Repurchase Price relating to the related Leased Vehicle; and
  - (iv) any other fees and late interest (other than those referred to in paragraph (ii) above) accrued and billed (including VAT thereon, if any) under the related Lease Agreement, but unpaid as of the relevant date; and
- (b) in relation to a Lease Asset that is a Defaulted Lease Asset as of any specific date, zero;

**"Payment Account"** means the Swiss Francs denominated interest-bearing bank account with the account number 0848-1805285-41-1, held in the name of the Issuer at the Account Bank, IBAN CH54 043 5180 5285 4100 1, as well as any other Swiss Francs denominated bank accounts specified as such by or on behalf of the Issuer with the consent of the Trustee and Bondholders' Representative in the future in addition to or in substitution for such Payment Account in accordance with the Account Bank Agreement and the Claims Pledge Agreement;

**"Payment Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Payment Report"** has the meaning given to it in Condition 22 (*Definitions*);

**"Performance Trigger Event"** has the meaning given to it in Condition 22 (*Definitions*).

**"Performing Lease Asset"** means a Purchased Lease Asset other than a Defaulted Lease Asset.

**"Permitted Disbursement Amount"** has the meaning given to it in Condition 22 (*Definitions*);

**"Pledge"** has the meaning given to such term in clause 6 (*Pledge of Pledged Claims*) of the Claims Pledge Agreement;

**"Pledged Claims"** has the meaning given to such term in clause 6 (*Pledge of Pledged Claims*) of the Claims Pledge Agreement;

**"Pledged Securities Account Assets"** has the meaning given to it in clause 7 (*Pledge of Securities Account Assets*) of the Claims Pledge Agreement;

**"Portfolio Repurchase Price"** means the price at which the Repurchase Portfolio shall be repurchased which shall be equal to the Outstanding Balance of all Purchased Lease Assets comprised in the Repurchase Portfolio as of the Cut Off Date immediately preceding the Additional Offer Date (and such Outstanding Balance, shall be, in relation to each Defaulted Lease Asset, zero);

**"Post-Enforcement Priority of Payments"** means the provisions relating to the order of priority of payments set out in Condition 9.3 (*Post-Enforcement Priority of Payments*);

**"PPI Lease Asset"** means a Purchased Lease Asset relating to which a Lessee has added Payment Protection Insurance (PPI) to the Purchased Lease Agreement (by making respective amendments to the Purchased Lease Agreement);

**"Pre-Enforcement Priority of Payments"** means the provisions relating to the order of priority of payments set out in Condition 9.2 (*Pre-Enforcement Priority of Payments*);

**"Pricing Date"** means 10 May 2023;

**"Principal Paying Agency Agreement"** means the agreement so named dated on or about the Signing Date between, the Issuer, the Trustee and Bondholders' Representative, the Sole Arranger and the Principal Paying Agent;

**"Principal Paying Agent"** means Credit Suisse AG or any other person or persons from time to time acting as principal paying agent under the Principal Paying Agency Agreement;

**"Priority of Payments"** means the Pre-Enforcement Priority of Payments or the Post-Enforcement Priority of Payments, as applicable;

**"Private Customer"** means a Lessee that is an individual, regardless as to whether or not the Lease Agreement entered into by such Lessee is subject to the CCA;

**"Purchase Date"** means the Initial Purchase Date or any Additional Purchase Date;

**"Purchase Price"** means, in relation to a Lease Asset, the Outstanding Balance of such Lease Asset as of the relevant Cut Off Date;

**"Purchased Ancillary Rights"** has the meaning given to it in Condition 22 (*Definitions*);

**"Purchased Dealer Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Purchased Lease Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Purchased Lease Assets"** has the meaning given to it in Condition 22 (*Definitions*);

**"Purchased Leased Vehicle"** has the meaning given to it in Condition 22 (*Definitions*);

**"Qualifying Bank"** means a reputable and experienced financial institution which (a) is rated at (i) in the case of Fitch, at least the Minimum Long-term Rating or the Minimum Short-term Rating, (ii) in the case of DBRS, at least the Minimum Long-term Rating, and (iii) in the case of Moody's (in case of the Account Bank, with reference to Credit Suisse AG (as its parent entity)), at least the Minimum Long-term Rating or the Minimum Short-term Rating, or, in each case, such other rating that would not adversely affect the then rating of the Notes, (b) effectively conducts banking activities with its own infrastructure and staff as its principal purpose and (c) has a banking license in full force and effect issued in accordance with the banking laws in force in its jurisdiction of incorporation, or if acting through a branch, issued in accordance with the banking laws in the jurisdiction of such branch, all in accordance with the Guidelines;

**"Rating"** means the rating of the Notes given by any of the Rating Agencies and **"Ratings"** means all of such Ratings.

