

Prospectus

Cars Alliance Auto Loans France F 2012-1

FONDS COMMUN DE TITRISATION

(Articles L. 214-42-1 to L. 214-49-14 and R. 214-92 to R. 214-114 of the French Monetary and Financial Code)

€750,000,000 Class A Asset Backed Fixed Rate Notes due 25 September 2021

Eurotitrisation Management Company

RCI Banque Custodian

Cars Alliance Auto Loans France F 2012-1 (the **Issuer**) is a French *fonds commun de titrisation* (securitisation mutual fund) established jointly by Eurotitrisation (the **Management Company**) and RCI Banque (the **Custodian**) on 27 June 2012. The Issuer is governed by the provisions of Articles L. 214-42-1 to L. 214-49-14 and R. 214-92 to R. 214-114 of the French Monetary and Financial Code and the FCT Regulations (as defined herein) dated on or about 27 June being the Closing Date and entered into by the Management Company and the Custodian.

The funding strategy of the Issuer (the **Funding Strategy of the Issuer**) is to purchase on the Closing Date from DIAC (the **Seller**) retail auto loan receivables arising from fixed rate auto loan agreements (the **Auto Loan Agreements**) granted to certain borrowers in order to finance the purchase either of new cars produced under the brands of the Renault Group and/or Nissan brands or used cars produced by any car manufacturer and sold by certain car dealers in the commercial networks of the Renault Group and/or Nissan in France (the **Receivables**) and to issue Notes and Residual Units.

Subject to compliance with all relevant laws, regulations and terms and conditions of the FCT Regulations, the Issuer will issue on the Closing Date the Class A Asset Backed Fixed Rate Notes (the **Class A Notes**) the terms and conditions of which are set out in the Section entitled "TERMS AND CONDITIONS OF THE CLASS A NOTES" on page 103. The Issuer will also issue on the Closing Date the Class B Notes and the Residual Units (each as defined herein).

Application has been made to the Luxembourg Stock Exchange for the Class A Notes to be listed on the official list of the Luxembourg Stock Exchange and to admit the Class A Notes to trading on the Regulated Market (as defined below). The Luxembourg Stock Exchange is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC.

Interest on the Class A Notes is payable by reference to successive Interest Periods (as defined herein). Interest on the Class A Notes will be payable monthly in arrears in euro on the 25th of each calendar month commencing on 25 July 2012 (subject to adjustments), or, if any such day is not a Business Day (as defined herein), the next following Business Day or, if that Business Day falls in the next calendar month, the immediately preceding Business Day (each such day being a **Monthly Payment Date**). Certain principal characteristics of the Class A Notes are as follows:

Class of Notes	Initial Principal Amount	Interest Rate	Interest Payment Dates	Issue Price	Expected Ratings	Final Maturity Date
Class A Notes	€750,000,000	1.379% per annum	25th day of each month of each year	100%	DBRS: AAA (sf) Moody's: Aaa (sf) S&P: AAA (sf)	25 September 2021

The Class A Notes will be subject to mandatory *pro rata* redemption in whole or in part from time to time on each Monthly Payment Date following the Closing Date. The aggregate amount to be applied in mandatory *pro rata* redemption in whole or in part of the Class A Notes will be calculated in accordance with the provisions set out in Condition 4 (Amortisation). In certain other circumstances, and at certain times, all (but not some only) of the Class A Notes may be redeemed at the option of the Issuer at their principal outstanding amount together with accrued interest (see Condition 2 (Interest) and Condition 4 (Amortisation)). Unless previously redeemed, the Class A Notes will be cancelled on 25 September 2021, being their Legal Maturity Date.

If any withholding tax or any deduction for or on account of tax is applicable to the Class A Notes, payments of principal and of interest on the Class A Notes will be made subject to any such withholding or deduction, without the Issuer being obliged to pay additional amounts as a consequence of such withholding or deduction.

The Class A Notes will be privately placed with qualified investors (*investisseurs qualifiés*) acting for their own account within the meaning of Articles L. 411-2 and D. 411-1 of the French Monetary and Financial Code and with non-French resident investors. In accordance with Articles L. 214-44 of the French Monetary and Financial Code, the securities issued by French *fonds communs de titrisation* (securitisation mutual funds) may not be sold by way of unsolicited calls (*démarchage*), except with regard to the qualified investors set out in paragraph II of Article L. 411-2 of the French Monetary and Financial Code. The Class A Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and, subject to certain exceptions, the Class A Notes may not be offered or sold within the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act (**Regulation S**)) except in certain transactions permitted by U.S. tax regulations and the U.S. Securities Act. For more details and a more complete description of restrictions of offers and sales and applicable U.S. tax law requirements, see the Section entitled "SUBSCRIPTION AND SALE – Selling and Transfer Restrictions" on page 136.

The Issuer is expected to Issue Class B Notes (as defined herein) on the Closing Date. The Class B Notes and the Residual Units are not the subject of the offering made in accordance with this Prospectus, therefore any information related to the Class B Notes or the Residual Units is not subject to the approval of the Luxembourg *Commission de Surveillance du Secteur Financier* (the **CSSF**). The Class A Notes and the Class B Notes represent interests in the same pool of Transferred Receivables (as defined herein) but the Class A Notes rank *pari passu* and rateably as to each other and in priority to the Class B Notes, in the event of any shortfall in funds available to pay principal or interest on the Notes (as defined herein). No assurance is given as to the amount (if any) of interest or principal on the Class A Notes which may actually be paid on any given Monthly Payment Date. Each Class A Note will rank *pari passu* without any preference or priority with the other Class A Notes, all as more particularly described in Condition 3 (Status and Relationship between the Class A Notes and the other Notes).

It is a condition to the issue of the Class A Notes that the Class A Notes will, when issued, be assigned an **AAA (sf)** rating by DBRS Ratings Limited (**DBRS**), an **Aaa (sf)** rating by Moody's Investors Service Limited (**Moody's**) and an **AAA (sf)** rating by Standard & Poor's Market Services Europe Limited (**Standard & Poor's**) (together with DBRS and Moody's, the **Rating Agencies** and each a **Rating Agency**). **DBRS Ratings Limited, Moody's Investors Service Limited and Standard & Poor's Market Services Europe Limited** are established in the European Union and are registered under Regulation (EC) No. 1060/2009 (as amended). As such DBRS Ratings Limited, Moody's Investors Service Limited and Standard & Poor's Market Services Europe Limited are included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Please also refer to "Rating Agencies" in the Section entitled "RISK FACTORS" of this Prospectus.

The Class A Notes will be issued in the denomination of €00,000 each and will at all times be represented in bearer (*au porteur*) dematerialised form (*forme dématérialisée*), in compliance with Article L. 211-3 of the French Monetary and Financial Code. No physical document of title will be issued in respect of the Class A Notes. The delivery (and any subsequent transfer) of the Class A Notes is made in book-entry form (*inscription en compte*) through the facilities of the Clearing Systems. The Class A Notes will, upon issue, be registered in the books of Clearstream Banking Luxembourg, Société Anonyme (**Clearstream Banking**) and Euroclear France S.A. as central depository and Euroclear Bank S.A./N.V. as operator of the Euroclear system (**Euroclear**) and together with Clearstream Banking, the **Clearing Systems**.

Attention is drawn to the Sections herein entitled "RISK FACTORS" on page 24 which contains a discussion of certain considerations which should be considered by prospective holders of the Class A Notes in connection with an investment in the Class A Notes and "SUBSCRIPTION AND SALE" on page 136.

This Prospectus constitutes a prospectus within the meaning of Article 5.3 of Directive 2003/71/EC of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (the **Prospectus Directive**).

Application has been made to the CSSF in its capacity as competent authority under the Luxembourg law on prospectuses for securities of 10 July 2005 (*loi relative aux prospectus pour valeurs mobilières*) for approval of this Prospectus. Pursuant to, and in accordance with, the provisions of Article 7(7) of the Law on Prospectuses for Securities, the CSSF, by approving the Prospectus, shall give no undertaking as to the economic and financial benefit of the transaction and the quality or solvency of the Issuer.

References in this Prospectus to the **Luxembourg Stock Exchange** (and all related references) shall mean the Regulated Market. The Luxembourg Stock Exchange's regulated market is a regulated market within the meaning of Article 36 of Directive 2004/39/EC of 24 April 2004 on Markets in Financial Instruments (the **Regulated Market**).

Joint Arrangers

Crédit Agricole Corporate and Investment Bank

Société Générale Corporate and Investment Bank

Citigroup Global Markets Limited



Crédit Agricole Corporate and Investment Bank

Joint Lead Managers and Joint Bookrunners



The date of this Prospectus is 27 June 2012

RESPONSIBILITY STATEMENT

Each of the Management Company and the Custodian, in its capacity as founder of the Issuer, accepts responsibility for the information contained in this Prospectus (other than the information for which any other entity accepts responsibility below). To the best of the knowledge and belief of the Management Company and the Custodian (having taken all reasonable care to ensure that such is the case), information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Management Company and the Custodian accept responsibility accordingly.

Each of the Management Company and the Custodian in its capacity as founder of the Issuer, also confirm that, so far as it is aware, all information in this Prospectus that has been sourced from a third party has been accurately reproduced and that, as far as it is aware and have been able to ascertain from information published by the relevant third party, no facts have been omitted which would render such reproduced information inaccurate or misleading. Where third party information is reproduced in this Prospectus, the sources are stated.

The Management Company was not mandated as arranger of the Transaction and did not appoint the Joint Arrangers as joint arrangers in respect of the transaction contemplated in the Prospectus.

The Seller accepts responsibility for the information under the Sections entitled "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES" on page 67, "STATISTICAL INFORMATION" on page 70, "HISTORICAL PERFORMANCE DATA" on page 76, "PURCHASE AND SERVICING OF THE RECEIVABLES" on page 83, "UNDERWRITING AND MANAGEMENT PROCEDURES" on page 91, "DESCRIPTION OF RCI BANQUE AND THE SELLER" on page 94 and the information in relation to itself under the Section entitled "CREDIT STRUCTURE" on page 120. To the best of the knowledge and belief of the Seller (having taken all reasonable care to ensure that such is the case), the information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Seller accepts responsibility accordingly. The Seller accepts no responsibility for any other information contained in this Prospectus and has not separately verified any such other information.

Each of the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer and the Data Escrow Agent accepts responsibility for the information regarding itself under the Section entitled "GENERAL DESCRIPTION OF THE ISSUER – Relevant Parties" on page 53. To the best of the knowledge and belief of the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer and the Data Escrow Agent (having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. None of the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer and the Data Escrow Agent accepts responsibility accordingly. None of the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer and the Data Escrow Agent accepts responsibility for any other information contained in this Prospectus and has not separately verified any such other information.

No person has been authorised, in connection with the issue and sale of the Class A Notes, to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Issuer, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners or by or on behalf of any of the directors of the Issuer, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners, or any of their affiliates or advisers.

Neither the delivery of this Prospectus nor any sale or allotment made in connection with the offering of any Class A Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of any of the Issuer, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank or the information contained herein since the date hereof or that the information contained herein is correct as at any time subsequent to the date hereof. None of the Paying Agents, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners make any representation, express or implied, or accept any responsibility, with respect to the accuracy or completeness of any of the information contained in this Prospectus. None of the Joint Arrangers and the Joint Lead Managers and Joint Bookrunners undertakes to review the financial condition or affairs of the Issuer or to advise any investor or potential investor in any Class A Notes of any information coming to the attention of any of the Joint Arrangers or the Joint Lead Managers and Joint Bookrunners.

THE CLASS A NOTES AND ANY CONTRACTUAL OBLIGATIONS OF THE ISSUER ARE OBLIGATIONS OF THE ISSUER SOLELY AND WILL BE DIRECT AND LIMITED RE COURSE OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE ASSETS OF THE ISSUERS TO THE EXTENT DESCRIBED HEREIN. NEITHER THE CLASS A NOTES, ANY CONTRACTUAL OBLIGATION OF THE ISSUER NOR THE TRANSFERRED RECEIVABLES WILL BE GUARANTEED BY THE SELLER (EXCEPT IN ACCORDANCE WITH THE GENERAL RESERVE DEPOSIT AGREEMENT), THE MANAGEMENT COMPANY, THE CUSTODIAN, THE FCT ACCOUNT BANK, THE FCT CASH MANAGER, THE SERVICER, THE DATA ESCROW AGENT, THE PAYING AGENTS, THE LISTING AGENT, THE SERVICER COLLECTION ACCOUNT BANK, THE JOINT ARRANGERS OR THE JOINT LEAD MANAGERS AND JOINT BOOKRUNNERS NOR ANY OF THEIR RESPECTIVE AFFILIATES OR ADVISERS. SUBJECT TO THE POWERS OF THE CLASS A NOTEHOLDERS REPRESENTATIVE AND THE POWERS OF THE CLASS A NOTEHOLDERS GENERAL MEETING, ONLY THE MANAGEMENT COMPANY MAY ENFORCE THE RIGHTS OF THE CLASS A NOTEHOLDERS AGAINST THIRD PARTIES. NONE OF THE SELLER, THE MANAGEMENT COMPANY, THE CUSTODIAN, THE FCT ACCOUNT BANK, THE FCT CASH MANAGER, THE SERVICER, THE DATA ESCROW AGENT, THE PAYING AGENTS, THE LISTING AGENT, THE SERVICER COLLECTION ACCOUNT BANK, THE JOINT ARRANGERS OR THE JOINT LEAD MANAGERS AND JOINT BOOKRUNNERS NOR ANY OF THEIR RESPECTIVE AFFILIATES OR ADVISERS SHALL BE LIABLE IF THE ISSUER IS UNABLE TO PAY ANY AMOUNT DUE UNDER THE CLASS A NOTES. THE OBLIGATIONS OF THE SELLER, THE MANAGEMENT COMPANY, THE CUSTODIAN, THE FCT ACCOUNT BANK, THE FCT CASH MANAGER, THE SERVICER, THE DATA ESCROW AGENT, THE PAYING AGENTS, THE LISTING AGENT, THE SERVICER COLLECTION ACCOUNT BANK, THE JOINT ARRANGERS OR THE JOINT LEAD MANAGERS AND JOINT BOOKRUNNERS OR ANY OF THEIR RESPECTIVE AFFILIATES OR ADVISERS IN RESPECT OF THE CLASS A NOTES SHALL BE LIMITED TO OBLIGATIONS ARISING FROM THE FCT TRANSACTION DOCUMENTS (AS DEFINED HEREIN), WITHOUT PREJUDICE TO ANY APPLICABLE LAWS AND REGULATIONS.

This Prospectus does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners to subscribe for or purchase, any Class A Notes as may be issued by the Issuer. No representation is made by the Issuer, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners that this Prospectus may be lawfully distributed or that the Class A Notes may be lawfully offered in compliance with any applicable registration or other requirements in any jurisdiction.

Selling Restrictions

No action has been taken under any regulatory or other requirements of any jurisdiction or will be so taken to permit a public offering of the Class A Notes or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. The distribution of this Prospectus and the offering of the Class A Notes in certain jurisdictions, including, without limitation, France, Austria, Belgium, Germany, Ireland, Italy, Luxembourg, Portugal, Spain, the United Kingdom, Japan, and the United States of America may be restricted by law. Persons coming into possession of this Prospectus (or any part hereof) are required to inform themselves about, and observe, any such restrictions (see the Section entitled "SUBSCRIPTION AND SALE" on page 136). In accordance with the provisions of Article L. 214-44 of the French Monetary and Financial Code, Notes issued by the Issuer may not be sold by way of unsolicited calls (démarchage), except with regard to the qualified investors set out in paragraph II of Article L. 411-2 of the French Monetary and Financial Code. Each investor contemplating the purchase of any Class A Notes should conduct an independent investigation of the financial condition, and an appraisal of the capacity of payments, of the Issuer, the risks associated with the Class A Notes and of the legal, tax, accounting and capital adequacy consequences of an investment in the Class A Notes.

Other than the approval of this Prospectus by the Commission de Surveillance du Secteur Financier in Luxembourg (the CSSF), no action has been taken to permit a public offering of the Class A Notes or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Except in the case of the private placement of the Class A Notes with (i) qualified investors as defined by Article L. 411-2 and Article D. 411-1 of the French Monetary and Financial Code and (ii) investors resident outside France, and except for an application for listing of the Class A Notes on the official list of the Luxembourg Stock Exchange and admission to trading to the regulated market of the Luxembourg Stock Exchange, no action has been or will be taken by the Management Company or the Custodian that would, or would be intended to, permit a public offering of the Class A Notes in any country or any jurisdiction where listing is subject to prior application. Accordingly, the Class A Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Class A Notes may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

Accordingly, the Class A Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any part of it nor any other document, prospectus, form of application, advertisement, other offering material or other information may be issued, distributed or published in any country or jurisdiction except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations.

The Class A Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and are subject to U.S. tax law requirements. Subject to certain exceptions, the Class A Notes may not be offered, sold or delivered, directly or indirectly, within the United States or to any U.S. persons (as defined in the Section entitled "SUBSCRIPTION AND SALE" on page 136).

Financial Conditions of the Issuer

This Prospectus or any other information supplied in connection with the issue of the Class A Notes should not be construed as a recommendation, invitation or offer by the Issuer, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers or the Joint Lead Managers and Joint Bookrunners for any recipient of this Prospectus or any such other information supplied in connection with the issue of the Class A Notes, to purchase any such Class A Notes. In making an investment decision regarding the Class A Notes, prospective investors must rely on their own independent investigation and appraisal of the Issuer and the terms of the offering, including the merits and risks involved. The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Class A Notes. Accordingly, no representation, warranty or undertaking,

express or implied, is made and no responsibility or liability is accepted by the Joint Arrangers or the Joint Lead Managers and Joint Bookrunners as to the accuracy or completeness of the information contained in this Prospectus or any other information provided in connection with the Class A Notes or their distribution. Each investor contemplating the purchase of any Class A Notes should conduct an independent investigation of the financial condition, and appraisal of the ability of the Issuer to pay its debts, the risks and rewards associated with the Class A Notes and of the tax, accounting and legal consequences of investing in the Class A Notes.