**"Rating Agencies"** has the meaning given to it in Condition 22 (*Definitions*).

**"Rating Agency Condition"** means receipt by the Issuer of a certification in writing by an authorised signatory of the Servicer stating that the relevant action has been notified to the Rating Agencies and, in its opinion, would not cause the then current ratings assigned to any Notes rated by such Rating Agency to be reduced, qualified, suspended or withdrawn by any such Rating Agency and, where a Rating Agency was prepared to consult with the Servicer, such opinion is based on such consultation with the relevant Rating Agency; provided however that it is understood that the Rating Agencies shall be under no obligation to provide a rating agency confirmation or consult with the Servicer

**"Records"** means, in respect of the Lease Assets:

- (a) all files, microfiles, correspondence, notes of dealing and other documents, books, books of account, registers, records and other information; and
- (b) all computer tapes, discs and USB devices,

relating to the Lease Assets, in particular, without limitation, relating to the Lease Agreements (in particular the copies thereof), the Dealer Agreements (in particular the copies thereof), the Lessees and the Dealers in respect thereof;

**"Regulatory Direction"** means, in relation to any person, a direction or requirement of any Governmental Authority with whose directions or requirements such person is accustomed to comply;

**"Replenishment Criteria"** means the replenishment criteria as listed in Schedule 7 (*Replenishment Criteria*) of the Lease Asset Sale Agreement;

**"Replenishment Ledger"** has the meaning given to it in Condition 22 (*Definitions*);

**"Repurchase Notice"** has the meaning given to such term in the Lease Asset Sale Agreement.

**"Repurchase Portfolio"** means all, but not some, of the Purchased Lease Assets comprised in the portfolio which the Seller shall have the option (but not the obligation) to repurchase pursuant to the terms of the Lease Asset Sale Agreement;

**"Repurchase Price"** means an amount equal to, in the case of:

- (a) a Repurchased Lease Asset that is not a Defaulted Lease Asset, the sum of (i) its Outstanding Balance as of the Cut Off Date immediately preceding the relevant Repurchased Lease Asset Repurchase Date and (ii) any costs or other damages incurred by the Issuer as a consequence of (A) the purchase and the repurchase of such Repurchased Lease Asset and (B) in the case of an Ineligible Lease Asset, such Ineligible Lease Asset being ineligible;
- (b) a Repurchased Lease Asset that is a Defaulted Lease Asset, the sum of (i) its Outstanding Balance as of the Cut Off Date immediately preceding the date on which the Lease Asset was recorded as a Defaulted Lease Asset, minus (ii) any Collections received between the Cut Off Date on which the Outstanding Balance has been calculated for such Defaulted Lease Asset (as per (i) above) and the Cut Off Date immediately preceding the Repurchased Lease Asset Repurchase Date plus (iii) any costs or other damages incurred by the Issuer as a consequence of (A) the purchase and the repurchase of such Repurchased Lease Asset and (B) in the case of an Ineligible Lease Asset, such Ineligible Lease Asset being ineligible;

**"Repurchased Lease Asset"** means a Lease Asset that has been repurchased by the Seller from the Issuer in accordance with the terms and conditions of the Lease Asset Sale Agreement;

**"Repurchased Lease Asset Repurchase Date"** means the Fraud Lease Asset Repurchase Date, the Ineligible Lease Asset Repurchase Date or the Affected Lease Asset Repurchase Date, as applicable;

**"Required Replenishment Amount"** has the meaning given to it in Condition 22 (*Definitions*);

**"Required Stated Amount"** has the meaning given to it in Condition 22 (*Definitions*);

**"Requirement of Law"** in respect of any person means:

- (a) any law, treaty, rule, requirement or regulation;
- (b) a notice by or an order of any court having jurisdiction;
- (c) a mandatory requirement of any regulatory authority having jurisdiction; or
- (d) a determination of an arbitrator or Governmental Authority,

in each case applicable to or binding upon that person or to which that person is subject or with which it is customary for it to comply;

**"Requisite Percentage"** has the meaning given to it in Condition 22 (*Definitions*);

**"Residual Value Proceeds"** has the meaning given to it in Condition 22 (*Definitions*);

**"Revolving Period"** has the meaning given to it in Condition 22 (*Definitions*);

**"Risk Retention Rules"** means the requirements set out at Article 6(1) of the Securitisation Regulation;

**"SARON"** means the Swiss Average Rate Overnight for any relevant day on which banks are open in Zurich for the settlement of payments and of foreign exchange transactions published by the SIX Financial Information AG (including any successor thereto) or any successor administrator of the Swiss Average Rate Overnight on the website of the SIX Swiss Exchange, or any successor website or other source on which the Swiss Average Rate

Overnight is published, at the close of trading on the trading platform of SIX Repo AG (or any successor thereto) on such day, which is expected to be on or around 6 p.m. (Zurich time) on such day;

"**S&P**" means S&P Global Ratings Europe Limited, or any successor to its credit rating business;

"**Secured Assets**" means the assets from time to time which are the subject of the Security, "**Secured Asset**" means any of them and any reference to one or more of the Secured Assets includes all or any part of it or each of them;

"**Secured Creditors**" has the meaning given to it in Condition 22 (*Definitions*);

"**Secured Obligations**" has the meaning given to it in Condition 22 (*Definitions*);

"**Securities Account**" has the meaning given to it in Condition 22 (*Definitions*);

"**Securities Account Control Agreement**" means the securities account control agreement dated on or about the Signing Date between the Issuer, the Bondholders' Representative and the Account Bank pursuant to which the Issuer grants a Security Interest pursuant to article 25 para. 2(b) FISA in the form of a Pledge over the Intermediated Securities, substantially in the form of Schedule 3 (*Form of Securities Account Control Agreement*) of the Claims Pledge Agreement;

"**Securities Act**" means the U.S. Securities Act of 1933, as amended;

"**Securitisation Regulation**" means the European Union regulation 2017/2402 related to simple, transparent and standardised securitisation, including any implementing regulations, technical standards and official guidance related thereto, in each case as amended, varied or substituted from time to time.

"**Security**" has the meaning given to it in Condition 22 (*Definitions*);

"**Security Agreements**" has the meaning given to it in Condition 22 (*Definitions*);

"**Security Interest**" has the meaning given to it in Condition 22 (*Definitions*);

"**Seller**" has the meaning given to it in Condition 22 (*Definitions*);

"**Seller Collection Account**" means the bank account with the account number 0835-419925-71 and IBAN CH6104835041992571000 held in the name of the Seller at Credit Suisse (Schweiz) AG, as such account may be transferred or reopened with another bank, subject to any restrictions there might be on the Seller to transfer and reopen such accounts;

"**Seller Covenants**" means the covenants of the Seller set out in the Lease Asset Sale Agreement;

"**Seller Event of Default**" means the occurrence of any of the following:

- (a) it becomes unlawful for the Seller to perform a material part of its obligations under the Lease Asset Sale Agreement, unless such unlawfulness is cured within fifteen (15) Business Days of the Issuer becoming aware of it;
- (b) failure by the Seller to transfer, deposit or pay any amount to be transferred, deposited or paid hereunder within five (5) Business Days of the due date for transfer, deposit or payment, unless such failure is caused by administrative difficulties or settlement error and is remedied by the Seller within seven (7) Business Days from the day on which such failure occurred;
- (c) any Seller Representation and Warranty proves to be incorrect in any material respect, or if repeated at any time with reference to the facts and circumstances existing at such time would not be accurate in all material respects unless, if curable, cured within fifteen (15) Business Days of the Seller becoming aware of it; or
- (d) any Insolvency Event with respect to the Seller;

"**Seller Representations and Warranties**" means each of the representations and warranties set out in Schedule 8 (*Seller Representations and Warranties*) and given by the Seller under Clause 4.1 (*Seller Representations and Warranties*) of the Lease Asset Sale Agreement;

"**Seller's Credit and Collection Policies and Procedures**" has the meaning given to it in Condition 22 (*Definitions*);

"**Seller's Standard Contracts**" has the meaning given to it in Condition 22 (*Definitions*);

"**Senior Expenses**" has the meaning given to it in Condition 22 (*Definitions*);

"**Servicer**" has the meaning given to it in Condition 22 (*Definitions*);

**"Servicer Power of Attorney"** means a general power of attorney in the form of Schedule 4 (*Form Servicer Power of Attorney*) to the Servicing Agreement;

**"Servicer Reimbursement Date"** means, prior to the appointment of a Successor Servicer, each Purchase Date;

**"Servicer Report"** has the meaning given to it in Condition 22 (*Definitions*);

**"Servicer Report Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Servicer Report Unavailability Period"** has the meaning given to it in Condition 22 (*Definitions*);

**"Servicer Representations and Warranties"** means the representations and warranties listed in Schedule 5 (*Servicer Representations and Warranties*) and given by the Servicer under Clause 11 (*Servicer Representations and Warranties*) of the Servicing Agreement;

**"Servicer Termination Confirmation"** means the date on which the Issuer delivers a Termination Notice or, in the event that the Issuer does not deliver a Termination Notice or waive the relevant Servicer Termination Event, the date which is ten (10) Business Days after the occurrence of such Servicer Termination Event;

**"Servicer Termination Event"** has the meaning given to it in Condition 22 (*Definitions*);

**"Servicing Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Servicing Facilitator"** has the meaning given to it in Condition 22 (*Definitions*);

**"Servicing Facilitator Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Servicing Facilitator Fee"** means the fee (inclusive of VAT) payable by the Issuer to the Servicing Facilitator as outlined in a separate fee letter;

**"Servicing Fee"** means (a) zero, when BANK-now is acting as Servicer, and (b) following the appointment of a Successor Servicer, the Successor Servicer Fee;

**"Shareholder"** means the shareholder (*Gesellschafter*) of the Issuer;

**"Shareholders' Agreement"** means the shareholders' agreement between BANK-now and the two Independent Shareholders in relation to the Issuer;

**"Shareholder Reserved Matters"** means any matter to be considered at a meeting of the shareholders of the Issuer relating to:

- (a) the amendment of the Issuer's purpose;
- (b) the creation of shares with preferential voting rights;
- (c) the restriction of the transferability of registered shares and the abrogation of such a restriction;
- (d) any increase of capital;
- (e) the restriction or cancellation of pre-emptive subscription rights;
- (f) the change of the domicile of the Issuer;
- (g) the dissolution of the Issuer;
- (h) every other resolutions as per article 704 CO;
- (i) the amendment of the Issuer's Articles;
- (j) the disposition of all or a substantive part of the assets of the Issuer, if such a disposition entails a factual liquidation of the Issuer;
- (k) all resolutions reserved to the shareholders' meeting pursuant to the Swiss Merger Act; and
- (l) the removal of members of the board of directors or the Auditors.

**"Signing Date"** means on or around 15 May 2023;

**"SIX Exchange Regulation"** means the autonomous division within SIX Group responsible for the enforcement of the issuer and participant regulation in accordance with the applicable stock exchange laws with regard to the stock exchanges SIX Swiss Exchange and Eurex;

**"SIX SIS"** means SIX SIS AG;

**"SIX Swiss Exchange"** means SIX Swiss Exchange AG;

**"Sole Arranger and Lead Manager"** means Credit Suisse AG, in its capacity as sole arranger and lead manager;

**"Specified Office"** means, in relation to the Principal Paying Agent:

- (a) the office specified against its name in the notices details; or
- (b) such other office as the Principal Paying Agent may specify in accordance with Clause 10.9 (*Changes in Specified Offices*) of the Principal Paying Agency Agreement;

**"Step-Up Date"** has the meaning given to it in Condition 22 (*Definitions*);

**"Subordinated Loan"** means the unsecured subordinated loan to be made by BANK-now to the Issuer on or about the Signing Date;