The information set forth herein, to the extent that it comprises a description of certain provisions of the FCT Transaction Documents, is a summary and is not intended as a full statement of the provisions of such FCT Transaction Documents.

This Prospectus has not been approved by, or registered or filed with, the French Autorité des Marchés Financiers (AMF).

By subscribing for or purchasing a Class A Note issued by the Issuer, each Class A Noteholder agrees to be bound by the FCT Regulations.

Interpretation

All references in this Prospectus to euro, EUR or € are valid references to the lawful currency of the Member States of the European Union that adopt the single euro currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union.

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

Article 122a of the Capital Requirements Directive

The Seller will retain a material net economic interest of not less than 5% in the securitisation in accordance with the text of Article 122a of Directive 2006/48/EC (as amended) (and Article 217-1 of the Arrêté dated 20 February 2007 regarding capital adequacy requirements applicable to credit institutions and investment companies). As at the Closing Date, such interest will comprise an interest in the first loss tranche (i.e. the Class B Notes) as required by Article 122a. Any change to the manner in which such interest is held will be notified to Noteholders. DIAC has provided a corresponding representation and undertaking with respect to the interest to be retained by it to the Issuer in the Subscription Agreement.

As to the information made available to prospective investors by the Issuer, reference is made to the information set out herein and forming part of this Prospectus and to any other information provided separately (which information shall not form part of this Prospectus) and, after the Closing Date, to the monthly investor reports. For the avoidance of doubt, none of the Issuer, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers or the Joint Lead Managers and Joint Bookrunners makes any representation as to the accuracy or suitability of any financial model which may be used by a prospective investor in connection with its investment decision.

Each prospective investor is required independently to assess and determine the sufficiency of the information described above and in the Prospectus generally for the purposes of complying with Article 122a and any corresponding local implementing rules which may be relevant and none of the Issuer, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers or the Joint Lead Managers and Joint Bookrunners makes any representation that the information described above or in the Prospectus is sufficient in all circumstances for such purposes. The Seller accepts

responsibility for the information set out in this Section "Article 122a of the Capital Requirements Directive" (but not, for the avoidance of doubt, any information set out in any other Section of the Prospectus referred to in this Section).

Attention is drawn to the Section herein entitled "RISK FACTORS – Risks Factors Relating to the Class A Notes – Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of the Notes" on page 32 which contains a discussion of certain considerations which should be considered by prospective holders of the Class A Notes in connection with Article 122a of Directive 2006/48/EC (as amended).

Stabilisation

In connection with the Issue of the Class A Notes, Crédit Agricole Corporate and Investment Bank and Société Générale (or any of them) acting as stabilising manager (each, a **Stabilising Manager**) may over-allot or effect transactions with a view to supporting the market price of the Class A Notes (or any class of them) at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager will undertake stabilisation action. Société Générale shall act as Co-ordinating Stabilising Manager. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Class A Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue of the Class A Notes and 60 days after the date of the allotment of the Class A Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager in accordance with all applicable laws and rules. Any loss or profit sustained as a consequence of any such over-allotment or stabilisation action shall be for the account of the relevant Stabilising Manager.

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OVERVIEW OF THE TRANSACTION

The Issuer

Cars Alliance Auto Loans France F 2012-1 is a French *fonds commun de titrisation* (securitisation mutual fund) governed by the provisions of Articles L. 214-42-1 to L. 214-49-14 and R. 214-92 to R. 214-114 of the French Monetary and Financial Code and the FCT Regulations (as amended from time to time). The Issuer is jointly established by the Custodian and the Management Company on 27 June 2012.

The Issuer is a *copropriété* (co-ownership entity) which does not have a *personnalité morale* (separate legal personality). The Issuer is neither subject to the provisions of the French Civil Code relating to the rules of the *indivision* (co-ownership) nor to the provisions of Articles 1871 to 1873 of the French Civil Code relating to *société en participation* (partnerships).

For further details, see the Section entitled "GENERAL DESCRIPTION OF THE ISSUER" on page 51.

Funding Strategy of the Issuer

In accordance with Article R. 214-92-2° of the French Monetary and Financial Code and pursuant to the terms of the FCT Regulations, the funding strategy (*stratégie de financement*) of the Issuer is to issue the Notes and the Residual Units on the Closing Date in order to purchase from the Seller retail auto loan receivables arising from fixed rate auto loan agreements governed by French law granted by the Seller to certain Borrowers in order to finance the purchase of either New Cars produced under the brands of the Renault Group and/or Nissan or Used Cars produced by any car manufacturers and sold by certain car dealers in the commercial networks of the Renault Group and/or Nissan in France.

Seller

DIAC, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 14 avenue du Pavé Neuf, 93160 Noisy-le-Grand (France), licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code. For further details, see the Section entitled "FINANCIAL POLICY – Description of the Seller" on page 100.

Management Company

Eurotritrisation, a *société anonyme* incorporated under, and governed by, the laws of France, licensed by, and subject to the supervision and regulation of, the *Autorité des Marchés Financiers*, as a *société de gestion de fonds communs de créances* (a management company of debt mutual funds) whose registered office is at Immeuble "Les Diamants", 41 rue Délizy, 93500 Pantin (France). For further details, see the Section entitled "GENERAL DESCRIPTION OF THE ISSUER – The Management Company" on page 53.

Custodian

RCI Banque, a *société anonyme* incorporated under, and

governed by, the laws of France, whose registered office is at 14, avenue du Pavé Neuf, 93160 Noisy-le-Grand (France), licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code. For further details, see the Section entitled "GENERAL DESCRIPTION OF THE ISSUER – The Custodian" on page 54.

FCT Account Bank

Société Générale, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 29 boulevard Haussmann, 75008 Paris, France, licensed as a *banque* (a bank) by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code. The FCT Account Bank has been appointed by the Custodian for the opening and the operation of the FCT Accounts. For further details, see the Section entitled "GENERAL DESCRIPTION OF THE ISSUER – The FCT Account Bank and FCT Cash Manager" on page 51.

FCT Cash Manager

Société Générale, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 29 boulevard Haussmann, 75008 Paris, France, licensed as a *banque* (a bank) by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code. The FCT Cash Manager has been appointed by the Management Company for the management and investment of the FCT Available Cash. For further details, see the Section entitled "GENERAL DESCRIPTION OF THE ISSUER – The FCT Account Bank and FCT Cash Manager" on page 55.

Servicer

The Seller has been appointed to act as servicer of the Transferred Receivables (the **Servicer**) under the Servicing Agreement. The Servicer collects all amounts due to the Issuer in respect of the Transferred Receivables, administers the Auto Loan Agreements, and preserves and enforces all of the Issuer's rights relating to the Transferred Receivables. The Servicer prepares and submits Monthly Reports in respect of the performance of the Transferred Receivables in the form set out in the Servicing Agreement.

In return for the services provided under the Servicing Agreement, the Issuer, subject to the Priority of Payments, pays to the Servicer on each Monthly Payment Date a fee in arrears which is calculated on the basis of an amount equal to 0.50% per annum of the Discounted Balance of the Transferred Receivables as of the Cut-Off Date preceding such Monthly Payment Date, inclusive of VAT.

The Data Escrow Agent

RCI Banque, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 14, avenue du Pavé Neuf, 93160 Noisy-le-Grand (France), licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code.

Principal Paying Agent

Société Générale, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 29

boulevard Haussmann, 75008 Paris, France, licensed as a *banque* (a bank) by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code.

Luxembourg Paying Agent

Société Générale Bank & Trust, a *société anonyme* incorporated under, and governed by, the laws of Luxembourg, whose registered office is at 11 avenue Emile Reuter, L2420 Luxembourg, BP 1271 (Grand Duchy of Luxembourg).

For further details, see the Section entitled "GENERAL INFORMATION" on page 142.

Listing Agent

Société Générale Bank & Trust, a *société anonyme* incorporated under, and governed by, the laws of Luxembourg, whose registered office is at 11 avenue Emile Reuter, L2420 Luxembourg, BP 1271 (Grand Duchy of Luxembourg).

For further details, see the Section entitled "GENERAL INFORMATION" on page 142.

FCT Statutory Auditor

Mazars S.A. a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at Tour Exaltis, 61 rue Henri Regnault, 92400 Courbevoie (France), registered as a chartered accountant with the *Compagnie Nationale des Commissaires aux Comptes* (CNCC).

The Receivables

The Receivables consist of euro-denominated, monetary obligations of the Borrowers, arising from Auto Loan Agreements governed by French law entered into between the Seller and the Borrowers in relation to the acquisition of New Cars or Used Cars. The Auto Loan Agreements are governed by French law.

The Auto Loans which give rise to the Receivables to be acquired by the Issuer have been entered into on the basis of the standard terms and conditions as set out in each Auto Loan Agreement. At the date of purchase, all Receivables to be acquired by the Issuer are required under the Eligibility Criteria to have a remaining term to maturity of no more than 60 months from the Cut-Off Date preceding the Closing Date. A Borrower may prepay an Auto Loan in whole or in part on any date prior to its scheduled maturity.

Under the standard terms and conditions of the Seller, an Auto Loan may be structured as (i) a loan amortising on the basis of fixed monthly Instalments of equal amounts throughout the term of the Auto Loan, up to and including maturity, or as (ii) a loan with a balloon payment, amortising on the basis of equal monthly Instalments, but with a substantial portion of the outstanding principal under the loan being repaid in a single lump sum at maturity.

Additional Eligibility Criteria provide that, in respect of each Receivable: (i) the sum of (A) the age of the relevant Vehicle as of the corresponding Auto Loan Effective Date; and (B) the

maturity of the Auto Loan Agreement must be less than ten years; (ii) the amount of any balloon payment must be less than 65% of the sale price of the corresponding Vehicle; (iii) the relevant Discount Rate must be at least equal to 7%; (iv) to the extent the Borrower under such Receivable was granted a right of withdrawal (*droit de rétractation*) either by any applicable law or contractually under any applicable Contractual Document, such withdrawal period has lapsed; and (v) in respect of any Balloon Loan, such Auto Loan has been granted to an individual.

The Seller represents and warrants that the Eligible Receivables sold by it satisfied all the Eligibility Criteria listed in the Section entitled "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES – Eligibility Criteria" on page 67 as of the Cut-Off Date relating to the Closing Date (see the Section entitled "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES" on page 67).

Ancillary Rights

The Ancillary Rights include all Collateral Securities given to secure the payments under the Receivables.

The Collateral Securities may include a retention of title over the relevant Vehicle and, according to the Seller's business practices, in certain circumstances a French law pledge over the Vehicle (*gage portant sur un véhicule automobile*). The retention of title and the *gage portant sur un véhicule automobile*, to the extent the latter has been registered in accordance with applicable law, may give a right of repossession of the Vehicles to the Seller. Upon the transfer of the Eligible Receivables to the Issuer, the Issuer, in turn, benefits from the Seller's rights arising under the *gage portant sur un véhicule automobile* and the retention of title. For further details, see the Section entitled "CREDIT STRUCTURE" on page 120.

In addition to the above, Borrowers may on their own initiative take out insurance policies in relation to their Auto Loan Agreements, which are offered as part of the Seller's standard origination procedures. The rights of the Seller to be indemnified under any such insurance policies will be transferred with the relevant Transferred Receivables pursuant to the Receivables Transfer Agreement.

Acquisition of the Eligible Receivables

On or before the Closing Date, the Seller and the Issuer have entered into the Receivables Transfer Agreement, which is governed by French law and pursuant to which the Issuer will acquire a portfolio of Eligible Receivables from the Seller on the Closing Date.

Transfer and Purchase Price of Receivables

On the Closing Date, the Seller will transfer the portfolio of Eligible Receivables to the Issuer. Such transfer will be legally effective between the Issuer and the Seller and will be enforceable against third parties from (and including) the Closing Date; however, the Issuer is entitled to the Collections under such Transferred Receivables from the Transfer Effective Date.

The purchase price paid by the Issuer to the Seller for the portfolio of Eligible Receivables acquired by the Issuer on the Closing Date will be equal to €852,238,199.38 (corresponding to the Discounted Balance of such Eligible Receivables as of the Cut-Off Date preceding the Closing Date), and will be paid on the Closing Date.

The Seller has agreed to give certain representations and warranties under the Receivables Transfer Agreement in favour of the Issuer in relation to the Eligible Receivables on the Closing Date, with reference to the facts and circumstances existing on such date.

The Receivables Transfer Agreement also provides for certain remedies available to the Issuer in respect of breaches of representation and warranty by the Seller.

Servicing and Collections

Pursuant to Article L. 214-46 of the French Monetary and Financial Code and the Servicing Agreement, the Servicer shall collect all amounts due to the Issuer in respect of the Transferred Receivables, administer the Auto Loan Agreements, and preserve and enforce all of the Issuer's rights relating to the Transferred Receivables. The Servicer shall prepare and submit Monthly Reports in respect of the performance of the Transferred Receivables in the form set out in the Servicing Agreement.

Subject to and in accordance with the provisions of the Servicing Agreement, the Servicer shall in an efficient and timely manner collect, transfer and deposit to the Servicer Collection Account all Collections received from each Borrower in respect of the Transferred Receivables. The Servicer shall also transfer from the Servicer Collection Account to the General Collection Account all Collections received from each Borrower in respect of the Transferred Receivables.

In return for the services provided under the Servicing Agreement, the Issuer, subject to the relevant Priority of Payments, pays to the Servicer on each Monthly Payment Date a fee in arrears which is calculated on the basis of an amount equal to 0.50% per annum of the aggregate Discounted Balance of the Transferred Receivables as of the Cut-Off Date relating to the previous Monthly Payment Date, inclusive of VAT.

Dedicated Account Agreement

In accordance with Article L. 214-46-1 and Article D. 214-103 of the French Monetary and Financial Code, the Management Company, the Custodian, the Servicer and Crédit Industriel et Commercial entered into a Dedicated Account Agreement (*Convention de Compte à Affectation Spéciale*) on or before the Closing Date pursuant to which the Servicer Collection Account, on which Collections are received from Borrowers by wire transfer or direct debits (*virements ou prélèvements*), is identified and operates as a dedicated collection bank account (*compte à affectation spéciale*).

Pursuant to Article L. 214-46-1 of the French Monetary and Financial Code, the creditors of the Servicer are not entitled to make any claim as to the Collections credited to the balance of the Servicer Collection Account, including if the Servicer becomes subject to any insolvency proceeding of Book VI of the French Commercial Code (see the Section entitled "PURCHASE AND SERVICING OF THE RECEIVABLES – Servicer Collection Account" on page 88).

Commingling Reserve Deposit Agreement

Pursuant to the terms of a commingling reserve deposit agreement (the **Commingling Reserve Deposit Agreement**) entered into on or prior to the Closing Date between the Servicer, the Management Company, the Custodian, the FCT Account Bank and the FCT Cash Manager, the Servicer is entitled to transfer certain amounts of money to the Issuer as security for the performance of its obligations to transfer the Collections to the Issuer, pursuant to Article L. 211-38 of the French Monetary and Financial Code.

For further details, see the Section entitled "CREDIT STRUCTURE - Commingling Reserve Account" on page 121.

General Reserve Deposit Agreement

Pursuant to the terms of a general reserve deposit agreement (the **General Reserve Deposit Agreement**) entered into on or prior to the Closing Date and made between the Seller, the Management Company, the Custodian, the FCT Account Bank and the FCT Cash Manager, the Seller has transferred certain amounts of money to the Issuer pursuant to Article L. 211-38 of the French Monetary and Financial Code as security for the performance of its obligations under clause 14.1 (Recourse against non payment under the Transferred Receivables) of the Receivables Transfer Agreement to indemnify on each Monthly Payment Date the Issuer against any default by the Borrowers under the Transferred Receivables up to an amount equal to the General Reserve Required Level, to make certain transfer amounts of money to the Issuer.

For further details, see the Section entitled "CREDIT STRUCTURE – General Reserve Account" on page 120.

Priority of Payments

Pursuant to the FCT Regulations and the other relevant FCT Transaction Documents, all payments (or provision for payment, where relevant) of debts due and payable by the Issuer to any of its creditors are made (and the Management Company shall give instructions to the Custodian, the FCT Account Bank, and the FCT Cash Manager accordingly), subject to the limited recourse provisions applicable to the Issuer and to the extent of available funds for making any such payment at the relevant date of payment, in accordance with the relevant Priority of Payments.

Class A Notes Issue Amount

The Issuer will issue, on the Closing Date, Class A Notes in an aggregate nominal amount of €750,000,000.

For further details, see the Section entitled "GENERAL PROVISIONS APPLICABLE TO THE NOTES" on page 63.

Class A Notes

The Class A Notes will be offered for sale and listing in accordance with this Prospectus.

Legal Status

The Class A Notes constitute direct, unsecured and unconditional obligations of the Issuer and are (i) financial instruments (*instruments financiers*), (ii) financial securities (*titres financiers*) and (iii) transferable securities (*valeurs mobilières*) within the meaning of Articles L. 211-1 and L. 211-2 of the French Monetary and Financial Code.

Form

In accordance with the provisions of Article L. 211-3 of the French Monetary and Financial Code the Class A Notes are issued in bearer (*au porteur*) dematerialised form (*en forme dématérialisée*). No physical document of title is issued in respect of the Class A Notes. The delivery (and any subsequent transfer) of the Class A Notes is made in book-entry form through the facilities of the Clearing Systems.

The Class A Notes shall be privately placed to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, Articles L. 411-1, L. 411-2 and D. 411-1 to D. 411-3 of the French Monetary and Financial Code (as to which, please see the Section entitled "SUBSCRIPTION AND SALE" on page 136).

The Class A Notes are freely transferable. For a description of certain restrictions on offers, sales and deliveries of the Class A Notes and on distribution of offering material in certain jurisdictions, please refer to the selling restrictions as set out in the Section entitled "SUBSCRIPTION AND SALE" on page 136.

Use of Proceeds

On the Closing Date, the proceeds arising from the issue of the Class A Notes, the Class B Notes and the Residual Units will be applied by the Management Company to pay the purchase price of the portfolio of Eligible Receivables purchased by the Issuer from the Seller on the Closing Date.