**"Subordinated Loan Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Subordinated Loan Ledger"** has the meaning given to it in Condition 22 (*Definitions*);

**"Subordinated Loan Provider"** has the meaning given to it in Condition 22 (*Definitions*);

**"Subordinated Loan Repayment Date"** means, subject to the Notes having been paid in full at such time, the earlier of either (a) the date on which the liquidation or winding-up of the Issuer completes or (b) the Final Discharge Date;

**"Subscription Agreement"** has the meaning given to it in Condition 22 (*Definitions*);

**"Subsidiary"** means in relation to any person (the **"first person"**) at any particular time, any other person (the **"second person"**) (i) which is controlled, directly or indirectly, by the first person; (ii) the first person owns at least 50 per cent. of the ownership interests in the second person; (iii) which is a subsidiary of another subsidiary of the first person and for these purposes a person shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body; or (iv) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first person;

**"Successor Bondholders' Representative"** has the meaning given to it in Condition 22 (*Definitions*);

**"Successor Corporate Servicer"** means a successor of the Corporate Servicer appointed by the Issuer following a termination of the appointment of the Corporate Servicer as per Clause 5.2 (*Termination by Issuer upon Corporate Servicer Termination Event*) or the resignation of the Corporate Servicer as per Clause 5.4 (*Resignation by Corporate Servicer*) of the Corporate Services Agreement;

**"Successor Principal Paying Agent"** has the meaning given to it in Condition 22 (*Definitions*);

**"Successor Servicer"** means a successor of the Servicer appointed by the Issuer following a termination of the appointment of the Servicer as per Clause 18.1 (*Termination upon the occurrence of a Servicer Termination Event*) of the Servicing Agreement or the resignation of the Servicer as per Clause 18.2 (*Resignation of Servicer*) of the Servicing Agreement;

**"Successor Servicer Fee"** means the fee (inclusive of VAT) to be paid by the Issuer to the Successor Servicer, once the Successor Servicer has taken over the services of the Servicer, on each Monthly Payment Date according to the applicable Priority of Payments in an amount as may be agreed between the Issuer, the Trustee and the Successor Servicer;

**"Successor Trustee"** has the meaning given to it in Condition 22 (*Definitions*);

**"Swiss Federal Council"** means *Bundesrat*, the government of Switzerland;

**"Swiss Official Gazette of Commerce"** means the *Schweizerisches Handelsamtsblatt*;

**"Swiss Security Number"** means a number which uniquely identifies securities listed in Switzerland;

**"Switzerland"** means the Swiss Confederation;

**"Tax"** has the meaning given to it in Condition 22 (*Definitions*), and **"Taxes"** and **"Taxation"** shall be construed accordingly;

**"Tax Authority"** has the meaning given to it in Condition 22 (*Definitions*);

**"Tax Event"** has the meaning given to it in Condition 22 (*Definitions*);

**"Tax Event Redemption Date"** has the meaning given to such term in Condition 8.4 (*Optional redemption for taxation reasons*);

"**Termination Notice**" means a notice in writing served by the Issuer on the Servicer to terminate the appointment of the Servicer in accordance with the terms of the Servicing Agreement;

"**Transaction**" means the issuance of the Notes and the transactions contemplated by the Transaction Documents;

"**Transaction Accounts**" has the meaning given to it in Condition 22 (*Definitions*);

"**Transaction Documents**" has the meaning given to it in Condition 22 (*Definitions*);

"**Transaction Party**" has the meaning given to it in Condition 22 (*Definitions*);

"**Transaction Receivables**" has the meaning given to it in clause 6 (*Pledge of Pledged Claims*) of the Claims Pledge Agreement.

"**Trust Agreement**" means the agreement so named dated on or about the Signing Date between, amongst others, the Issuer, the Trustee and the Secured Creditors;

"**Trustee**" means ProServices Trustees (Switzerland) AG or any other person or persons from time to time acting as trustee under the Trust Agreement;

"**Trustee and Bondholders' Representative Fee Letter**" means the letter agreement dated on or about the Signing Date and made between the Issuer and the Trustee and Bondholder's Representative;

"**Uncertificated Notes**" means Notes issued in the form of simple uncertificated securities (*einfache Wertrechte*) within the meaning of article 973c CO;

"**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands);

"**Used Vehicle**" means a Leased Vehicle that is a used vehicle;

"**Used Vehicle Lease Agreement**" means a Lease Agreement under which a Used Vehicle is leased to the Lessee;

"**U.S. person**" has the meaning given to it by Regulation S under the Securities Act;

"**VAT**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Aggregate Required Amount**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Determination Period**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Input Receivable**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Ledger**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Output Payable**" means, with respect to each Payment Date (following a VAT Trigger Event), the aggregate output VAT payable by the Issuer to the relevant Tax Authority in relation to the Lease Assets for the relevant VAT Determination Period as of the Cut Off Date immediately preceding such Payment Date (including the portion of the Monthly Instalments and from the proceeds of any sale of a Leased Vehicle attributable to VAT received by the Issuer during such VAT Determination Period);

"**VAT Output Reimbursement**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Payment Date**" means the date any VAT amount is due and payable by the Issuer to the relevant Tax Authority;

"**VAT Receivable**" means a receivable (being part of any receivable arising under any Purchased Lease Asset) in the amount of the VAT component of any Monthly Instalment arising under any Purchased Lease Agreement or Purchased Dealer Agreement or from any re-sale of a Purchased Leased Vehicle to a third party which becomes chargeable after the transfer of the Lease Assets from the Seller to the Issuer;

"**VAT Recovery**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Recovery Date**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Required Amount**" means, for each Payment Date, an amount (if positive) equal to (a) the VAT Output Payable, minus (b) the VAT Input Receivable, in each case, for such Payment Date;

"**VAT Trigger Event**" has the meaning given to it in Condition 22 (*Definitions*);

"**VAT Withdrawal Amount**" means, for each Payment Date, an amount equal to the sum of (a) an amount (if positive) equal to (i) the amount credited to the VAT Ledger, minus (ii) the VAT Aggregate Required Amount,

in each case, as of the Calculation Date for such Payment Date, and (b) if such Payment Date is also a VAT Payment Date, an amount equal to any VAT due and payable to the relevant Tax Authority as of such VAT Payment Date.

**"Vehicle Receivables"** has the meaning given to it in clause 6 (*Pledge of Pledged Claims*) of the Claims Pledge Agreement.

**"Written Off Lease Asset"** means a Lease Agreement that has been written off by in the Seller's system due to being deemed uncollectable and no further collections activity will be performed by the Servicer. The Outstanding Balance following the write off shall be zero;

**"Written Off Retransfer"** means the retransfer of a Lease Agreement that has been written off subsequent to the recovery and sale of the Leased Vehicle. The repurchase price will be the outstanding balance after write off (i.e. zero). Where the Lease Vehicle has not been recovered prior to becoming a Written Off Lease Asset, it will be considered a Fraud Lease Asset and any repurchase shall be made in reference to the repurchase option in relation to Purchased Lease Assets subject to fraud.



## INDEX OF DEFINED TERMS

1170 CO Resolutions.....	34	Cash Management Agreement.....	106, 150, 181
Acceleration Notice .....	93, 179	Cash Management Services .....	181
Account Bank .....	105, 179	Cash Manager .....	106, 150, 181
Account Bank Agreement.....	105, 154, 179	Cash Manager Change Notice.....	155
Account Claim.....	119	Cash Manager Fee Letter .....	181
Account Claims .....	179	Cash Manager Termination Event .....	181
act .....	168	Cash Reserve Account .....	20, 106, 182
Additional Account.....	105, 179	Cash Reserve Release Event .....	106, 182
Additional Cut Off Date .....	105, 179	Cash Reserve Required Amount .....	106, 182
Additional Listing.....	179	CC .....	119, 182
Additional Offer Date.....	179	CCA .....	46, 182
Additional Purchase Date .....	179	CCO .....	169
Adjusted Advance Disbursement Amount .....	179	Challenge Notice.....	141, 182
AEOI .....	48	Challenge Period.....	141, 182
AEOI Act.....	48	Challenge Settlement Date.....	182
Affected Investor .....	41, 179	Claims Pledge Agreement.....	17, 91, 106, 182
Affected Investors.....	41, 179	Closing Date .....	182
Affected Lease Asset .....	12, 142, 179	CO.....	182
Affected Lease Asset Discovery Date .....	142, 179	Collateral Assets .....	119, 182
Affected Lease Asset Notice .....	142, 179	Collection Account .....	19, 106, 182
Affected Lease Asset Repurchase Date .....	142, 179	Collection Credit Date .....	146
affiliate.....	179	Collections .....	106, 182
Affiliate .....	179	Commercial Customer .....	182
Aggregate Note Principal Amount		Commission Proposal .....	48
Outstanding.....	105, 179	Condition .....	91
Amendment .....	179	Conditions.....	91, 182
Ancillary Rights.....	53, 180	Contemplated Repurchase .....	122, 182
Annual Note Interest Amount.....	105, 180	Cooperation Agreements .....	38
Annual Permitted Disbursement.....	180	Corporate Servicer .....	107, 182
Anti-Tax Avoidance Directive .....	49	Corporate Services .....	182
Anti-Tax Avoidance Directive 2 .....	49	Corporate Services Agreement .....	107, 158, 182
Applicable Law .....	106, 180	Corporate Sub Servicer .....	107, 182
APR .....	180	Corporate Sub Servicer Termination Event .....	182
Articles .....	83	Corporate Sub Services.....	183
Auditors .....	180	Corporate Sub Services Agreement ..	107, 158, 183
Authorised Investments .....	180	Covenant to Pay .....	183
Available Distribution Amount .....	20, 97, 181	Credit Suisse e-banking .....	183
Available Funds Shortfall.....	20, 152	CRS.....	183
Available Post-Enforcement Funds .....	21, 106, 181	Cumulative Gross Loss Ratio .....	183
BA .....	106, 181	Cut Off Date.....	107, 183
BANK-now.....	i, 81	Day Count Fraction.....	95, 183
BANK-now Information.....	i	DBRS.....	i, 183
BEPS .....	49	DBRS Equivalent Chart .....	183
BIO-FINMA .....	163	DBRS Equivalent Rating .....	184
BO .....	163	DBRS Morningstar .....	183
Board .....	181	Dealer.....	52, 184
Board Member.....	106	Dealer Agreement .....	8, 53, 107, 184
Board Member(s).....	181	Dealer Receivables.....	53, 107, 184
Board Members .....	83, 106	Dealer Repurchase Obligation .....	107, 184
Board of Directors .....	83	Dealer Repurchase Price .....	107, 184
Board Reserved Matter .....	181	DEBA .....	107, 184
Bondholder Provisions .....	106, 181	Deemed Collections.....	107, 184
Bondholders' Representative .....	100, 106, 117, 132, 181	Defaulted Lease Amount .....	184
Business Day .....	106, 181	Defaulted Lease Asset.....	184
Calculation Date .....	106, 181	Delinquency Percentage.....	185
Cash Accounts .....	181	Delinquent Lease Asset.....	185
Cash Accounts Control Agreement .....	181	Deposit.....	55, 108, 185
		Deposit Account .....	19, 185