Rate of Interest

The Class A Notes Interest Rate is a fixed rate of 1.379%.

Interest Periods and Interest Payment Dates

Interest on the Class A Notes is payable monthly in arrears in euro on each Monthly Payment Date, in each case subject to the relevant Priority of Payments.

Each Priority of Payments and the FCT Regulations provide further that, when payable on the same Monthly Payment Dates, interest on the Class B Notes is paid only to the extent of available funds after payment of, *inter alia*, all interest payable on the Class A Notes.

Payment of interest on the Notes shall be made only to the extent of available funds after payment in full of all amounts ranking higher than the interest on these Notes according to the relevant Priority of Payments, including, in particular, the payment of the FCT Fees of the Issuer, which rank above the payment of interest in respect of the Class A Notes and the Class B Notes.

Limited Source of fund - Limited Recourse

The Class A Notes and any contractual obligations of the Issuer are obligations of the Issuer solely and will be direct and limited recourse obligations of the Issuer payable solely out of the assets of the Issuer to the extent described herein. Neither the Class A Notes, any contractual obligation of the Issuer nor the Transferred Receivables will be guaranteed by the Seller (except in accordance with the General Reserve Deposit Agreement), the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Servicer, the Data Escrow Agent, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers or the Joint Lead Managers and Joint Bookrunners nor any of their respective affiliates or advisers.

The Noteholders have no direct recourse whatsoever to the relevant Borrowers for the Transferred Receivables purchased by the Issuer. Pursuant to the provisions of the FCT Regulations, the Management Company has expressly and irrevocably undertaken to procure, upon the conclusion of any agreement, in the name and on behalf of the Issuer with any third party, that such third party expressly and irrevocably:

- (a) agrees that, in accordance with Articles L. 214-43 and L. 214-48 III of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making a payment in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, even if the Issuer is liquidated;
- (b) agrees that in accordance with Article L. 214-43 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles*)

d'exécution) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations;

- (c) to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, undertakes to waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full; and
- (d) agrees that in accordance with Article L. 214-48 III of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

Ratings

It is a condition of the issue of the Class A Notes that, when issued, the Class A Notes be assigned an "AAA (sf)" rating by DBRS, an "Aaa (sf)" rating by Moody's, and an "AAA (sf)" rating by Standard & Poor's.

A security rating, as issued by the Rating Agencies, is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by one or more of the Rating Agencies.

The ratings granted by the Rating Agencies in respect of the Class A Notes address only the likelihood of timely receipt by any Class A Noteholder of interest on the Class A Notes and the likelihood of receipt on the Legal Maturity Date by any Class A Noteholder of the principal outstanding of the Class A Notes. Such ratings do not address the likelihood of receipt, prior to the Legal Maturity Date, of principal by any Class A Noteholder nor the receipt of any additional amounts relating to prepayment or early redemption which may become due to the Class A Noteholders.

Class A Noteholders Representative

The Class A Noteholders representative designated subject to and in accordance with the Conditions is the Association de Représentation des Masses de Titulaires de Valeurs Mobilières.

Clearing Systems

The Class A Notes will be admitted to the Clearing Systems and their ownership will be determined according to all laws and regulations applicable to the Clearing Systems.

The Class A Notes will, upon issue, be registered in the books of the Clearing Systems, which shall credit the respective accounts of the Account Holders. The payments of principal and of interest on the Class A Notes will be paid to the person whose name is recorded in the ledger of the Account Holders at the relevant Monthly Payment Date (see the Section entitled "GENERAL INFORMATION" on page 142).

Retention of a Material Net Economic Interest

Pursuant to the Receivables Transfer Agreement, the Seller has covenanted that it will retain a material net economic interest of not less than 5% in the securitisation in accordance with the provisions of Article 122a of Directive 2006/48/EC (as amended). As at the Closing Date, such interest will be materialised by the Seller's full ownership of a first loss tranche representing more than 5% and constituted by the Class B Notes and the Residual Units. Any change to the manner in which such interest is held will be notified to Noteholders and Unitholders.

For that purpose, the Seller has undertaken (i) to subscribe all the Class B Notes and the Residual Units which will be issued on the Closing Date by the Issuer and (ii) not to transfer, sell or benefit from a guarantee or otherwise hedge before the full amortisation of the Class A Notes any of the Class B Notes and the Residual Units issued by the Issuer on the Closing Date.

Approval, Listing and Admission to Trading

Application has been made to the CSSF acting in its capacity as competent authority under the law of the Grand Duchy of Luxembourg on prospectuses for securities of 10 July 2005 (*loi relative aux prospectus pour valeurs mobilières*) for approval of this Prospectus. Pursuant to, and in accordance with, the provisions of Article 7(7) of the Law of Prospectuses for Securities, the CSSF, by approving the Prospectus, shall give no undertaking as to the economic and financial opportunity of the transaction and the quality or solvency of the Issuer.

Application has been made to list the Class A Notes on the official list of the Luxembourg Stock Exchange and to admit the Class A Notes to trading on the regulated market of the Luxembourg Stock Exchange.

Eurosystem monetary policy operations

It is intended that the Class A Notes will constitute eligible collateral for Eurosystem monetary policy operations. No assurance can be given that the Class A Notes will always constitute eligible collateral for Eurosystem monetary policy operations. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met. Such Eurosystem eligibility criteria may be

amended by the European Central Bank from time to time and such amendments may influence Class A Notes as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, as no grandfathering would be guaranteed.

Redemption of the Class A Notes

Save as described below, unless previously redeemed in full on or before such date, the Class A Notes will be cancelled on their Legal Maturity Date.

The redemption in whole or in part of any amount of principal in respect of the Notes is subject to the provisions of the FCT Regulations, and in particular to the relevant Priority of Payments. Each Priority of Payments and the FCT Regulations provide that principal of the Class B Notes is repaid only to the extent of available funds after repayment of the relevant principal amount payable on the Class A Notes. Payment of principal on any class of Notes shall be paid only to the extent of available funds after payment in full of all amounts ranking higher in the relevant Priority of Payments, including, in particular, the payment of the FCT Fees to the relevant creditors and the payment of interest under the Class A Notes which ranks above the payment of principal in respect of the Class A Notes and the Class B Notes.

During the Amortisation Period

Principal on any class of Notes shall be repaid on each Monthly Payment Date only to the extent of available funds after payment in full of all amounts ranking higher in the relevant Priority of Payments.

During the Amortisation Period and as long as they are not fully redeemed, the Class A Notes are subject to mandatory redemption on each Monthly Payment Date in an amount equal to the relevant Class A Notes Amortisation Amount computed in accordance with the terms and conditions of the Class A Notes.

During the Accelerated Amortisation Period

During the Accelerated Amortisation Period, as long as they are not fully redeemed, the Class A Notes are subject to mandatory redemption on each Monthly Payment Date for an amount equal to their remaining principal amount outstanding.

Accelerated Amortisation Event

Each of the following events shall constitute an accelerated amortisation event (an **Accelerated Amortisation Event**):

- (a) any amount of interest due and payable on the Class A Notes remains unpaid five Business Days after the relevant Monthly Payment Date; and

- (b) the aggregate of the Defaulted Amounts calculated on each Calculation Date between the Closing Date and the last Calculation Date (included) has become equal to or greater than 6% of the aggregate Discounted Balance of the Transferred Receivables as of the Closing Date.

No further Notes or Units

Pursuant to the FCT Regulations, the Issuer is not entitled to issue further Notes or Units after the Closing Date.

Liquidation Events and Offer to Repurchase

Unless the Issuer has been liquidated earlier following the occurrence of a Liquidation Event, the Issuer will be liquidated six months after the extinguishment (*extinction*) of all Receivables held by the Issuer.

In accordance with Article L. 214-49-10 of the French Monetary and Financial Code and pursuant to the FCT Regulations, the Liquidation Events are the following:

- (a) the liquidation of the Issuer is in the interest of the Unitholders and Noteholders;
- (b) the aggregate Discounted Balance of the non-matured Transferred Receivables (*créances non échues*) falls below 10% of the aggregate Discounted Balance of the Transferred Receivables as of the Closing Date and the liquidation is requested by the Seller; or
- (c) all of the Notes and the Residual Units issued by the Issuer are held by a single holder and the liquidation is requested by such holder.

The Management Company may elect, if a Liquidation Event has occurred, and subject to other conditions, to liquidate the Issuer in which case it shall propose to the Seller to repurchase in whole (but not in part) all of the outstanding Transferred Receivables (together with any related Ancillary Right) within a single transaction, for a repurchase price determined by the Management Company. Such repurchase price will take into account the expected net amount payable in respect of the outstanding Transferred Receivables, together with any interest accrued thereon and the unallocated credit balance of the FCT Accounts (other than the Commingling Reserve Account), provided that such repurchase price shall be sufficient to allow the Management Company to pay in full all amounts of principal and interest of any nature whatsoever, due and payable in respect of the outstanding Notes and Residual Units after the payment of all liabilities of the Issuer ranking *pari passu* with or in priority to those amounts in the relevant Priority of Payments. The Seller may choose to reject the Management Company's offer, in which case the Management Company will use its best endeavours to assign the outstanding Transferred Receivables to a credit

institution or any other entity authorised by applicable law and regulations to acquire the Transferred Receivables under similar terms and conditions and provided that the repurchase price shall be sufficient to allow the Management Company to pay in full all amounts of principal and interest of any nature whatsoever, due and payable in respect of the outstanding Notes and Residual Units after the payment of all liabilities of the Issuer ranking *pari passu* with or in priority to those amounts in the relevant Priority of Payments. Any proceeds of liquidation of the Issuer shall be applied in accordance with the relevant Priority of Payments (see the Section entitled "LIQUIDATION OF THE ISSUER" on page 125).

Credit Enhancement

The primary source of credit enhancement for the payment of interest and principal under the Class A Notes will result from the excess from time to time of the aggregate Interest Component of the Performing Receivables over the then Payable Costs.

Credit enhancement of the Class A Notes is also provided by subordination of payments due in respect of the Class B Notes and the General Reserve Deposit Agreement. The Class B Notes are subscribed by the Seller.

Class A Noteholders Representative

Association de Représentation des Masses de Titulaires de Valeurs Mobilières

Clearing Code

Class A Notes: Common Code 079096997

ISIN Number

Class A Notes: FR0011262278

Withholding Tax

Payments of interest and principal in respect of the Class A Notes will be made subject to any applicable withholding or deduction for or on account of any tax and neither the Issuer nor any of the Paying Agents will be obliged to pay any additional amounts as a consequence of such withholding or deduction.

Risk Factors

Prospective investors in the Class A Notes should consider, among other things, certain risk factors in connection with the purchase of the Class A Notes. Such risk factors as described below and as detailed in the Section entitled "RISK FACTORS" on page 24 may influence the ability of the Issuer to pay interest, principal or other amounts on or in connection with any Class A Notes. The risks in connection with the investment in the Class A Notes include, *inter alia*, risks relating to the Issuer, risks relating to the parties to the Transaction Documents, risks relating to the Class A Notes and risks relating to the Transferred Receivables and the Vehicles. These risks factors represent the principal risks inherent in investing in the Class A Notes only and shall not be deemed as exhaustive.

Governing Law

The Class A Notes and the FCT Transaction Documents are governed by and interpreted in accordance with French law. Pursuant to the FCT Regulations, the French courts having competence in commercial matters will have exclusive

jurisdiction to settle any dispute that may arise between the Noteholders, the Management Company and/or the Custodian in connection with the establishment, the operation or the liquidation of the Issuer.

RISK FACTORS

Prospective investors should:

- carefully consider the risk factors set out below, in addition to the other information contained in this Prospectus, in evaluating whether to purchase the Class A Notes; and
- also consult their own professional advisers if they deem that necessary.

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

The Class A Notes are a suitable investment only for investors who are capable of bearing the economic risk of an investment in the Class A Notes (including the risk that the investor shall lose all or a substantial portion of its investment) for an indefinite period of time with no need for liquidity and are capable of independently assessing the risks associated with an investment in the Class A Notes. Furthermore, each prospective purchaser of Class A Notes must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Class A Notes:

- is fully consistent with its (or if it is acquiring the Class A Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition;
- complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Class A Notes as principal or in a fiduciary capacity); and
- is a fit, proper and suitable investment for it (or if it is acquiring the Class A Notes in a fiduciary capacity, for the beneficiary), notwithstanding the substantial risks inherent to investing in or holding the Class A Notes.

The Management Company and the Custodian believe that the risks described below are the principal risks inherent in the transaction for the Class A Noteholders, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Class A Notes may occur for other reasons.

RISK FACTORS RELATING TO THE PARTIES

Risk Relating to the Issuer

Ability of the Issuer to Meet its Obligations under the Class A Notes

The Class A Notes are contractual obligations of the Issuer solely. The Class A Notes are not obligations or responsibilities of, or guaranteed by, the Management Company, the Custodian, the FCT Account Bank, the Seller, the Servicer, the FCT Cash Manager, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners, the Data Escrow Agent or any person other than the Issuer. Furthermore, none of these persons accept any liability whatsoever to Class A Noteholders in respect of any failure by the Issuer to pay any amount due under the Class A Notes. Subject to the powers of the Class A Noteholders Representative and the powers of the general assembly of the Class A Noteholders, only the Management Company may enforce the rights of the Class A Noteholders against third parties.

The ability of the Issuer to redeem all the Class A Notes in full and to pay all other amounts due to the Noteholders will depend upon whether sufficient amounts in respect of the Transferred Receivables and/or

the Ancillary Rights and Collateral Security, in particular the Vehicles, can be enforced to redeem the Class A Notes and satisfy claims ranking in priority of the Class A Notes in accordance with the applicable Priority of Payments.

There is no assurance that the market value of the Transferred Receivables will at any time be equal to or greater than the aggregate outstanding amount of the Class A Notes and the Class B Notes then outstanding plus the accrued interest thereon. Moreover, in the event of the occurrence of a Liquidation Event and a sale of the assets of the Issuer by the Management Company (see the Section entitled "LIQUIDATION OF THE ISSUER" on page 125), the Management Company, the Custodian, any relevant parties to the FCT Transaction Documents will be entitled to receive the proceeds of any such sale to the extent of unpaid fees and expenses and other amounts owing to such parties prior to any distributions due to the holders of the Class A Notes and the Class B Notes, in accordance with the application of the Priority of Payments applicable to a Monthly Payment Date falling within the Accelerated Amortisation Period (see the Section entitled "OPERATION OF THE ISSUER – Priority of Payments" on page 61).

Limited Sources of Funds - Limited Recourse

The Issuer will not have any assets or sources of funds other than the Transferred Receivables together with Ancillary Rights and Collateral Security it owns and the amounts standing to the credit of the FCT Accounts. Any credit or payment enhancement is limited (as to which see "*Risk factors relating to the Class A Notes – Credit Enhancement Provides Only Limited Protection Against Losses*"). The primary source of funds for payments in respect of the Class A Notes will be the Transferred Receivables. If Borrowers default on the Transferred Receivables, the Issuer will rely on the funds from the enforcement of the Collateral Security. The Issuer's ability to make full payments of interest and principal on the Class A Notes will also depend on the Seller performing its obligations under the Servicing Agreement to collect amounts due from Borrowers (as to which see "*Risk Factors relating to the Transferred Receivables and the Vehicle – Performance of Transferred Receivables uncertain*").

Pursuant to the FCT Regulations, the right of recourse of the Class A Noteholders with respect to receipt of payment of principal and interest together with arrears shall be limited to the assets of the Issuer pro rata to the number of Class A Notes owned by them.

The Noteholders have no direct recourse whatsoever to the relevant Borrowers for the Transferred Receivables purchased by the Issuer. Pursuant to the Conditions and the FCT Regulations, each Noteholder expressly and irrevocably:

- (a) agrees that, in accordance with Articles L. 214-43 and L. 214-48 III of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making a payment in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, even if the Issuer is liquidated;
- (b) agrees that in accordance with Article L. 214-43 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations;
- (c) to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, undertakes to waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full; and

- (d) agrees that in accordance with Article L. 214-48 III of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

Performance of Contractual Obligations of the Parties to the Transaction Documents

The ability of the Issuer to make any principal and interest payments in respect of the Class A Notes depends to a significant extent upon the ability of the parties to the FCT Transaction Documents to perform their contractual obligations. In particular and by way of example, without limiting the generality of the foregoing, the timely payment of amounts due in respect of the Class A Notes will depend on the ability of the Servicer to service the Transferred Receivables and to recover any amount relating to written-off Receivables.

Early Liquidation of the Issuer

The FCT Regulations set out a number of circumstances in which the Management Company would be entitled or obliged to liquidate the Issuer. These circumstances may occur prior to the scheduled maturity date of the Class A Notes, in which case the Class A Notes may be prepaid pursuant to the mandatory redemption provisions set out in Condition 5.3. There is no assurance, should the Management Company elect to liquidate the Issuer in accordance with the Section entitled "LIQUIDATION OF THE ISSUER" on page 125, that a buyer willing to purchase the Transferred Receivables for a purchase price sufficient to repay the Class A Notes in full after payment of amounts ranking higher in the applicable Priority of Payments can be found. In such case the Transferred Receivables will not be transferred by the Issuer and the Accelerated Amortisation Period will start. The Liquidation Events applicable to the Issuer and the procedure that applies in such circumstances are described in the Section entitled "LIQUIDATION OF THE ISSUER" on page 125.

Risks relating to the Servicer

Servicing

The net cash flows arising from the Transferred Receivables may be affected by decisions made, actions taken and the Servicing Procedures adopted and implemented by the Servicer. The current Servicing Procedures of the Servicer are described under the Section entitled "UNDERWRITING AND MANAGEMENT PROCEDURES" on page 91; however, the Servicer may change from time to time the Servicing Procedures that it applies, provided that any material amendments to the Servicing Procedures are notified to the Management Company and the Rating Agencies and shall not result in the ratings of the Class A Notes being downgraded. The terms of the Servicing Agreement provide that the Servicer will service the Transferred Receivables using the same degree of skill, care and diligence that it would apply if it were the owner of the Transferred Receivables.

The Noteholders have no right to give orders or directions to the Management Company in relation to the duties and/or appointment or removal of the Servicer. Such rights are vested solely in the Management Company.

French Rules Regarding Data

According to Article L. 511-33 of the French Monetary and Financial Code, any credit institution operating in France is required to keep confidential all customer-related facts and information which it receives in the course of its business relationship (including in connection with the entry into a loan agreement) (the **Protected Data**). However, Article L. 511-33 of the French Monetary and Financial Code also provides for certain exceptions to this principle; in particular, credit institutions are allowed to transfer information covered by the banking secrecy to third parties in a limited number of cases, among which for the purpose of a transfer of receivables, provided that such third party shall keep the relevant information confidential. Accordingly, the rules applicable to banking secrecy would not prevent the Seller to transfer to the Issuer

Protected Data regarding the Borrowers in connection with the transaction contemplated by the FCT Transaction Documents.

Under law No. 78-17 of 6 January 1978 (as amended) relating to the protection of personal data (*Loi relative à l'informatique, aux fichiers et aux libertés*) (the **Data Protection Law**) the processing of personal data relating to individuals has to follow certain requirements. However, those requirements do not apply to the collection/processing of anonymised data. In this respect, pursuant to the FCT Transaction Documents personal data regarding the Borrowers will be set out under encoded documents. Pursuant to the Data Escrow Agreement, the key (the **Key**) to decrypt such encoded documents will be delivered on or prior to the Closing Date at the premises of the Data Escrow Agent and will only be released to the Management Company or the person designated by it upon replacement of the Servicer. Upon the Issuer being in a position to have access to any personal data relating to the Borrowers, the Issuer, as a data controller, will have to comply with the requirements of the Data Protection Law.

Ability to obtain the Decryption Key

For the purpose of accessing the encrypted data provided by the Seller to the Issuer under the FCT Transaction Documents and notifying the Borrowers (as the case may be), the Management Company (or any person appointed by it) will need the Key, which will not be in its possession but under the control of RCI Banque, in its capacity as Data Escrow Agent (to the extent it has not been replaced). Accordingly, there cannot be any assurance, in particular, as to:

- (a) the possibility to obtain in practice such Key and to read the relevant data; and
- (b) the ability in practice of the Management Company (or any person appointed by it) to obtain such data in time for it to validly implement the procedure of notification of the Borrowers (as the case may be) before the corresponding Transferred Receivables become due and payable (and to give the appropriate payment instructions to the Borrowers).

The risk that the Management Company does not obtain the Key is reduced by the rating condition relating to the Data Escrow Agent set out in the Data Escrow Agreement, pursuant to which upon the downgrade of any rating granted to the Data Escrow Agent below the Required Ratings, the Management Company shall use all its best endeavours to enter, within 30 calendar days as from the day on which the rating of the Data Escrow Agent falls below the Required Ratings, into a data escrow agreement substantially in the form of the Data Escrow Agreement with a substitute data escrow agent (the **Substitute Data Escrow Agent**) provided that:

- (a) such substitution shall not result in the downgrading of the then current rating of the Class A Notes; and
- (b) the Substitute Data Escrow Agent shall have the Required Ratings applicable to the Data Escrow Agent.

Commingling Risk - Generality

Pursuant to (i) the Servicing Agreement and (ii) the Dedicated Account Agreement (*Convention de Compte à Affectation Spéciale*) entered into on or before the Closing Date between the Servicer, the Servicer Collection Account Bank, the Management Company and the Custodian, in accordance with the provisions of Articles L. 214-46-1 and D. 214-103 of the French Monetary and Financial Code, all monies collected in respect of the Transferred Receivables shall be credited (directly regarding amounts payable by direct debit or indirectly after being paid on an account of the Servicer/Seller regarding amounts paid by cheque or any means of payment other than direct debit) to the Servicer Collection Account opened in the name of the Seller as Servicer. Under the Dedicated Account Agreement, the Servicer Collection Account is specially dedicated (*spécialement affecté*) in favour of the Issuer. The French Monetary and Financial Code provides

that the creditors of the Servicer have no right over the sums credited to the Servicer Collection Account since these sums are for the exclusive benefit of the Issuer, including in the event of the opening of any insolvency proceedings of Book VI of the French Commercial Code against the Servicer.

Subject to the provisions of the Dedicated Account Agreement (*Convention de Compte à Affectation Spéciale*) and of the FCT Regulations, only the Issuer has the benefit of the sums credited to the Servicer Collection Account. If, at any time and for any reason whatsoever, the Dedicated Account Agreement (*Convention de Compte à Affectation Spéciale*) is not or ceases to be in full force and effect, any sums standing to the credit of the Servicer Collection Account may, upon the opening of any insolvency proceedings against the Servicer, be commingled with other sums and monies belonging to the Servicer and may not be available to the Issuer to make payments under the Class A Notes.

Commingling Risk - Direct Debits

The Auto Loan Agreements generally provide that amounts due by the Borrowers are payable by direct debit from the bank account of the Borrower and no other option is expressly left to the Borrower. In this respect, if it was considered that direct debits are the only payment mode available to Borrowers the *Commission des Clauses Abusives (CCA)* has already issued various statements providing that such restrictions to a single payment mode introduce a significant contractual imbalance to the detriment of consumers.

If successfully challenged the relevant clause would be deemed non-written (*réputée non écrite*). In practice, even if the recommendations of the CCA are not binding to professionals, a Borrower could validly pay any amount due under the Auto Loan Agreement by cheque, or as the case may be, in cash, or by any other licit means of payment.

Replacement of the Servicer

The ability of the Issuer to meet its obligations under the Class A Notes will depend on the performance of the duties of the Servicer, and, if applicable, a substitute servicer. No assurance can be given that the creditworthiness of these parties will not deteriorate in the future, which may affect the administration and enforcement of the Transferred Receivables by such parties in accordance with the relevant agreement. Resignation or termination of the Servicer could result in delays in the collection of Transferred Receivables, which in turn could cause delays in payments on the Class A Notes. Following a termination of the Servicer under the Servicing Agreement, the Management Company shall identify and appoint a substitute servicer to take over the tasks of the Servicer under the Servicing Agreement. No substitute servicer has been appointed in relation to the Issuer as of the Closing Date, and there is no assurance that any substitute servicer (i) which would be willing and able to act for the Issuer could be found, notably in order to administer the Collections and perform the duties of the Servicer under the Servicing Agreement and (ii) will not charge fees in excess of the fees to be paid to the Servicer.

In order to mitigate this risk, no termination of the Servicer's duties shall occur until a substitute servicer has accepted to perform all the obligations of the Servicer.

The Noteholders have no right to give orders or direction to the Management Company in relation to the duties and/or appointment or removal of the Servicer. Such rights are vested solely in the Management Company.

Notification to Borrowers

The assignment of the Transferred Receivables will be notified to the Borrowers only upon the occurrence of a Servicer Event of Default in relation to the Servicer only (which includes termination events in relation to the Seller, for as long as the Servicer and the Seller are the same legal entity (see the Section entitled "PURCHASE AND SERVICING OF THE RECEIVABLES" on page 83)). Until Borrowers have been notified of the assignment of the Transferred Receivables, they may make payment with discharging effect to

the Seller. Each Borrower may further raise defences against the Issuer arising from such Borrower's relationship with the Seller to the extent that such defences are existing prior to the notification of the assignment of the relevant Transferred Receivable or arise out of the set-off between the Borrower and the Seller of mutual claims which are closely connected with the Transferred Receivable (*compensation de créances connexes*).

Servicing Agreement

An administrator (*administrateur judiciaire*) or, as applicable, the liquidator (*liquidateur judiciaire*) will have the ability, pursuant to Article L. 622-13 of the Commercial Code, to require that the Servicing Agreement be continued; however, if after the commencement of insolvency proceedings against the Seller, the Seller does not perform its obligations as Servicer under the Servicing Agreement, then the Management Company will be entitled to terminate such mandate pursuant to the provisions of the Servicing Agreement. In such case, the Management Company shall be entitled to instruct the Borrower to pay any amount owed under the Transferred Receivables into any account specified by the Management Company in the notification.

Risk relating to Certain Conflicts of Interest

With respect to the Class A Notes, conflicts of interest may arise as a result of various factors involving in particular the Issuer, the Management Company, the Custodian, the Seller, the Data Escrow Agent, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners, their affiliates and the other parties named herein. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such potential conflicts.

For example, such potential conflicts may arise because of the following:

- (a) DIAC or one of its affiliates may purchase a portion of the Notes and, in this case, may exercise voting rights in respect of the Notes held by it in a manner that may not be aligned with the interests of other Noteholders. The fact that DIAC will also subscribe the Class B Notes and will undertake not to transfer the Class B Notes to a third party may also lead DIAC to exercise voting rights in respect of the Notes held by it in a manner that may not be aligned with the interests of other Noteholders;
- (b) in performing its duties on behalf of the Noteholders, the Management Company is required to take into account the interests of all of the Noteholders. However, should a conflict arise between the interests of the Class A Noteholders and the Class B Noteholders, the FCT Regulations contain provisions requiring the Management Company to defend the interests of the Class A Noteholders first since they rank higher in priority than the Class B Noteholders;
- (c) RCI Banque is acting in several capacities under the FCT Transaction Documents. Even if its rights and obligations under the FCT Transaction Documents are not conflicting and are independent from one another, in performing any such obligations in these different capacities under the FCT Transaction Documents, RCI Banque may be in a situation of conflict of interest provided that, when acting in its capacity as Custodian, RCI Banque will act in the interests of the Noteholders;
- (d) RCI Banque or one of its affiliates may purchase a portion of the Notes and, in this case, may exercise voting rights in respect of the Notes held by it in a manner that may not be aligned with the interests of other Noteholders;
- (e) DIAC is a wholly owned subsidiary of RCI Banque whereas DIAC and RCI Banque are acting in several capacities under the Transaction Documents; in performing such obligations in these different capacities under the Transaction Documents, DIAC and RCI Banque may be in a situation

- of conflicts of interest between each other and act in a manner that may not be aligned with the interests of other parties;
- (f) DIAC is acting in several capacities under the FCT Transaction Documents; even if its rights and obligations under the FCT Transaction Documents are not conflicting and are independent from one another, in performing any such obligations in these different capacities under the FCT Transaction Documents, DIAC may be in a situation of conflict of interest;
- (g) Société Générale is acting as Joint Arranger, Joint Lead Manager and Joint Bookrunner, FCT Account Bank, FCT Cash Manager and Principal Paying Agent and may (directly or through an entity within its group) purchase a portion of the Notes, and in this case, may exercise voting rights in respect of the Notes held by it in a manner that may not be aligned with the interests of other Noteholders;
- (h) Société Générale and Société Générale Bank & Trust belong to the same group and are acting in several capacities under the Transaction Documents. In performing such obligations in these different capacities under the Transaction Documents, Société Générale Corporate and Investment Banking and Société Générale Bank & Trust may be in a situation of conflicts of interest between each other and act in a manner that may not be aligned with the interests of other parties;
- (i) Crédit Agricole Corporate and Investment Banking is acting as Joint Arranger, Joint Lead Manager and Joint Bookrunner and may (directly or through an entity within its group) purchase a portion of the Notes and, in this case, may exercise voting rights in respect of the Notes held by it in a manner that may not be aligned with the interests of other Noteholders;
- (j) Citigroup Global Markets Limited is acting as Joint Lead Manager and Joint Bookrunner and may (directly or through an entity within its group) purchase a portion of the Notes and, in this case, may exercise voting rights in respect of the Notes held by it in a manner that may not be aligned with the interests of other Noteholders; and
- (k) any party named in this Prospectus and its affiliates may also have ongoing relationships with, render services to, or engage itself in other transactions with, another party or affiliate of another party named herein and as such may be in a position of conflict of interest.

RISK FACTORS RELATING TO THE CLASS A NOTES

Credit Enhancement Provides Only Limited Protection Against Losses

The credit enhancement mechanisms established within the Issuer through the issue of the Class B Notes and, if necessary, the Residual Units, the General Reserve Account and the Commingling Reserve Account provide only limited protection to the Class A Noteholders. Although the credit enhancement mechanisms are intended to reduce the effect of delinquent payments or losses recorded on the Transferred Receivables, the amounts available under such credit enhancement mechanisms are limited and, once reduced to zero, the Class A Noteholders may not receive all amounts of interest and principal due to them and therefore suffer losses.

Subordination of Class B Notes

Holders of Class B Notes will bear more credit risk than holders of Class A Notes and will incur losses, if any, prior to holders of Class A Notes. No payment of interest will be made on the Class B Notes until all of the FCT Fees and all interest on the Class A Notes (including past due interest) are paid in full, and no payment of principal will be made on the Class B Notes until all of the FCT Fees, all interest on the Class A Notes (including past due interest) and the principal amount of the Class A Notes are paid in full.

If the balance of the General Collection Account on any Monthly Payment Date is not sufficient to pay interest due on the Class B Notes, the payment of such interest shortfall will be postponed until sufficient funds are available and if the balance of the General Collection Account on any Monthly Payment Date is not sufficient to pay principal due on the Class B Notes, the payment of such principal amount will be postponed until sufficient funds are available.

For a more detailed description of the Priority of Payments please refer to “OPERATION OF THE ISSUER – Priority of Payments”.

Prepayments

Faster than expected rates of prepayments on the Transferred Receivables will cause the Issuer to make payments of principal on the Class A Notes earlier than expected and will shorten the maturity of the Class A Notes. Prepayments on the Transferred Receivables may occur as a result of (i) prepayments of Transferred Receivables by Borrowers in whole or in part, (ii) liquidations and other recoveries due to default, (iii) receipts of proceeds from claims on any physical damage, credit life or other insurance policies covering the Vehicles or the Borrowers and (iv) repurchases of Receivables by the Seller. A variety of economic, social and other factors will influence the rate of prepayments on the Transferred Receivables, including marketing incentives offered by vehicle manufacturers. No prediction can be made as to the actual prepayment rates that will be experienced on the Transferred Receivables.

If principal is paid on the Class A Notes earlier than expected due to prepayments on the Transferred Receivables (such prepayments occurring at a time when interest rates are lower than interest rates that would otherwise be applied if such prepayments have not been made or made at a different time), Noteholders may not be able to reinvest the principal in a comparable security with an effective interest rate equivalent to the interest rate on the Class A Notes. Similarly, if principal payments on the Class A Notes are made later than expected due to slower than expected prepayments or payments on the Transferred Receivables, Noteholders may lose reinvestment opportunities. Noteholders will bear all reinvestment risk resulting from receiving payments of principal on the Class A Notes earlier or later than expected.

Interest Shortfall

In the event that any of the Class A Notes is affected by any interest shortfall in accordance with the relevant Priority of Payments, such amount will not bear interest.

Absence of Secondary Market

Although an application will be made to list the Class A Notes on the official list of the Luxembourg Stock Exchange and to admit to trading the Class A Notes on the Regulated Market of the Luxembourg Stock Exchange, there is currently no secondary market for the Class A Notes. The absence of a secondary market for the Class A Notes could limit Noteholders’ ability to resell them. If Noteholders want to sell any of the Class A Notes before they mature, they may be unable to find a buyer or, if a buyer is found, the selling price may be less than it would have been if a secondary market existed. If a secondary market does develop, it might not continue or it might not be sufficiently liquid to allow resale of Class A Notes.

The global securitisation markets are currently experiencing severe disruptions worldwide resulting from reduced investor demand for asset-backed loans and securities and increased investor yield requirements for those loans and securities, despite recent improvement. There can be no assurance as to if or when market conditions will improve. A prolonged reduction in demand for asset-backed or other debt securities, alone or in combination with the continuing increase in prevailing market interest rates, may adversely affect the market value of the Class A Notes, the ability of the Class A Noteholders to sell the Class A Notes or acquire credit protection on the Class A Notes and may cause significant fluctuations in the market value of the Class A Notes. Any of the above may result in significant losses to the Class A Noteholders.

Furthermore, the Class A Notes are subject to certain selling restrictions, which may further limit their liquidity; please refer to the Section entitled "SUBSCRIPTION AND SALE" on page 136.

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 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 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 Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Paying Agents, the Listing Agent, the Data Escrow Agent, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners or the Seller makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment on the Closing Date or at any time in the future.

In particular, investors should be aware of Article 122a of the EU Capital Requirements Directive which applies in general in respect of notes issued under securitisations established after 31 December 2010, and to notes issued under securitisations established on or before that date from the beginning of 2015 to the extent that new underlying exposures are added or substituted after 31 December 2014. Article 122a restricts an EU-regulated credit institution from investing in asset-backed securities unless the Seller, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the EU-regulated credit institution that it will retain, on an ongoing basis, a net economic interest of not less than 5% in respect of certain specified credit risk tranches or asset exposures as contemplated by Article 122a. Article 122a also requires an EU regulated credit institution to be able to demonstrate that it has undertaken certain due diligence in respect of, amongst other things, its note position and the underlying exposures and that procedures are established for such activities to be conducted on an ongoing basis. Failure to comply with one or more of the requirements set out in Article 122a will result in the imposition of a penal capital charge on the notes acquired by the relevant investor.

Article 122a applies in respect of the Notes. Investors should therefore make themselves aware of the requirements of Article 122a (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. With respect to the commitment of DIAC to retain a material net economic interest in the securitisation as contemplated by Article 122a and with respect to the information to be made available by the Issuer or another relevant party (or, after the Closing Date, by the Seller in its capacity as the Servicer on the Issuer's behalf) in relation to the due diligence requirements under Article 122a, please see the statements set out in the Section "RESPONSIBILITY STATEMENT" on page 1. Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with Article 122a (and any corresponding implementing rules of their regulator) and none of the Issuer, DIAC (in its capacity as the Seller or the Servicer), the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Paying Agents, the Listing Agent, the Data Escrow Agent or the Joint Arrangers and Joint Bookrunners or the Joint Lead Managers and Joint Bookrunners makes any representation that the information described above is sufficient in all circumstances for such purposes.