Deposit Reduction Amount .....	185
Deposit Repayment.....	185
Deposit Required Amount.....	185
Determination Period.....	108, 185
DPA .....	46, 185
Early Amortisation Date.....	108, 141, 185
Early Amortisation Event.....	108, 185
Early Redemption Date .....	96, 185
Economic Effective Date.....	185
EEA .....	iv
Eligibility Criteria.....	10, 139, 185
Eligible Dealer Agreement.....	185
Eligible Lease Agreement.....	185
Eligible Lease Asset .....	185
Enforcement .....	124
Enforcement Event .....	5, 94, 185
Enforcement Event Notice.....	185
Expert .....	141
Extraordinary Resolution.....	108, 185
FATCA .....	185
Final Discharge Date .....	108, 186
Final Maturity Date .....	i, 97, 186
Final Report.....	49
FINMA .....	39, 186
FINMASA .....	167
FinSA.....	186
first person .....	195
FISA .....	i, 3, 14, 170, 186
Fitch.....	i, 186
Fixed Disbursement.....	108, 186
Fixed Disbursement Amount.....	108, 186
Force Majeure Event .....	186
FPO.....	v
Fraud Lease Asset.....	11, 186
Fraud Lease Asset Exercise Notice .....	186
Fraud Lease Asset Repurchase Date.....	186
FTT .....	48
Future Claims .....	164
Governmental Authority.....	108, 186
Guidelines.....	186
Holders .....	91, 190
Income Tax Payment Date.....	187
Indemnified Parties.....	129
Indemnified Party .....	129, 187
Independent Director.....	187
Independent Directors.....	38, 83
Independent Shareholder .....	187
Independent Shareholders.....	38, 84
Ineligibility Discovery Date .....	187
Ineligible Lease Asset.....	11, 141, 187
Ineligible Lease Asset Repurchase Date....	142, 187
Initial Cut Off Date.....	108, 187
Initial Listing .....	187
Initial Offer Date .....	187
Initial Purchase Date.....	108, 187
Initial Purchase Price .....	9
Insolvency Event .....	108, 187
Insolvency Proceedings .....	109, 187
Insurance Distribution Directive.....	175
Interest Payment Date.....	95, 187
Interest Period.....	95, 187
Interest Rate .....	95, 187
Intermediary.....	i, 3, 14, 91, 170, 187
Intermediated Securities.....	i, 3, 14, 91, 170, 187
Investment Earnings.....	109, 187
Investor Report .....	187
IORPs.....	41, 179
IRS .....	187
ISIN Code .....	187
Issuer.....	i, 2, 91, 187
Issuer Covenants .....	109, 187
Issuer Event of Default .....	93, 187
Issuer Event of Default Notice.....	93, 187
Issuer Representations and Warranties .....	188
Issuer's Articles .....	188
Issuer's Assets.....	109, 188
Lease Agreement .....	8, 110, 188
Lease Asset .....	8, 188
Lease Asset Representations and Warranties .....	10, 137, 188
Lease Asset Sale Agreement.....	110, 136, 188
Lease Assets.....	8, 53, 188
Lease Outstanding Amount.....	188
Lease Receivable .....	53, 110, 188
Leased Vehicle.....	52, 188
Ledgers .....	151, 188
Lessee .....	188
Lessee Notification Event.....	110, 188
Lessee Reimbursement Date.....	188
Liabilities .....	110, 188
Light Commercial Vehicle.....	188
Limit .....	157
Listing Rules .....	133, 188
LOB .....	50
LPL .....	44
LPS .....	45
Master Definitions and Framework Agreement.....	110, 116, 188
Material Adverse Effect.....	188
MCAA .....	48
Meeting .....	110
Meeting(s).....	188
Meetings .....	110, 188
Member State.....	175, 188
Merger.....	37, 82
MIFID II .....	iv, 175
Minimum Long-term Rating.....	189
Minimum Short-term Rating.....	189
Modification Certificate.....	103, 189
Monthly Advance Disbursement Amount .	110, 189
Monthly Instalments .....	189
Monthly Payment Date .....	110, 189
Moody's.....	i, 189
Multilateral Instrument .....	50
Non-Resident Holder .....	173
Non-Responsive Rating Agency.....	104, 189
Note Discharge Date .....	110, 189
Note Interest Account.....	19, 110, 189
Note Interest Amount.....	110, 189
Note Interest Required Amount .....	110, 189