Investors should also be aware that under the draft CRD IV proposals, the Article 122a requirements discussed above are supplemented by new requirements which are likely to oblige EEA-regulated credit institutions when investing in securitisation positions to conduct detailed ongoing monitoring of certain performance data relating to underlying exposures and to have a thorough understanding of all material features of the transaction. Failure to comply with these requirements may result in the imposing of penal risk weights by the relevant supervisory authority. As and when implemented, these changes may affect the

risk weighting of the Notes for investors who are subject to capital adequacy requirements. Consequently, investors should consult their own advisers as to the implications of the application of CRD IV to them.

There remains considerable uncertainty with respect to Article 122a and its implementation in EEA states and it is not clear what is required to demonstrate compliance to national regulators. It should be noted that EEA states may implement Article 122a (and related provisions) differently. Investors who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory charges for non-compliance with Article 122a should seek guidance from their regulator. Similar requirements to those set out in Article 122a are expected to be implemented for other EU-regulated investors (such as investment firms, insurance and reinsurance undertakings, UCITS funds and certain hedge fund managers) in the future.

Article 122a of the Capital Requirements Directive 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.

Eurosystem Eligibility

The European Central Bank maintains and publishes a list of assets which are recognised as eligible collateral for Eurosystem monetary and intra-day credit operations. Recognition (and inclusion on the list) is at the discretion of the Eurosystem and is dependent upon satisfaction of certain Eurosystem eligibility criteria and rules.

It cannot be assured that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. In certain circumstances, recognition may impact on (among other things) the liquidity of the relevant assets.

Ratings of the Class A Notes

The ratings assigned to the Class A Notes by the Rating Agencies take into consideration the structural, tax and legal aspects associated with the Class A Notes and the underlying Transferred Receivables, the extent to which the Borrowers' payments under the Transferred Receivables are adequate to make the payments required under the Class A Notes as well as other relevant features of the structure, including, *inter alia*, the credit quality of the FCT Account Bank, the FCT Cash Manager, the Paying Agents and the Servicer. The ratings do not address the possibility that the Noteholders might suffer a lower than expected yield due to prepayments.

The ratings granted by the Rating Agencies in respect of the Class A Notes address only the likelihood of timely receipt by any Class A Noteholder of regularly scheduled interest on the Class A Notes and the likelihood of receipt on the Legal Maturity Date by any Class A Noteholder of principal outstanding of the Class A Notes. Such ratings do not address the likelihood of receipt, prior to the Legal Maturity Date, of principal by any Class A Noteholder nor the receipt of any additional amounts relating to prepayment or early redemption which may become due to the Class A Noteholders.

Moody's rating addresses the expected loss which is borne by investors until the Legal Maturity Date of the Class A Notes.

A rating is not a recommendation to buy, sell or hold the Class A Notes and does not comment on their marketability, any market price or suitability for any particular investor. The ratings assigned to the Class A Notes (if any) should be evaluated independently from similar ratings on other types of securities.

Rating organisations other than the Rating Agencies may seek to rate the Class A Notes and, if such "shadow ratings" or "unsolicited ratings" are lower than the comparable ratings assigned to the Class A Notes by the

Rating Agencies, such shadow or unsolicited ratings could have an adverse effect on the value of the Class A Notes.

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. Future events, including events affecting the FCT Account Bank, the FCT Cash Manager, the Paying Agents, the Servicer or any party to the FCT Transaction Documents could have an adverse effect on the rating of the Class A Notes. There is no specific obligation on the Issuer, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Paying Agent or the Servicer or any other person or entity to maintain or procure the maintenance of any rating for the Class A Notes. If the ratings initially assigned to the Class A 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 to the Class A Notes.

Rating Agencies

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority (ESMA) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out in the Section entitled "GENERAL DESCRIPTION OF THE CLASS A NOTES" on page 43 of this Prospectus.

Average Life of the Class A Notes

The average life of the Class A Notes may be affected by an increase or a decrease in the level of prepayments, the occurrence of any Accelerated Amortisation Event or any Liquidation Event.

RISK FACTORS RELATING TO THE TRANSFERRED RECEIVABLES AND VEHICLES

Historical Information

The financial and other information set out in the Section entitled "DESCRIPTION OF RCI BANQUE AND THE SELLER" on page 94 and in the Section entitled "STATISTICAL INFORMATION" on page 70 represents the historical experience of the Seller and RCI Banque. None of the Issuer, the Management Company, the Custodian, the Paying Agents, the Data Escrow Agent, the FCT Account Bank, the Joint Lead Managers, the Joint Bookrunners, the Joint Arrangers or the FCT Cash Manager has undertaken or will undertake any investigation or review of, or search to verify the historical information. There is no assurance that the future experience and performance of the Transferred Receivables, the Issuer or the Seller in its capacity as Servicer will be similar to the historical experience described in this Prospectus.

Risk of Non-Existence of Transferred Receivables

In the event that any of the Transferred Receivables have not come into existence at the time of their assignment to the Issuer under the Receivables Transfer Agreement or belong to a person other than the Seller, such assignment would not result in the Issuer acquiring ownership title in such Transferred Receivables. The Issuer would not receive adequate value in return for its purchase price payment. In such

circumstances the Issuer would have rights in respect of breach of representation by the Seller as described under the Section entitled “THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES – Non Compliance of the Transferred Receivables” on page 69.

Reliance on Representations

None of the Issuer, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Joint Arrangers, the Joint Lead Managers and Joint Bookrunners, and the Data Escrow Agent has undertaken or will undertake or cause to be undertaken any investigations, searches or other actions as to the status of the Borrowers, the Auto Loan Agreements, the Transferred Receivables or the Collateral Security and will rely instead solely on the representations made by the Seller in respect of such matters in the Receivables Transfer Agreement (for a description of these representations see the Section entitled “PURCHASE AND SERVICING OF THE RECEIVABLES – Representations and Warranties” on page 85).

In the event of a breach of representation by the Seller, the Issuer’s sole remedy will be the rescission of the purchase of the corresponding Transferred Receivable. The Issuer would be reliant on the ability of the Seller to perform its obligations in connection with the rescission of transfer of such a Transferred Receivable (For a description of the Issuer’s rights in the event of a breach of representation by the Seller, see “THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES – Non Compliance of the Transferred Receivables”.)

Risks Resulting From French Consumer Legislation

The provisions of the French Consumer Code on consumer loan contracts apply to all Transferred Receivables arising under Loan Contracts qualifying as consumer loan contracts. Approximately 95% of the Auto Loan Agreements qualify as consumer loan contracts which are linked to the relevant sales contract relating to the acquisition of the Vehicles.

The French Consumer Code, *inter alia*, (i) imposes on lenders under consumer law contracts to provide certain information to borrowers that are consumers and to award time to the consumer before the entry into of a credit transaction is definitive and (ii) sets out detailed formalistic rules with regard to the contents of the credit contract. These rules were significantly amended following a recent reform of consumer credit in France in 2010 (law 2010-737 of 1 July 2010), implementing a 2008 European Directive enhancing transparency and consumer rights in the field of consumer credit.

Certain provisions of these amended rules are subject to interpretation. As the consumer credit reform only entered into force on 1 May 2011, there is currently no relevant case-law (i) giving indications on how these rules should be interpreted, (ii) what should be done in practice to comply with these rules and (iii) how sanctions would apply. The Seller has taken into account those new rules for drafting its standard form of Auto Loan Agreements in use since 1 May 2011, according to its best interpretation of these new rules. However, such construction of these rules remains subject to any competent Court's construction.

Infringement of those rules could lead to the full deprivation of all the credit interests (i.e. the credit will be granted free of interests). However, under the Receivables Transfer Agreement, the Seller will represent and warrant that the Auto Loan Agreements relating to the Transferred Receivables fulfil the relevant formal requirements of applicable Consumer Credit Legislation. In addition, the Seller will be obliged pursuant to the Receivables Transfer Agreement to indemnify the Issuer in the event that any Auto Loan Agreement was not originated in compliance with applicable Consumer Credit Legislation and the Seller does not (or cannot) remedy any such non-compliance.

Furthermore, under French Consumer Credit Legislation, the Borrowers are entitled, in certain circumstances and subject to certain conditions, to request from the *commission de surendettement* and/or competent tribunals and courts a moratorium, rescheduling and/or reduction of the debt (including a reduction in the applicable interest rate) or, in certain cases, the outright cancellation of all of their debts.

In addition, the opening of such *procédure de surendettement* triggers a stay in proceedings up to a year, which prevents the enforcement of the *gage sur véhicule automobile* and may affect the enforcement of the retention of title.

The application of such measures in favour of certain Borrowers would lead to a reduction in the amount to be collected by the Issuer under the Receivables and could result in the Class A Noteholders to suffer from a risk of principal loss and/or a reduction on the yield thereunder.

Risks From Borrowers' Defences and Set-off Rights Against Assignment

The Transferred Receivables assigned by the Seller to the Issuer in accordance with the terms of the Receivables Transfer Agreement may be subject to defences and set-off rights of the Borrowers as debtors of such Transferred Receivables in relation to the Issuer as assignee and new creditor. Such right of set-off may be exercised so long as the claim of the relevant Borrower against the Seller or a Car Dealer has become certain, due and payable (*certaine, liquide et exigible*) before the notification of the assignment of such Transferred Receivables to such Borrower. Provided that the claims are connected claims (*créances connexes*), such right of set-off may also be exercised (i) irrespective of the date on which each such claim arises or the date of assignment to the Issuer of such Transferred Receivables, (ii) notwithstanding the notification of the assignment of such Transferred Receivables to such Borrower.

Performance of Transferred Receivables Uncertain

The payment of principal and interest on the Class A Notes is, *inter alia*, conditional on the performance of the Transferred Receivables. Accordingly, the Noteholders will be exposed to the credit risk of the Borrowers.

The performance of the Transferred Receivables depends on a number of factors, including general economic conditions, unemployment levels, the circumstances of individual Borrowers, DIAC's underwriting standards at origination and the success of DIAC's servicing and collection strategies. Consequently, no accurate prediction can be made of how the Transferred Receivables will perform based on credit evaluation scores or other similar measures.

Balloon Payments

Under the Seller's standard terms and conditions, an Auto Loan may be structured as a loan amortising on the basis of fixed monthly Instalments of equal amounts throughout the term of the Auto Loan, up to and including maturity, or as a loan with a balloon payment, amortising on the basis of equal monthly Instalments, but with a substantial portion of the outstanding principal under the loan being repaid in a lump sum at maturity (a **Balloon Loan**). By deferring the repayment of a substantial portion of the principal amount of an Auto Loan until the final maturity date, the risk of non-payment of the final Instalment under a Balloon Loan may be greater than would be the case under a loan with equal Instalments up to and including the maturity date. The proportion of the Balloon Loans in the portfolio of Transferred Receivables is 20.16% as of the Cut-Off Date preceding the Closing Date.

Geographic Concentration of Borrowers

Although the Borrowers are located throughout Metropolitan France as at the date of origination of the Receivables, there can be no assurance as to what the geographical distribution of the Borrowers will be in the future depending on, in particular, the amortisation schedule of the Receivables. Consequently, any deterioration in the economic condition of the regions in which the Borrowers are located, or any deterioration in the economic condition of other regions that causes an adverse effect on the ability of the Borrowers to meet their payment obligations, could trigger losses of principal on the Class A Notes and/or could reduce the yield of the Class A Notes.

Vehicles and Residual Value

The Issuer will acquire from the Seller interests in the Transferred Receivables, including Ancillary Rights and Collateral Security, in particular retention of title (*réserve de propriété*) to the Vehicles (as to which see - "Retention of Title" below).

It may be difficult to trace and repossess any Vehicle. In addition, any proceeds of sale of a Vehicle may be less than the amount owed under the related Transferred Receivable. Any action to recover outstanding amounts may not be pursued if to do so would be uneconomic.

The market value of the Vehicles may be affected under certain circumstances including if Renault or Nissan were to suffer financial difficulties or to become Insolvent.

Used Car Risk

Certain of the Auto Loans giving rise to Transferred Receivables relate to Used Cars. Historically the risk of non-payment of auto loans in relation to Used Cars is greater than in relation to an auto loan for the purchase of a New Car. The proportion of Auto Loans in relation to Used Cars in the portfolio of Transferred Receivables is 33.13% as of the Cut-Off Date preceding the Closing Date.

Retention of Title and Pledge Over Vehicle

Most of the Transferred Receivables are secured by a retention of title over the relevant Vehicles. Retention of title is generally enforceable under French law against third parties.

However, the rights of the beneficiary of such a retention of title over a Vehicle will not be enforceable against certain creditors of the relevant Borrower or in certain situations such as (i) creditors (acting in good faith) benefiting from a pledge over such Vehicle and having possession of such Vehicle; (ii) creditors having possession of such Vehicle and benefiting from a retention right over such Vehicle until the full discharge of the debt of the relevant Borrower, to the extent that such creditors were not aware of the retention of title when the Vehicle was delivered to them; (iii) creditors (acting in good faith) which benefit from certain privileges (including any lessor of the premises leased to the relevant Borrower (*privilège du bailleur*) under Article 2332 of the French *Code Civil*), so long as such creditor is not aware of the retention of title; (iv) if the Vehicle does not exist "in kind" (*en nature*) and when in the possession of the relevant Car Dealer is not clearly identifiable as the Vehicle subject to the title retention; or (v) if the Vehicle subject to a retention of title is not actually located in France at the time of the enforcement, to the extent that competent foreign courts would not give effect to the title retention clause over the Vehicles.

In the event of a sale of a Vehicle to such a third party purchaser (acting in good faith), the beneficiary of the retention of title will have no right over the Vehicle other than the right to receive payment of the sale price of the Vehicle due from such purchaser (*subrogation réelle dans le prix de cession*).

The retention of title enables the Issuer to assert a claim against the relevant Borrower (or any receiver or liquidator, as the case may be, even if the relevant Borrower is subject to bankruptcy proceedings under Book VI of the French Commercial Code). Such a claim is called a *revendication* and is subject to certain conditions which must be strictly observed under Articles L. 624-9 *et seq.* of the French Commercial Code if the relevant Borrower is subject to an insolvency proceeding under Book VI of the French Commercial Code. In such event, the claim must be addressed to the *administrateur* (receiver) or, as the case may be, the *représentant des créanciers* (representative of the creditors) or the *liquidateur* (liquidator), within three months following the publication of the judgment opening the safeguard, the administration or the winding-up of the relevant Borrower (in accordance with Article L. 624-9 of the French Commercial Code). The claim will be ineffective once the receiver makes an offer to pay the amount of the claim (and this offer may include deferred payment terms granted by a court official with the consent of the creditor).

In addition to the retention of title, under the Auto Loan Agreement Borrowers have agreed to grant, as the case may be (*le cas échéant*), a pledge over the financed Vehicle. The Seller only registers and therefore perfects such pledge under certain circumstances.

In this respect, it should be noted in particular that:

- (a) under decree no. 53-968 dated 30 September 1953, only the seller of a Vehicle or the person financing the purchase of that Vehicle can benefit from an automobile pledge (*gage automobile*) over that Vehicle and such a pledge has to be perfected within three months of the registration of the Vehicle; and
- (b) pursuant to Article 2335 of the Civil Code a pledgor should be the owner of the pledged asset. One of the possible interpretations of that article could be that an automobile pledge (*gage automobile*) could not be validly taken over a Vehicle being the subject of a retention of title clause to the extent that the buyer of such a Vehicle would become the owner of the Vehicle only upon full payment of the purchase price. However, the validity of the retention of title clause contained in the Auto Loan Agreement should not be affected by the existence of a right of pledge over the same Vehicle.

Disproportionate Guarantee

Pursuant to Article L. 650-1 of the Commercial Code, a creditor may be held liable towards an insolvent debtor for any damage deriving from the credit granted by it to such debtor if the security interest securing such credit is disproportionate (*disproportionné*) compared to that credit. In such case, such security interest can be declared null and void or reduced by a judge.

Reliance on Collection Procedures

The Servicer will carry out the administration and enforcement of the Transferred Receivables. Accordingly, the Noteholders are relying on the business judgment and practices of the Servicer when enforcing claims against the Borrowers, selling the Vehicles and/or enforcing other Related Security. The Servicer is required to follow its collection practices, policies and procedures, being those practices, policies and procedures used by the Servicer with respect to comparable automotive receivables that it services for itself.

FURTHER LEGAL CONSIDERATIONS

Change of Law

The structure of the issue of the Notes and the ratings which are to be assigned to them are based on French law, regulatory, accounting and administrative practice in effect as at the date of this Prospectus, and having due regard to the expected tax treatment of all relevant entities under French tax law as at the date of this Prospectus. No assurance can be given as to the impact of any possible change to French law, regulatory, accounting or administrative practice in France or to French tax law, or the interpretation or administration thereof. Likewise the Conditions of the Class A Notes are based on French law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in French law or the official application or interpretation of French law after the date of this Prospectus.

Force Majeure

Further, the occurrence of certain events beyond the reasonable control of the Issuer and the Seller including strike, lock out, labour dispute, act of God, war, riot, civil commotion, malicious damage, accident, computer software, hardware or system failure, fire, flood or storm may lead to a reduction on, or delay to or misallocation of the payments received from, the Borrowers or result in the suspension of the obligations of the parties under the FCT Transaction Documents, which may adversely affect the ability of the Issuer to make payments of principal and interest in respect of the Class A Notes.

Direct Exercise of Rights

The Management Company is required under French law to represent the Issuer and to further represent and act in the best interests of the Noteholders and the holders of Residual Units. The Management Company has the exclusive right to exercise contractual rights against the parties which have entered into agreements with the Issuer, including the Seller and the Servicer. The Noteholders and the holders of Residual Units will not have the right to give directions (except where expressly provided in the FCT Transaction Documents) or to claim against the Management Company in relation to the exercise of their respective rights or to exercise any such rights directly.

No Regulation of Issuer by Regulatory Authority

The Issuer is not required to be licensed, registered or authorised under any current securities, commodities or banking laws of its jurisdiction of incorporation. There is no assurance, however, that regulatory authorities in one or more jurisdictions would not take a contrary view regarding the applicability of any such laws to the Issuer. The taking of a contrary view by such regulatory authority could have an adverse impact on the Issuer or the holders of Class A Notes.

An investment in any Class A Notes does not have the status of a bank deposit and is not within the scope of any deposit protection scheme.

Authorised Investments

The temporary available funds standing to the credit of the FCT Accounts (prior to their allocation and distribution) may be invested by the FCT Cash Manager in Authorised Investments. The value of the Authorised Investments may fluctuate depending on the financial markets and the Issuer may be exposed to a credit risk in relation to the issuers of such Authorised Investments. Neither the Management Company, the Custodian, the FCT Account Bank nor the FCT Cash Manager guarantees the market value of the Authorised Investments. The Management Company, the Custodian, the FCT Account Bank and the FCT Cash Manager shall not be liable if the market value of any of the Authorised Investments fluctuates and decreases.

Forecasts and Estimates

Any projections, forecasts and estimates contained in this Prospectus are forward-looking statements. Such projections are speculative in nature and it can be expected that some or all of the assumptions underlying the projections will not prove to be wholly correct or will vary from actual results. Consequently, the actual results might differ from the projections and such differences might be significant.

Implementation of and/or changes to the Basel II framework may affect the capital requirements and/or the liquidity associated with a holding of the Notes for certain investors.

In 1988, the Basel Committee on Banking Supervision (the **Basel Committee**) adopted capital guidelines that explicitly link the relationship between a bank's capital and its credit risks. In June 2006 the Basel Committee finalised and published new risk-adjusted capital guidelines (**Basel II**). Basel II includes the application of risk-weighting which depends upon, amongst other factors, the external or, in some circumstances and subject to approval of supervisory authorities, internal credit rating of the counterparty. The revised requirements also include allocation of risk capital in relation to operational risk and supervisory review of the process of evaluating risk measurement and capital ratios.

Basel II has not been fully implemented in all participating jurisdictions. The implementation of the framework in relevant jurisdictions may affect the risk-weighting of the Notes for investors who are or may become subject to capital adequacy requirements that follow the framework. The Basel II framework is implemented in the European Union by the Capital Requirements Directive. Certain amendments have been made to the Capital Requirements Directive, including by Directive 2010/76/EU (the so-called **CRD III**),

which is required to be implemented by Member States by the end of 2011 and which introduces (amongst other things) higher capital requirements for certain trading book positions and re-securitisation positions.

It should also be noted that the Basel Committee has approved significant changes to the Basel II framework (such changes being commonly referred to as "**Basel III**") and on 1 June 2011 issued its final guidance, which envisages a substantial strengthening of existing capital rules, including new capital and liquidity requirements intended to reinforce capital standards and to establish minimum liquidity standards and a minimum leverage ratio for financial institutions. In particular, the changes include, amongst other things, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the Liquidity Coverage Ratio and the Net Stable Funding Ratio). Member countries will be required to implement the new capital standards from January 2013, the new Liquidity Coverage Ratio from January 2015 and the Net Stable Funding Ratio from January 2018. The Basel Committee is also considering introducing additional capital requirements for systemically important institutions from 2016. The changes approved by the Basel Committee may have an impact on the capital requirements in respect of the Notes and/or on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

The European authorities support the work of the Basel Committee on the approved changes in general and, on 20 July 2011, the European Commission adopted a legislative package of proposals (known as "**CRD IV**") to implement the changes through the replacement of the existing Capital Requirements Directive with a new Directive and Regulation. As with Basel III, the proposals contemplate the entry into force of the new legislation from January 2013, with full implementation by January 2019; however, the proposals allow individual Member States to implement the stricter definition and/or level of capital more quickly than is envisaged under Basel III.

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences for and effect on them of any changes to the Basel II framework (including the Basel III changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

TAX CONSIDERATIONS

Withholding Tax under the Class A Notes

In the event that withholding taxes are imposed in respect of payments to Class A Noteholders of amounts due pursuant to the Class A Notes, the Issuer is not obliged to gross up or otherwise compensate the Class A Noteholders for the lesser amounts the Class A Noteholders will receive as a result of the imposition of withholding taxes (see the Section entitled "TAXATION" on page 111 for a summary of certain tax considerations in relation to the Class A Notes).

Withholding Tax in relation to the Transferred Receivables

In the event that withholding taxes are imposed in respect of payments to the Issuer from the Borrowers, the Borrowers are not required under the terms of the relevant Auto Loan Agreements to gross up or otherwise compensate the Issuer for the lesser amounts which the Issuer will receive as a result of the imposition of such withholding taxes.

EU Savings Directive

The European Union has adopted a Directive (2003/48/EC) (the **Savings Directive**) regarding the taxation of savings income. As from 1 July 2005, Member States are required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within their

jurisdiction to an individual resident in that other Member State or to certain entities established in that other Member State.

However, for a transitional period, Austria and Luxembourg are instead required (unless during such period they elect otherwise) to operate a withholding tax system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

The Savings Directive was implemented into French law under Article 242 *ter* of the French Tax Code (*Code général des impôts*).

The European Commission has proposed certain amendments to the Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.

Taxation General

Potential purchasers and sellers of the Class A Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Class A Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Class A Notes. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but should ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, holding, sale and redemption of the Class A Notes. Only these advisers are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation Sections of this Prospectus.

U.S. Foreign Account Tax Compliance Act withholding may affect payments on the Class A Notes.

Sections 1471 through 1474 of the U.S. Internal Revenue Code (**FATCA**) impose a new reporting regime and potentially a 30% withholding tax with respect to certain payments to any non-U.S. financial institution (a foreign financial institution, or **FFI** (as defined by FATCA)) that does not become a **Participating FFI** by entering into an agreement with the U.S. Internal Revenue Service (**IRS**) to provide certain information on its account holders. The new withholding regime will be phased in beginning in 2014.

The IRS has not yet provided comprehensive guidance regarding FATCA and no assurance can be provided that the Issuer will enter into such an agreement with the IRS. If the Issuer does not enter into such an agreement, the Issuer may be subject to a 30% withholding tax on all, or a portion of all, payments received from U.S. sources and from Participating FFIs. Any such withholding imposed on the Issuer may reduce the amounts available to the Issuer to make payments on the Class A Notes.

Alternatively, if the Issuer becomes Participating FFI, holders may be required to provide certain information or otherwise comply with FATCA to avoid withholding on amounts paid on the Class A Notes to such holders. The Issuer or other Participating FFIs or U.S. intermediaries through which payments on the Class A Notes are made may be required to withhold U.S. tax at a rate of 30% on all, or a portion of, payments made after 31 December 2016 in respect of (i) any Class A Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after 31 December 2012 (or are materially modified after that date) and (ii) any Class A Notes characterised as equity (or which do not have a fixed term) for U.S. federal tax purposes, whenever issued.

Such withholding would apply if the Issuer has a positive "passthrough payment percentage" (as determined under FATCA) and (a) an investor does not provide information sufficient to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States Account" of such Participating FFI, or (b) any FFI that is an investor, or through which payment on the Class A Notes is made, is not a

Participating FFI. If an amount in respect of FATCA withholding tax is deducted or withheld from interest, principal or other payments on the Class A Notes, the terms of the Class A Notes will not require any person to pay additional amounts as a result of the deduction or withholding of such tax.

As a result of either withholding against the Issuer or withholding on the Class A Notes, investors may, if FATCA is implemented as currently proposed by the IRS, receive less interest or principal than expected. FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on proposed regulations and official guidance that is subject to change. Class A Noteholders should consult their own tax advisers on how these rules may apply to payments they receive under the Class A Notes.

GENERAL DESCRIPTION OF THE CLASS A NOTES

The Issuer:	Cars Alliance Auto Loans France F 2012-1.
Description:	€750,000,000 Class A Notes due 25 September 2021 to be issued by the Issuer on the Closing Date at a price of 100% of their initial principal amount.
Joint Bookrunners:	Citigroup Global Markets Limited, Crédit Agricole Corporate and Investment Bank SA, and Société Générale.
Common Code:	079096997
ISIN:	FR0011262278
Certain Restrictions:	Class A Notes will only be subscribed and sold in circumstances which comply with laws, guidelines, restrictions or reporting requirements applicable from time to time (see the Section entitled "SUBSCRIPTION AND SALE" on page 136).
Principal Paying Agent:	Société Générale.
Luxembourg Paying Agent:	Société Générale Bank & Trust.
Listing Agent:	Société Générale Bank & Trust.
Legal Status:	The Class A Notes constitute direct, unsecured and unconditional obligations of the Issuer and are (i) financial instruments (<i>instruments financiers</i>), (ii) financial securities (<i>titres financiers</i>) and transferable securities (<i>valeurs mobilières</i>) within the meaning of Articles L. 211-1 and L. 211-2 of the French Monetary and Financial Code.
Form and Denomination:	In accordance with the provisions of Article L. 211-3 of the French Monetary and Financial Code the Class A Notes are issued in the denomination of €100.000 and in bearer dematerialised form (<i>en forme dématérialisée</i>). No physical document of title will be issued in respect of the Class A Notes. The delivery of the Class A Notes will be made in book-entry form through the facilities of the Clearing Systems.
	The Class A Notes are freely transferable, subject to Certain Restrictions.
Status and Ranking:	The Class A Notes rank <i>pari passu</i> without any preference or priority among themselves.
Closing Date:	27 June 2012.

Use of Proceeds:

The proceeds of the Notes to be issued on the Closing Date shall be applied by the Management Company, acting for and on behalf of the Issuer, to pay to the Seller the purchase price for the portfolio of Eligible Receivables to be purchased by the Issuer on the Closing Date in accordance with, and subject to, the terms of the Receivables Transfer Agreement (see the Section entitled "USE OF PROCEEDS" on page 101).

Rate of Interest:

The fixed rate of interest applicable to the Class A Notes shall be 1.379% per annum (the **Class A Notes Interest Rate**).

Interest Payment Dates:

Interest on the Class A Notes will be payable monthly in arrears in euro on each Monthly Payment Date, in each case subject to the relevant Priority of Payments.

Day Count Fraction:

The day count fraction in respect of the calculation of an amount of interest on the Class A Notes for any Interest Period will be computed and paid on the basis of the actual number of days in the relevant Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365).

Legal Maturity Date:

25 September 2021.

Priority of Payments:

All payments of interest and principal payable on the Class A Notes will be made subject to the limited recourse provisions applicable to the Issuer (as to which see "Limited Recourse" below) and to the extent of available funds for making any such payment at the relevant date of payment, in accordance with the applicable Priority of Payments; accordingly, without limitations:

- (a) payment of interest on the Class A Notes shall be made only to the extent of available funds after payment in full of all amounts ranking higher according to the relevant Priority of Payments, including, in particular, the payment of the FCT Fees of the Issuer;
- (b) payment of principal on the Class A Notes shall be made only to the extent of available funds after payment in full of all amounts ranking higher according to the relevant Priority of Payments, including, in particular, the payment of the FCT Fees of the Issuer and the payment of interest on the Class A Notes; and

- (c) payment of interest and principal on the Class B Notes will be made only to the extent of available funds after payment in full of all amounts ranking higher according to the relevant Priority of Payments, including, in particular, the payment of the FCT Fees of the Issuer, the payment of interest and principal on the Class A Notes.

Credit Enhancement:

The primary source of credit enhancement for the payment of interest and principal under the Class A Notes will result from the excess from time to time of the aggregate Interest Component of the Performing Receivables over the then Payable Costs.

Credit enhancement of the Class A Notes is also provided by subordination of principal and interest payments due in respect of the Class B Notes and the General Reserve Deposit Agreement. The Class B Notes are subscribed by the Seller.

Limited Recourse:

The Noteholders have no direct recourse whatsoever to the relevant Borrowers for the Transferred Receivables purchased by the Issuer. Pursuant to the provisions of the FCT Regulations, the Management Company has expressly and irrevocably undertaken to procure, upon the conclusion of any agreement, in the name and on behalf of the Issuer with any third party, that such third party expressly and irrevocably:

- (a) agrees that, in accordance with Articles L. 214-43 and L. 214-48 III of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making a payment in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, even if the Issuer is liquidated;
- (b) agrees that in accordance with Article L. 214-43 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations;
- (c) to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, undertakes to waive to demand

payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full; and

- (d) agrees that in accordance with Article L. 214-48 III of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

Ratings:

It is a condition to the issue of the Class A Notes that the Class A Notes will, when issued, be assigned an "AAA (sf)" rating by DBRS, an "Aaa (sf)" rating by Moody's, and an "AAA (sf)" rating by Standard & Poor's.

A security rating, as issued by the Rating Agencies, is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by one or more of the Rating Agencies.

The ratings granted by the Rating Agencies in respect of the Class A Notes only address the likelihood of timely receipt by any Class A Noteholder of regularly scheduled interest on the Class A Notes and the likelihood of receipt on the Legal Maturity Date by any Class A Noteholder of principal outstanding of the Class A Notes. Such ratings do not address the likelihood of receipt, prior to the Legal Maturity Date, of principal by any Class A Noteholder nor the receipt of any additional amounts relating to prepayment or early redemption which may become due to the Class A Noteholders.

Class A Noteholders Representative:

Association de Représentation des Masses de Titulaires de Valeurs Mobilières.

Selling and Transfer Restrictions:

The offer and sale of the Class A Notes will be subject to selling restrictions in various jurisdictions, in particular, those of the United States of America, Japan and those of the European Economic Area, including France, Austria, Belgium, Germany, Ireland, Italy, Luxembourg, The Netherlands, Spain and Portugal (see the Section entitled "SUBSCRIPTION AND SALE" on page 136).

Clearing Systems:

The Class A Notes will be admitted to the Clearing Systems and ownership of the same will be determined according to all laws and regulations applicable to the Clearing Systems.

The Class A Notes will, upon issue, be registered in the books of the Clearing Systems, which shall credit the respective accounts of the Account Holders affiliated with Euroclear and/or, as the case may be, Clearstream Banking (see the Section entitled "GENERAL INFORMATION" on page 142).

Listing and Admission to Trading:

Application has been made to list the Class A Notes on the

official list of the Luxembourg Stock Exchange and to admit the Class A Notes to trading on the Regulated Market.

Redemption of the Class A Notes:

Unless previously redeemed in full, the Issuer will (i) during the Amortisation Period redeem the Class A Notes on each Monthly Payment Date by the Class A Notes Amortisation Amount, subject to the relevant Priority of Payments and (ii) during the Accelerated Amortisation Period, redeem the Class A Notes on each Monthly Payment Date by the Class A Notes Amortisation Amount in accordance with the relevant Priority of Payments. The redemption in whole or in part of any amount of principal in respect of the Notes is subject to the provisions of the FCT Regulations, and in particular to the relevant Priority of Payments (see "TERMS AND CONDITIONS OF THE CLASS A NOTES" on page 103).

Accelerated Amortisation Event:

Each of the following events shall constitute an accelerated amortisation event (an **Accelerated Amortisation Event**):

- (a) any amount of interest due and payable on the Class A Notes remains unpaid five Business Days after the relevant Monthly Payment Date; and
- (b) the aggregate of the Defaulted Amounts calculated on each Calculation Date between the Closing Date and the last Calculation Date (included) has become equal to or greater than 6% of the aggregate Discounted Balance of the Transferred Receivables as of the Closing Date.

The Management Company shall notify the occurrence of an Accelerated Amortisation Event to the Noteholders and the Rating Agencies as soon as it becomes aware of such an event.

Investment Considerations:

See the Sections entitled "RISK FACTORS" on page 24 and "SUBSCRIPTION AND SALE – Selling and Transfer Restrictions" on page 136 and the other information included in this Prospectus for a discussion of certain factors that should be considered before investing in the Class A Notes.

Withholding Tax:

Payments of interest and principal in respect of the Class A Notes will be made subject to any applicable withholding or deduction for or on account of any tax and neither the Issuer nor any of the Paying Agents will be obliged to pay any additional amounts as a consequence of such withholding or deduction.

Governing Law:

French law.

WEIGHTED AVERAGE LIFE OF THE CLASS A NOTES

The concept of Weighted Average Life (WAL) of the Class A Notes refers to the expected average amount of time that will elapse from the Closing Date to the date of repayment of the Class A Notes Outstanding Amounts to the Noteholders.

The Weighted Average Life of the Class A Notes will be influenced by, among other things, the actual rate of repayment of the Transferred Receivables. This rate of repayment may itself be influenced by economic, tax, legal, social and other factors such as changes in the value of the financed Vehicles or the level of interest rates from time to time. For example, if prevailing interest rates fall below the interest rates on the Transferred Receivables, then the Transferred Receivables are likely to be subject to higher prepayment rates than if prevailing interest rates remain at or above the interest rates on the Transferred Receivables. Conversely, a lower prepayment rate may result in the Weighted Average Life of the Class A Notes being longer than as projected by the model.

The model used for the purpose of calculating estimates presented in this Prospectus employs an assumed constant per annum rate of prepayment (the **CPR**).

The CPR is an assumed annual constant rate of payment of principal not anticipated by the scheduled amortisation of the portfolio of Transferred Receivables which, when applied monthly, results in the expected portfolio of the Transferred Receivables balance and allows to calculate the monthly prepayment.

The model does not purport to be either an historical description of the prepayment experience, default experience or recovery experience of any pool of loans nor a prediction of the expected rate of prepayment or of default or of recovery of any portfolio, including the portfolio of Transferred Receivables.