Note Principal Amount Outstanding.....	111, 189	Rating Agency Condition .....	191
Note Principal Required Amount .....	111, 190	Recipient .....	141
Noteholder Reserved Matter.....	189	Records .....	191
Noteholders.....	91, 190	Regulatory Direction.....	192
Notes.....	i, 2, 91, 190	Relevant Implementation Date.....	v
Notice of Breach.....	141, 190	Relevant Member State.....	v
Notices Condition .....	190	Replenishment Criteria .....	10, 140, 192
OECD .....	49	Replenishment Ledger .....	112, 192
Offer Date.....	190	Repurchase Notice .....	192
Offer Letter .....	190	Repurchase Portfolio.....	11, 192
Option 1 .....	78	Repurchase Price.....	192
Option 2 .....	78	Repurchased Lease Asset.....	12, 142, 192
Optional Redemption Date .....	111, 190	Repurchased Lease Asset Repurchase Date .....	192
Outstanding Balance.....	190	Repurchased Lease Assets .....	12, 142
over-indebtedness .....	163	Required Replenishment Amount.....	112, 192
Participating Member States.....	48	Required Stated Amount.....	112, 192
Payment Account.....	19, 190	Requirement of Law .....	192
Payment Date.....	111, 190	Requisite Percentage .....	112, 192
Payment Order.....	162	Resident Commercial Holder.....	173
Payment Report .....	111, 190	Resident Private Holder .....	173
Performance Trigger Event.....	111, 190	Residual Value Proceeds.....	112, 192
Performing Lease Asset.....	190	Revolving Period .....	112, 192
Permitted Disbursement Amount .....	111, 190	Risk Retention Rules.....	192
PILA .....	169	Risk Retention U.S. Persons .....	174
Pledge .....	119, 190	RISK RETENTION U.S. PERSONS .....	iii
Pledged Claim .....	119	S&P.....	193
Pledged Claims .....	119, 190	SARON.....	192
Pledged Securities Account Assets.....	119, 190	second person.....	195
Portfolio Repurchase Date.....	11	Secured Asset.....	193
Portfolio Repurchase Option .....	11, 142	Secured Assets .....	193
Portfolio Repurchase Price .....	142, 190	Secured Creditors.....	112, 116, 193
Post-Enforcement Priority of Payments	23, 98, 191	Secured Obligations .....	112, 193
PPI Lease Asset .....	12, 142, 191	Securities Account .....	112, 193
PPT .....	50	Securities Account Control Agreement .....	193
Pre Purchase Date Collections.....	136	Securities Act.....	iii, 174, 193
Pre-Enforcement Priority of Payments ..	21, 98, 191	Securitisations Regulation .....	41, 193
Pricing Date.....	191	Security .....	17, 92, 112, 193
PRIIPs Regulation .....	iv	Security Agreements .....	112, 193
Principal Paying Agency Agreement... 91,	157, 191	Security Interest .....	112, 193
Principal Paying Agent.....	91, 191	Seller .....	113, 193
Priorities of Payments.....	99	Seller Collection Account.....	193
Priority of Payments .....	99, 191	Seller Covenants .....	193
Private Customer .....	191	Seller Event of Default.....	193
Prospectus.....	i	Seller Representations and Warranties. 10,	138, 193
Prospectus Regulation .....	43, 175	Seller's Credit and Collection Policies and Procedures .....	113, 193
Purchase Conditions .....	10	Seller's Standard Contracts.....	113, 193
Purchase Date .....	191	Senior Expenses .....	113, 193
Purchase Price .....	9, 136, 191	Servicer .....	113, 193
Purchased Ancillary Rights .....	111, 191	Servicer Power of Attorney .....	194
Purchased Dealer Agreement .....	111, 191	Servicer Reimbursement Date .....	194
Purchased Lease Agreement.....	112, 191	Servicer Report .....	113, 194
Purchased Lease Assets .....	112, 191	Servicer Report Date.....	113, 194
Purchased Leased Vehicle.....	112, 191	Servicer Report Unavailability Period .....	113, 194
PwC .....	2	Servicer Representations and Warranties.....	194
Qualifying Bank .....	191	Servicer Termination Confirmation .....	194
Qualifying Bank Guarantee .....	154	Servicer Termination Event .....	113, 194
Qualifying Bank Transfer.....	154	Servicing Agreement .....	114, 144, 194
Rating .....	191	Servicing Facilitator.....	114, 194
Rating Agencies.....	112, 191		
Rating Agency .....	112		

Servicing Facilitator Agreement.....	114, 149, 194	Taxes.....	114, 195
Servicing Facilitator Fee.....	194	Termination Notice .....	196
Servicing Fee.....	194	Transaction .....	196
Shareholder.....	194	Transaction Accounts.....	114, 196
Shareholder Reserved Matters.....	194	Transaction Documents .....	114, 196
Shareholders' Agreement.....	84, 194	Transaction Party .....	115, 196
Signing Date .....	194	Transaction Receivables .....	119, 196
SIX Exchange Regulation.....	194	Trust Agreement .....	132, 196
SIX SIS.....	91, 194	Trustee .....	115, 196
SIX Swiss Exchange.....	194	Trustee and Bondholders' Representative	
Sole Arranger and Lead Manager.....	195	Fee Letter .....	196
Special Insolvency Regime.....	163	U.S. person.....	iii, 196
Special Insolvency Regime Entities .....	163	U.S. Risk Retention Rules .....	42
Specified Office.....	195	U.S. RISK RETENTION RULES .....	iii
Statistical Information .....	iv	UCITS.....	41
Step-Up Date .....	114, 195	Uncertificated Notes .....	91, 196
Subordinated Loan.....	195	United States.....	196
Subordinated Loan Agreement.....	114, 160, 195	Used Vehicle.....	196
Subordinated Loan Ledger .....	114, 195	Used Vehicle Lease Agreement.....	196
Subordinated Loan Provider .....	114, 195	VAT.....	115, 196
Subordinated Loan Repayment Date .....	161, 195	VAT Aggregate Required Amount.....	115, 196
Subscription Agreement .....	114, 159, 195	VAT Determination Period.....	115, 196
Subsidiary .....	195	VAT Input Receivable .....	115, 196
Successor Bondholders' Representative.....	114, 195	VAT Ledger.....	115, 196
Successor Corporate Servicer.....	195	VAT Output Payable.....	196
Successor Principal Paying Agent.....	114, 195	VAT Output Reimbursement.....	115, 196
Successor Servicer.....	195	VAT Payment Date.....	196
Successor Servicer Fee .....	195	VAT Receivable .....	196
Successor Trustee .....	114, 195	VAT Recovery.....	115, 196
Swiss Federal Council .....	195	VAT Recovery Date .....	115, 196
Swiss Official Gazette of Commerce.....	195	VAT Required Amount.....	196
Swiss Review Body.....	6	VAT Trigger Event.....	115, 196
Swiss Security Number .....	195	VAT Withdrawal Amount .....	196
Switzerland.....	195	Vehicle Receivables.....	119, 197
Tax.....	114, 195	Volcker Rule.....	43
Tax Authority .....	114, 195	Written off Lease Asset .....	197
Tax Event.....	114, 195	Written Off Lease Retransfer.....	197
Tax Event Redemption Date.....	96, 195	Written Off Retransfer .....	12, 143
Taxation.....	114, 195		