The tables below were prepared based on the characteristics of the portfolio of Transferred Receivables as described in the Section entitled “STATISTICAL INFORMATION” on page 70 of this Prospectus and the following additional assumptions (the **Modelling Assumptions**):

- (a) the Monthly Payment Dates are assumed to be the 25th of each month;
- (b) the Receivables selected on 30 April 2012 have been aggregated into four sub-pools having the following characteristics:

Pool	Aggregate Discounted Balance (EUR)	Weighted average Discount Rate (%)	Weighted average Remaining Term (Months)
New Car amortising loans	464,885,713	7.29	33.9
Used Car amortising loans	325,525,321	7.59	36.0
New Car - balloon loans	197,166,100	8.40	27.1
Used Car – balloon loans	2,433,629	8.81	39.6
TOTAL	990,010,762	7.62	33.3

- (c) the contractual amortisation schedule of the pool of selected Receivables is the aggregate contractual amortisation schedule of four fixed rate loans paying constant monthly instalments, each having as initial balance, interest rate and remaining term respectively equal to the above aggregate

outstanding Discounted Balances, weighted average discount rates, and weighted average remaining terms (rounded up to the nearest integer);

- (d) there are neither arrears nor defaults that occur in respect of the Transferred Receivables;
- (e) no Transferred Receivables are repurchased by the Seller;
- (f) the Class A Notes are subscribed for on the Closing Date;
- (g) the Closing Date is 27 June 2012;
- (h) the initial aggregate principal amounts of the Class A Notes and the Class B Notes is equal to the total aggregate Discounted Balance of the Transferred Receivables at the Closing Date;
- (i) on the Closing Date, the Class B Notes Outstanding Amount is equal to 12.0% of the initial aggregate principal amounts of the Class A Notes and the Class B Notes;
- (j) all Instalments under the Transferred Receivables are timely received together with prepayments, if any, at the respective constant prepayment rate (“CPR”) set forth in the table below; and
- (k) no other Liquidation Event or Accelerated Amortisation Event occurs.

The actual characteristics and performance of the Transferred Receivables are likely to differ from the assumptions used in constructing the tables set forth below. Those tables are purely indicative and provided only to give a general sense of how the principal cash flows might behave under varying scenarios (e.g., it is not expected that the Transferred Receivables will prepay at a constant rate until maturity). Furthermore, it is not expected that all of the Transferred Receivables will prepay at the same rate, that the Transferred Receivables will be fully performing, or that the composition of the portfolio of Transferred Receivables will be strictly similar to the composition of the provisional portfolio consisting of the Eligible Receivables existing as at 30 April 2012.

Any difference between such assumptions and the actual characteristics and performance of the Transferred Receivables will cause the Weighted Average Lives of the Class A Notes to differ (which difference could be material) from the corresponding information in the tables.

Weighted Average Life of the Class A Notes

Portfolio Prepayment Rate	WAL (in Years)	First Principal Payment Date	Last Principal Payment Date
0.00%	1.32	25/07/2012	25/01/2015
5.00%	1.25	25/07/2012	25/12/2014
10.00%	1.18	25/07/2012	25/11/2014
15.00%	1.11	25/07/2012	25/11/2014
16.00%	1.09	25/07/2012	25/10/2014
20.00%	1.04	25/07/2012	25/10/2014

Portfolio Prepayment Rate	WAL (in Years)	First Principal Payment Date	Last Principal Payment Date
25.00%	0.98	25/07/2012	25/09/2014

The Weighted Average Life of the Class A Notes is subject to factors largely outside the control of the Issuer and consequently no assurance can be given that the assumptions and the estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

Approximate amortisation of the Class A Notes

The following amortisation scenarios are based on (i) the Modelling Assumptions listed above (ii) for different CPR scenarios. It should be noted that the actual amortisation of the Class A Notes may differ substantially from the amortisation scenario below.

Months	Class A Notes outstanding (in %)						
	0% CPR	5% CPR	10% CPR	15% CPR	16% CPR	20% CPR	25% CPR
Jun-12	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Jul-12	96.94%	96.47%	95.98%	95.45%	95.35%	94.91%	94.32%
Aug-12	93.87%	92.95%	91.99%	90.99%	90.79%	89.94%	88.83%
Sep-12	90.77%	89.44%	88.05%	86.61%	86.32%	85.10%	83.52%
Oct-12	87.65%	85.94%	84.16%	82.31%	81.93%	80.39%	78.39%
Nov-12	84.52%	82.44%	80.30%	78.09%	77.64%	75.80%	73.43%
Dec-12	81.36%	78.95%	76.48%	73.95%	73.43%	71.33%	68.63%
Jan-13	78.18%	75.48%	72.71%	69.88%	69.30%	66.98%	64.00%
Feb-13	74.99%	72.01%	68.98%	65.89%	65.26%	62.74%	59.52%
Mar-13	71.77%	68.55%	65.28%	61.97%	61.30%	58.61%	55.19%
Apr-13	68.53%	65.09%	61.63%	58.12%	57.42%	54.59%	51.02%
May-13	65.27%	61.65%	58.01%	54.35%	53.62%	50.68%	46.98%
Jun-13	61.99%	58.21%	54.43%	50.65%	49.89%	46.87%	43.09%
Jul-13	58.70%	54.79%	50.89%	47.02%	46.25%	43.16%	39.33%
Aug-13	55.37%	51.37%	47.39%	43.45%	42.67%	39.56%	35.70%
Sep-13	52.03%	47.95%	43.93%	39.96%	39.17%	36.05%	32.20%
Oct-13	48.67%	44.55%	40.50%	36.53%	35.74%	32.63%	28.82%
Nov-13	45.28%	41.15%	37.11%	33.17%	32.39%	29.31%	25.56%
Dec-13	41.88%	37.77%	33.76%	29.87%	29.10%	26.09%	22.42%
Jan-14	38.45%	34.39%	30.45%	26.63%	25.88%	22.95%	19.39%
Feb-14	35.00%	31.01%	27.17%	23.46%	22.73%	19.89%	16.47%
Mar-14	31.53%	27.65%	23.92%	20.35%	19.65%	16.93%	13.66%
Apr-14	28.03%	24.29%	20.71%	17.30%	16.63%	14.04%	10.95%
May-14	24.52%	20.94%	17.54%	14.30%	13.68%	11.24%	8.34%
Jun-14	20.98%	17.60%	14.40%	11.37%	10.79%	8.52%	5.83%
Jul-14	17.42%	14.27%	11.30%	8.50%	7.96%	5.87%	3.42%
Aug-14	13.83%	10.94%	8.23%	5.68%	5.19%	3.30%	1.09%
Sep-14	10.22%	7.62%	5.19%	2.92%	2.48%	0.81%	0.00%
Oct-14	6.59%	4.31%	2.19%	0.21%	0.00%	0.00%	0.00%
Nov-14	3.83%	1.80%	0.00%	0.00%	0.00%	0.00%	0.00%
Dec-14	1.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Jan-15	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

GENERAL DESCRIPTION OF THE ISSUER

General

Cars Alliance Auto Loans France F 2012-1 is a French *fonds commun de titrisation* (securitisation mutual fund) established at the joint initiative of the Management Company and the Custodian acting as founders. The Issuer is established pursuant to, and governed by, the provisions of Articles L. 214-42-1 to L. 214-49-14 and Articles R. 214-92 to R. 214-114 of the French Monetary and Financial Code, the FCT Regulations and the other relevant FCT Transaction Documents. The Issuer is a *copropriété* (co-ownership entity) and was established as a special purpose entity, the sole purpose of which is to acquire Eligible Receivables from the Seller. The Issuer does not have a *personnalité morale* (separate legal personality) but it will be represented by the Management Company. The Issuer has no registration number, no registered office and no telephone number. The business address of the Management Company is at Immeuble "les Diamants", 41 rue Delizy, 93500 Pantin and its telephone number is +33 174 73 04 74. The Issuer is neither subject to the provisions of the French Civil Code relating to the rules of *indivision* (co-ownership) nor to the provisions of Articles 1871 to 1873 of the French Civil Code relating to *sociétés en participation* (partnerships). The Issuer's name shall be validly substituted for that of the co-owners with respect to any transaction made in the name and on behalf of the co-owners of the Issuer.

The Issuer is established on 27 June 2012 for a duration which will terminate on the Legal Maturity Date (i.e. 25 September 2021) under the following name: Cars Alliance Auto Loans France F 2012-1.

On the Closing Date, the Issuer will acquire a portfolio of Eligible Receivables from the Seller pursuant to the Receivables Transfer Agreement. In order to fund the acquisition of the Eligible Receivables, the Issuer will issue on the Closing Date:

- (a) €750,000,000 Class A Notes;
- (b) €102,300,000 Class B Notes subordinated to the Class A Notes and subscribed in full by the Seller; and
- (c) two Residual Units of €150 each subscribed by the Seller.

Funding Strategy of the Issuer

The Funding Strategy of the Issuer is to issue the Class A Notes, the Class B Notes and the Residual Units in order to purchase from the Seller a portfolio of Eligible Receivables arising from the Auto Loan Agreements granted to Borrowers in order to finance the purchase of New Cars or Used Cars.

FCT Regulations

The FCT Regulations include, *inter alia*, the rules concerning the creation, the operation (including the Funding Strategy of the Issuer) and the liquidation of the Issuer, the respective duties, obligations, rights and responsibilities of the Management Company and of the Custodian, the characteristics of the Transferred Receivables, the characteristics of the Notes and Residual Units issued in connection with the Funding Strategy of the Issuer, the Priority of Payments and the credit enhancement set up in relation to the Issuer and any specific third party undertakings.

As a matter of French law, the Noteholders are bound by the FCT Regulations. A copy of the FCT Regulations will be made available for inspection by the Noteholders at the registered office of the Management Company and the specified offices of the Paying Agents.

Limitations

Without prejudice to the obligations and rights of the Issuer, the Noteholders have no direct recourse whatsoever toward the Borrowers.

Assets of the Issuer

Transferred Receivables and related assets

The assets of the Issuer shall include the Transferred Receivables (and any Ancillary Rights including any Collateral Security attached thereto) as purchased on the Closing Date by the Issuer from the Seller pursuant to the Receivables Transfer Agreement (see the Sections entitled "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES" on page 67 and "PURCHASE AND SERVICING OF THE RECEIVABLES" on page 83).

The securitised assets backing the issue of the Notes have characteristics that demonstrate capacity to produce funds to service any payment due and payable on the Notes (see the Section entitled "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES" on page 67).

Description of the Receivables

Pursuant to the provisions of the Receivables Transfer Agreement, the Issuer will purchase, on the Closing Date, Receivables that shall comply with the Eligibility Criteria set out in the Section entitled "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES – Eligibility Criteria" on page 67, in accordance with and subject to the provisions of the Receivables Transfer Agreement, as further set out in the Section entitled "PURCHASE AND SERVICING OF THE RECEIVABLES" on page 83.

No transfer of non-performing Receivables

Subject to the provisions of the Receivables Transfer Agreement, the Seller is not entitled to offer for transfer to the Issuer Receivables which are either doubtful (*douteuses*), subject to litigation (*litigieuses*) or frozen (*immobilisées*).

Cash

The assets of the Issuer shall include the FCT Available Cash and all available sums and monies standing to the credit of the General Reserve Account and the Commingling Reserve Account, which will be invested from time to time by the FCT Cash Manager in Authorised Investments in accordance with the investment rules set out in the FCT Regulations.

Other

The assets of the Issuer shall also comprise any other sums or assets which the Issuer might also receive or obtain in any manner whatsoever by operation of law or in accordance with the FCT Regulations and/or any other agreements it has executed or may execute.

Litigation

The Issuer is established on the Closing Date and, therefore, the Issuer has not been and is not involved for the last twelve months in any litigation or arbitration proceedings that may have any material adverse effect on its financial situation. The Management Company is not aware of any such proceedings or arbitration proceedings that are imminent, pending or threatened, and which could adversely affect the Issuer's business, results, operations and/or financial situation.

Material Contracts

Apart from the FCT Transaction Documents to which it is a party, the Issuer has not entered into any material contracts other than in the ordinary course of its business.

Financial Statements

The Issuer has not commenced operations before the Closing Date and no financial statements have been made up as at the date of this Prospectus.

Relevant Parties

The Management Company

The Management Company is Eurotitrisation, a *société anonyme* incorporated under, and governed by, the laws of France, duly authorised as a *société de gestion de fonds commun de créances* by the French *Autorité des Marchés Financiers*, whose registered office is at Immeuble "Les Diamants", 41 rue Délizy, 93500 Pantin (France), registered with the Trade and Companies Register of Bobigny (France) under number 352 458 368, the sole purpose of which is to manage *fonds communs de créances* and *fonds communs de titrisation* (debt mutual funds and securitisation mutual funds).

On the date of this Prospectus, the composition of the share capital of the Management Company is as follows:

- Crédit Agricole Corporate and Investment Bank: 33.31%;
- Natixis : 28.29%;
- BNP Paribas: 22.98%;
- AXA France: 5.18%;
- BPCE: 5.00%; and
- Compagnie Financière de Paris: 5.16%.

As at 15 May 2012, Eurotitrisation had a share capital of €684,000. The Management Company's telephone number is +33 1 74 73 04 74.

The Management Company participated, jointly with the Custodian, in the establishment of the Issuer. The Management Company represents the Issuer towards third parties and in any legal proceedings, whether as plaintiff or defendant, and is responsible for the management and operation of the Issuer. Subject to supervision by RCI Banque, acting in its capacity as Custodian, the Management Company shall take any steps which it deems necessary or desirable to protect the Issuer's rights in, to and under the Transferred Receivables. The Management Company shall be bound to act at all times in the best interest of the Noteholders.

The responsibilities of the Management Company are set out in the FCT Regulations. These responsibilities include:

- (a) ensuring, on the basis of the information provided to it, that (i) the Seller complies with its obligations towards the Issuer and/or the Management Company under the provisions of the Receivables Transfer Agreement, (ii) the Servicer complies with its obligations towards the Issuer and/or the Management Company under the provisions of the Servicing Agreement and (iii) if

applicable, the substitute servicer(s) of the Transferred Receivables, in the event of substitution of the Servicer of the Transferred Receivables, comply(ies) with its/their obligations towards the Issuer and/or the Management Company under the provisions of the Servicing Agreement;

- (b) managing the FCT Accounts;
- (c) calculating the amounts due to the Noteholders and/or Unitholder(s), as well as any amount due to any third party, in accordance with the provisions of the FCT Regulations;
- (d) managing the investment of the FCT Available Cash pursuant to the provisions of the FCT Regulations; and
- (e) purchasing on behalf of the Issuer a portfolio of Eligible Receivables and issuing the Notes and Residual Units on the Closing Date in accordance with the provisions of the Receivables Transfer Agreement and the FCT Regulations.

In performing its duties, in particular as described under paragraph (a) above, the Management Company shall be entitled to assume, in the absence of actual notice to the contrary, that the representations and warranties given by the Seller to the Issuer and to the Management Company, as set out in the Receivables Transfer Agreement, were and are true and accurate when given or deemed to be given, and that the Seller is at all times in compliance with its obligations under the FCT Transaction Documents to which it is a party. The Management Company has not made any enquiries or taken any steps, and will not make any enquiries or take any steps, to verify the accuracy of any representations and warranties or the compliance by the Seller with its obligations under the FCT Transaction Documents to which it is a party.

The Management Company did not engage any of the Rating Agencies in respect of any application for assigning the initial ratings to the Class A Notes.

The Management Company may sub-contract or delegate all or part of its duties or may appoint a third party to exercise all or part of those duties but cannot thereby exempt itself from liabilities in respect thereof under the FCT Regulations. The management of the Issuer may be transferred, at the request of the Management Company or, in certain circumstances, at the request of the Custodian, to another debt mutual fund management company (*société de gestion de fonds commun de créances*) as defined in paragraph I of Article L. 214-48 of the French Monetary and Financial Code as drafted prior to the publication of ordinance n° 2008-556 of 13 June 2008 or a portfolio management company (*société de gestion de portefeuille*) governed by Article L. 532-9 of the French Monetary and Financial Code, subject to (i) the prior agreement of the *Autorité des Marchés Financiers* in accordance with Article 321-14 of the General Regulations of the *Autorité des Marchés Financiers* (ii) the compliance with all applicable laws, (iii) the substitution will not affect the level of security enjoyed by the Noteholders, Unitholder(s) and the Management Company shall have notified the Noteholders and Unitholder(s) prior to such substitution and (iv) the Custodian has given its prior written approval, such consent not to be refused or withheld other than on the basis of legitimate, serious and reasonable grounds and only for the benefit of the Noteholders and Unitholder(s).

The Custodian

The Custodian is RCI Banque, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 14 avenue du Pavé Neuf, 93160 Noisy le Grand (France), registered with the Trade and Companies Register of Bobigny (France) under number 306 523 358, and is licensed as an *établissement de crédit* (credit institution) in France by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code.

The Custodian shall, subject to the powers of the Noteholders, act in the best interests of the Noteholders and of the Unitholder(s) and shall:

- (a) act as custodian of the assets of the Issuer in accordance with Article L. 214-49-7-II of the French Monetary and Financial Code and the FCT Regulations;
- (b) hold on behalf of the Issuer the Transfer Documents required by Articles L. 214-49-7-II and D. 214-104 of the French Monetary and Financial Code relating to the purchase of the portfolio of Eligible Receivables by the Issuer on the Closing Date; and
- (c) pursuant to Article L. 214-49-7-II of the French Monetary and Financial Code, be responsible for supervising the compliance (*régularité*) of any decision of the Management Company.

The Custodian may delegate all or part of its duties to a third party, provided, however, that the Custodian shall remain liable to the Issuer, the Noteholders and the Unitholder(s) for the performance of its duties regardless of any such delegation.

At any time, the Custodian may substitute itself with any duly authorised credit institution, upon prior notice of 30 days to the Management Company and to the *Autorité des Marchés Financiers*, provided that, *inter alia*, the Management Company shall have given its prior approval to such substitution.

The FCT Account Bank and FCT Cash Manager

The FCT Account Bank and the FCT Cash Manager are Société Générale, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 29 boulevard Haussmann, 75009 Paris (France), registered with the Trade and Companies Register of Paris (France) under number 552 120 222, and licensed as a *banque* (bank) in France by *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code.

The FCT Accounts are held with the FCT Account Bank which, with the FCT Cash Manager, provides the Management Company with banking and custody services relating to the bank accounts of the Issuer including providing certain cash management services in relation to the FCT Available Cash and the available monies standing to the credit of the Commingling Reserve Account, respectively. In particular, the FCT Account Bank shall act upon the instructions of the Management Company in relation to the operations of the FCT Accounts, in accordance with the provisions of the Account and Cash Management Agreement.