**ANNEX – ISSUER’S OPENING BALANCE SHEET**

*[TO BE INSERTED]*

# Auto lease-now 2023-1 AG

Horgen

Independent auditor's report  
to the Board of Directors

on the opening balance sheet as at 4 April 2023



# Independent auditor's report

to the Board of Directors of Auto lease-now 2023-1 AG

Horgen

## Opinion

We have audited the opening balance sheet of Auto lease-now 2023-1 AG (the Company) as at 4 April 2023, and notes to the opening balance sheet, including a summary of significant accounting policies (together 'the opening balance sheet').

In our opinion, the accompanying opening balance sheet complies with Swiss law and the company's articles of incorporation.

## Basis for opinion

We conducted our audit in accordance with Swiss Standards on Auditing (SA-CH). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the opening balance sheet' section of our report. We are independent of the Company in accordance with the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Emphasis of matter – Basis of accounting

We draw attention to note "Accounting and valuation principles" of the opening balance sheet, which describes the basis of accounting. The opening balance sheet is prepared for the inclusion in the Company's prospectus in accordance with the Financial Service Ordinance (FINSO) in connection with the listing of debt securities of the Company on the SIX Swiss Exchange. As a result, the opening balance sheet may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

## Emphasis of matter – UBS/CS merger

We draw attention to note "Further remarks" of the opening balance sheet. The note describes the agreement and plan of merger between Credit Suisse Group AG (ultimate parent of the Company) and UBS Group AG which may have an impact on the Company's future operations and financial performance as well as its future strategic alignment with subsidiaries of UBS Group AG. Our opinion is not modified in respect of this matter.

## Board of Directors' responsibilities for the opening balance sheet

The Board of Directors is responsible for the preparation of the opening balance sheet in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of the opening balance sheet that is free from material misstatement, whether due to fraud or error.

In preparing the opening balance sheet, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the opening balance sheet

Our objectives are to obtain reasonable assurance about whether the opening balance sheet as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

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material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the opening balance sheet.

As part of an audit in accordance with SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the opening balance sheet, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the opening balance sheet or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers AG



Roman Berlinger



Dominik Töngi

Zürich, 21 April 2023

Enclosure:

- Opening balance sheet (including notes)



**Auto lease-now 2023-1 AG opening  
balance sheet**

04.04.2023  
CHF

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**Assets**

---

Cash	150'000
Total current assets	150'000
Total Non-current assets	0
<b>Total Assets</b>	<b>150'000</b>

---

**Liabilities and shareholders' equity**

---

Total current liabilities	0
Total Non-current liabilities	0
Total liabilities	0
Share capital	100'000
Capital reserves	50'000
Total equity	150'000
<b>Total liabilities and shareholders' equity</b>	<b>150'000</b>

---

## **Notes to the opening balance sheet**

### Accounting and valuation principles

- a) This opening balance sheet has been prepared in accordance with the regulations of the Swiss Code of Obligation applicable for annual financial statements.
- b) Cash, liabilities and shareholders' equity are valued a nominal value.

### Purpose of the opening balance sheet

This opening balance sheet has been prepared for purposes of its disclosure in the prospectus for the Auto lease-now 2023-1 AG securitization. Disclosure of the audited opening balance sheet is a requirement under the Swiss Financial Services Act and more particularly under section 2.6.2.(a) of annex 2 of the Swiss Financial Services Ordinance.

### Further remarks

On March 19, 2023, Credit Suisse Group AG and UBS Group AG entered into an agreement and plan of merger ("the merger"), to be completed at a date yet to be determined. The company is a consolidated subsidiary of Credit Suisse Group AG, and as such the future operations and financial performance of the company as well as its future strategic alignment with subsidiaries of UBS Group AG may be impacted as a result of the merger.

**Issuer**

Auto lease-now 2023-1 AG  
c/o BANK-now AG,  
Neugasse 18  
8810 Horgen  
Switzerland

**Sole Arranger and Lead Manager**

Credit Suisse AG  
Paradeplatz 8  
8001 Zurich  
Switzerland

**Seller and Servicer**

BANK-now AG  
Neugasse 18  
8810 Horgen  
Switzerland

**Account Bank**

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**Listing Agent**

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Switzerland

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Switzerland

**Trustee and Bondholders' Representative**

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8008 Zurich  
Switzerland

**Corporate Servicer of the Issuer**

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8008 Zurich  
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**Principal Paying Agent**

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Switzerland

**Cash Manager**

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8008 Zurich  
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