If, at any time, the ratings of Société Générale fall below the Required Ratings, the Custodian shall, upon request by the Management Company, by written notice to Société Générale terminate the appointment of the FCT Account Bank and of the FCT Cash Manager and will appoint, within 15 calendar days, a substitute account bank and cash manager that shall, among other requirements set out in the FCT Regulations, have at least the Required Ratings provided that no termination of the FCT Account Bank and FCT Cash Manager's appointments shall occur for so long as an eligible substitute account bank and cash manager has not been appointed by the Management Company.

The Servicer

The Servicer is DIAC, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 14, avenue du Pavé Neuf, 93160 Noisy-le-Grand (France), registered with the Trade and Companies Register of Bobigny (France) under number 702 002 221, and licensed as an *établissement de crédit* (credit institution) in France by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code.

In accordance with Article L. 214-46 of the French Monetary and Financial Code and with the Servicing Agreement, the Seller has been appointed by the Management Company as Servicer. As Servicer, the Seller shall be responsible for the management, servicing and collection of the Transferred Receivables. The Management Company shall be entitled to terminate the appointment of the Servicer upon the occurrence of a Servicer Event of Default, in accordance with and subject to the Servicing Agreement. In such

circumstances, the Management Company shall be entitled to appoint a substitute servicer in accordance with, and subject to, the provisions of Article L. 214-46 of the French Monetary and Financial Code and the Servicing Agreement.

Pursuant to Article D. 214-104 of the French Monetary and Financial Code and the terms of the Servicing Agreement, the Servicer shall ensure the safekeeping of the Contractual Documents and shall establish appropriate documented custody procedures in relation thereto and an independent internal ongoing control of such procedures. The Custodian shall ensure, on the basis of a statement of the Servicer, that all appropriate documented custody procedures in relation to the Contractual Documents have been set up. This statement shall enable the Custodian to check if the Servicer has established appropriate documented custody procedures allowing the safekeeping of the Receivables, the Ancillary Rights including the Collateral Security and that the Receivables are collected for the sole benefit of the Issuer. At the request of the Management Company or the Custodian, the Servicer shall forthwith provide the Contractual Documents to the Custodian, or any other entity designated by the Custodian and the Management Company.

The Data Escrow Agent

The personal data of the Borrowers provided by the Seller to the Issuer will be encrypted to protect the confidentiality of the identity of the Borrowers and the key to such encrypted data will be kept by RCI Banque as Data Escrow Agent.

FCT Statutory Auditor

Mazars S.A. a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at Tour Exaltis, 61 rue Henri Regnault, 92400 Courbevoie (France), has been appointed for a term of six financial periods as FCT Statutory Auditor (*commissaire aux comptes*) of the Issuer in accordance with Article L. 214-49-9 of the French Monetary and Financial Code and shall be responsible for carrying out certain duties as set out in the FCT Regulations. Mazars S.A. is registered as a chartered accountant with the *Compagnie Nationale des Commissaires aux Comptes* (CNCC).

In accordance with applicable laws and regulations, the FCT Statutory Auditors are required in particular:

- (a) to certify, when necessary, that the Issuer's accounts are true and fair and to verify the accuracy of the information contained in the management reports prepared by the Management Company;
- (b) to bring to the attention of the Management Company, the Custodian and the French *Autorité des Marchés Financiers* any irregularities or misstatements that may be revealed during the performance of their duties; and
- (c) to examine the information transmitted periodically to the Noteholders, the Unitholder(s) and the Rating Agencies by the Management Company and to prepare an annual report on the FCT Accounts for the benefit of the Noteholders, the Unitholder(s) and the Rating Agencies.

Indebtedness Statement

The indebtedness of the Issuer on the Closing Date (after the issuance of the Class A Notes and the Class B Notes) will be as follows:

Indebtedness	€
Class A Notes	€750,000,000
Class B Notes	€102,300,000
Residual Units	€300
Total indebtedness	€852,300,300

At the date of this Prospectus, the Issuer has no borrowings or indebtedness (save for the General Reserve Account) in the nature of borrowings, term loans, liabilities under acceptance credits, charges or guarantees.

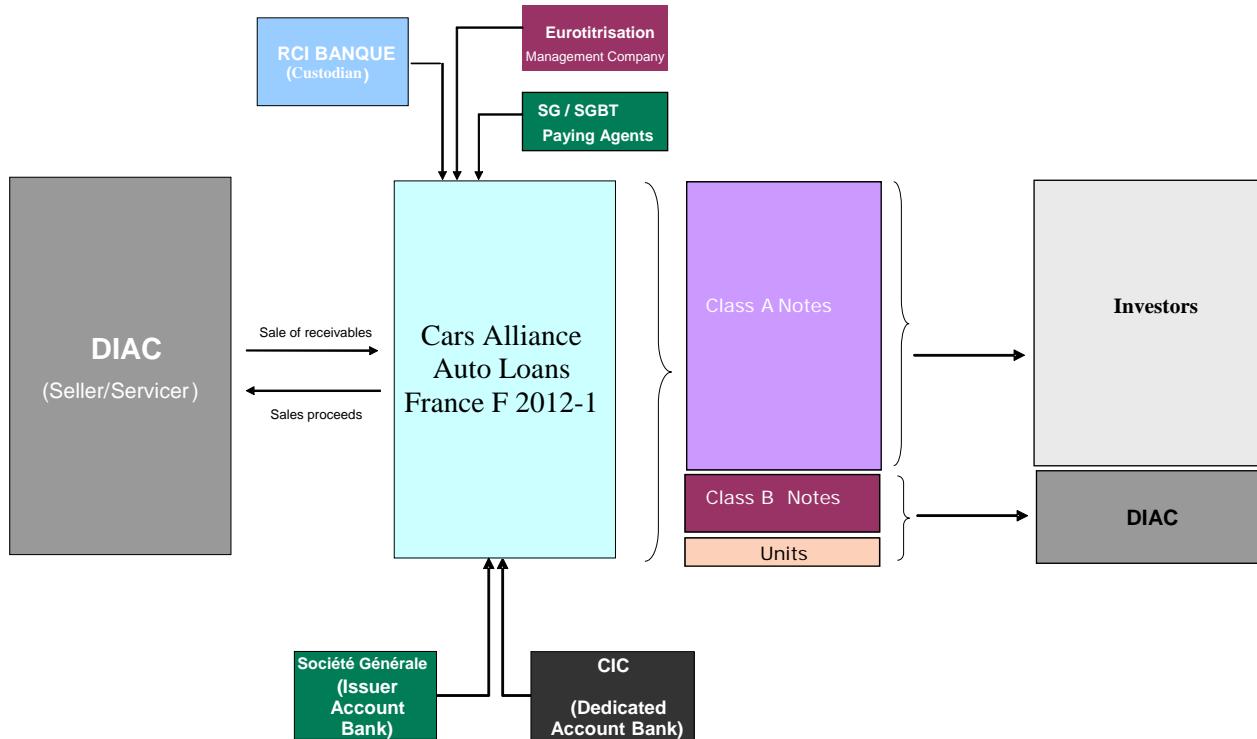
Governing Law and Submission to Jurisdiction

The FCT Regulations and the other FCT Transaction Documents are governed by and interpreted in accordance with French law. Pursuant to the FCT Regulations, the French courts having competence in commercial matters will have exclusive jurisdiction to settle any dispute that may arise between the Noteholders, the Unitholder(s), the Management Company and/or the Custodian in connection with the establishment, the operation or the liquidation of the Issuer.

Liquidation of the Issuer

Pursuant to the FCT Regulations and the Receivables Transfer Agreement, the Management Company may decide to initiate the early liquidation of the Issuer in accordance with Article L. 214-49-10 of the French Monetary and Financial Code in the circumstances described in the Section entitled "LIQUIDATION OF THE ISSUER" on page 125. Except in such circumstances, the Issuer shall be liquidated on the FCT Liquidation Date.

SIMPLIFIED DIAGRAM OF THE TRANSACTION



OPERATION OF THE ISSUER

This section:

- (a) *relates to the operation of the Issuer during the Amortisation Period and the Accelerated Amortisation Period (as more detailed below);*
- (b) *contains the description of the Accelerated Amortisation Events and the consequences of the occurrence of such events; and*
- (c) *contains the applicable Priority of Payments which will be applied depending on the relevant period.*

Prospective investors and Noteholders are invited to refer to the relevant defined terms appearing in the Glossary of Terms and to read this section in conjunction with such defined terms.

Operations of the Issuer after the Closing Date

The Management Company, acting in the name and on behalf of the Issuer, shall not be entitled to purchase any further Eligible Receivables and shall not be entitled to issue further Notes after the Closing Date.

General Description of the Periods

The rights of the Class A Noteholders to receive payments of principal and interest under the Class A Notes at any time are determined by the period then applicable. The relevant periods are:

- (a) the Amortisation Period; and
- (b) the Accelerated Amortisation Period.

Amortisation Period

Duration

The Amortisation Period shall start on (but excluding) the Closing Date and end on (and including) the earlier of the following dates:

- (a) the date on which all Notes are redeemed in full;
- (b) the date of occurrence of an Accelerated Amortisation Event; and
- (c) the date on which the Management Company elects to proceed to the liquidation following a Liquidation Event.

The Issuer shall be entitled to repay the Notes on each Monthly Payment Date of the Amortisation Period, in accordance with the provisions of the FCT Regulations.

Operations of the Issuer during the Amortisation Period

During the Amortisation Period, the Management Company (or, where the Management Company fails to do so, the Custodian) shall, upon becoming aware of the occurrence of an Accelerated Amortisation Event, forthwith notify the Noteholders and the Rating Agencies of the occurrence of any such event and of the Monthly Payment Date on which the first Interest Period of the Accelerated Amortisation Period is to commence, such notice to be given in accordance with the provisions of the FCT Regulations.

Accelerated Amortisation Period

Duration

The Accelerated Amortisation Period shall take effect from the date of occurrence of an Accelerated Amortisation Event or the date on which the Management Company elects to proceed to the liquidation following a Liquidation Event up to the Monthly Payment Date on which the Notes are repaid in full.

Accelerated Amortisation Events

An Accelerated Amortisation Event shall occur if:

- (a) any amount of interest due and payable on the Class A Notes remains unpaid after five Business Days following the relevant Monthly Payment Date; or
- (b) the aggregate of the Defaulted Amounts calculated on each Calculation Date between the Closing Date and the last Calculation Date (included), has become equal to or greater than 6% of the aggregate Discounted Balance of the Transferred Receivables as of the Closing Date.

Operation of the Issuer during the Accelerated Amortisation Period

During the Accelerated Amortisation Period, the Issuer will operate similarly as during the Amortisation Period except that the Class A Notes shall no longer be amortised on each Monthly Payment Date up to the Monthly Amortisation Basis but rather up to the Class A Notes Outstanding Amount and the Class B Notes shall no longer be amortised up to the Monthly Amortisation Basis remaining after repayment on the Class A Notes but rather up to the Class B Notes Outstanding Amount. In this respect:

- (a) the Noteholders shall receive interest payments in accordance with the Priority of Payments applicable to the Accelerated Amortisation Period, provided that:
 - (i) the Class A Noteholders shall receive, on each Monthly Payment Date, interest payments, pursuant to the applicable Priority of Payments and on a *pari passu* basis pro rata to their then outstanding amounts; and
 - (ii) the Class B Noteholders shall receive, on each Monthly Payment Date, interest payments, pursuant to the applicable Priority of Payments once the Class A Notes have been repaid in full and on a *pari passu* basis pro rata to their then outstanding amounts; and
- (b) the Noteholders shall receive principal repayments in accordance with the Priority of Payments applicable to the Accelerated Amortisation Period, subject to paragraphs (i) and (ii) below:
 - (i) the Class A Noteholders shall receive, on each Monthly Payment Date, repayments of principal pursuant to the Priority of Payments applicable to the Amortisation Period and in an amount equal to the Class A Notes Amortisation Amount as at such Monthly Payment Date; and
 - (ii) the Class B Noteholders shall receive, on each Monthly Payment Date, but only once the Class A Notes have been repaid in full, repayments of principal pursuant to the Priority of Payments applicable to the Amortisation Period and in an amount equal to the Class B Notes Amortisation Amount as at such Monthly Payment Date.

Priority of Payments

Amortisation Period

On each Monthly Payment Date falling within the Amortisation Period, the Management Company shall apply the credit balance of the General Collection Account (after the transfer in full of the Credit Balance of the General Reserve Account into the General Collection Account and, as the case may be, after transfer of any amount from the Commingling Reserve Account to the extent the Servicer has breached its obligation to transfer Collections under the Servicing Agreement) up to the sum of (i) the amount of the Available Collections and (ii) the credit balance of the General Reserve Account thus credited into the General Collection Account on such date towards the following payments or provisions in the following order of priority but in each case only to the extent that all payments or provisions of a higher priority due to be paid or provided for on such Monthly Payment Date have been made in full:

First: towards payment of the FCT Fees to each relevant creditor;

Second: towards payment of the Class A Notes Interest Amount due on such Monthly Payment Date to the Class A Noteholders;

Third: towards transfer into the General Reserve Account of an amount being equal to the General Reserve Required Level as at such Monthly Payment Date;

Fourth: towards amortisation of the Class A Notes on such Monthly Payment Date in an amount equal to the Class A Notes Amortisation Amount;

Fifth: towards payment of the Class B Notes Interest Amount due on such Monthly Payment Date to the Class B Noteholders;

Sixth: towards amortisation of the Class B Notes on such Monthly Payment Date in an amount equal to the Class B Notes Amortisation Amount;

Seventh: towards payment to the Seller of an amount being equal to the positive difference, if any, between (a) the credit balance of the General Reserve Account as of such Monthly Payment Date (before crediting such balance to the General Collection Account) and (b) the General Reserve Required Level as of such Monthly Payment Date, as repayment of the deposit made by the Seller under the General Reserve Deposit Agreement;

Eighth: towards amortisation of the Residual Units and payment of any remaining balance of the General Collection Account *pari passu* to the Unitholders as liquidation surplus (*boni de liquidation*).

Accelerated Amortisation Period

On each Monthly Payment Date falling within the Accelerated Amortisation Period, the Management Company shall apply the credit balance of the General Collection Account (after the transfer in full of the General Reserve Account into the General Collection Account and, as the case may be, after transfer of any amount from the Commingling Reserve Account to the extent the Servicer has breached its obligation to transfer Collections under the Servicing Agreement) towards the following payments or provisions in the following order of priority but in each case only to the extent that all payments or provisions of a higher priority due to be paid or provided for on such Monthly Payment Date have been made in full.

First: towards payment of the FCT Fees to each relevant creditor;

Second: towards payment of the Class A Notes Interest Amount to the Class A Noteholders;

- Third:* towards transfer into the General Reserve Account of an amount being equal to the General Reserve Required Level as at such Monthly Payment Date;
- Fourth:* towards amortisation of the Class A Notes in an amount equal to the Class A Notes Amortisation Amount (and therefore, until the Class A Notes are repaid in full);
- Fifth:* towards payment of the Class B Notes Interest Amount to the Class B Noteholders;
- Sixth:* towards amortisation of the Class B Notes in an amount equal to the Class B Notes Amortisation Amount (and therefore, until the Class B Notes are repaid in full);
- Seventh:* towards payment to the Seller of an amount being equal to the positive difference, if any, between (a) the credit balance of the General Reserve Account as of such Monthly Payment Date (before crediting such balance to the General Collection Account) and (b) the General Reserve Required Level as of such Monthly Payment Date, as repayment of the deposit made by the Seller under the General Reserve Deposit Agreement;
- Eighth:* towards amortisation of the Residual Units and payment of any remaining balance of the General Collection Account *pari passu* to the Unitholders as liquidation surplus (*boni de liquidation*).

General principles applicable to the Priorities of Payments

Unless expressly provided to the contrary, in the event that the credit balance of the General Collection Account is not sufficient to pay any amount due under a particular paragraph of any of the Priority of Payments set out above:

- (a) the relevant creditors (if more than one) entitled to receive a payment under such paragraph shall be paid in no order *inter se* but *pari passu* in proportion to their respective claims against the Issuer (except in respect of the FCT Fees, which shall be paid in accordance with the provisions of the FCT Regulations);
- (b) any unpaid amount(s) shall be deferred and shall be payable on the immediately following Monthly Payment Date in priority to the amounts due on that following Monthly Payment Date under the relevant paragraph of the Priority of Payments; and
- (c) such deferred unpaid amounts shall not bear interest.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

Description of the Notes and the Residual Units

Legal status

The Notes and the Residual Units are governed by French law and defined as being:

- (a) financial securities (*titres financiers*) within the meaning of Articles L. 211-1 and L. 211-2 of the French Monetary and Financial Code;
- (b) transferable securities (*valeurs mobilières*) within the meaning of Article L. 211-2 of the French Monetary and Financial Code; and
- (c) the Notes are French law obligations (*obligations*) within the meaning of Articles L. 213-5 and R. 214-107 of the French Monetary and Financial Code.

In accordance with the provisions of Article L. 211-3 of the French Monetary and Financial Code, the Notes and the Residual Units will be issued in bearer dematerialised form (*forme dématérialisée*). The Class A Notes are issued in book-entry form and will be admitted to the Clearing Systems. The ownership of the Class A Notes is determined according to the laws and regulations applicable to the Clearing Systems. Pursuant to Article L. 214-43 of the French Monetary and Financial Code, the Unitholder(s) shall not be entitled to demand the repurchase of Residual Units by the Issuer and, pursuant to the respective terms and conditions of the Class A Notes and the Class B Notes, the Noteholders shall not be entitled to demand the repurchase of their Notes by the Issuer.

Description of the Notes and Residual Units issued by the Issuer on the Closing Date

Pursuant to the FCT Regulations, it is intended that, on the Closing Date, the Issuer will issue:

- (a) €750,000,000 Class A Notes which will be listed on the official list of the Luxembourg Stock Exchange and will be admitted to trading on the Regulated Market; and
- (b) €102,300,000 Class B Notes which are not listed and will be subscribed by the Seller.

Residual Units

Pursuant to the FCT Regulations, on the Closing Date, the Issuer will issue two Residual Units of €150 each which will be subscribed by the Seller on the Closing Date.

Use of Proceeds

The proceeds of the Notes and the Residual Units to be issued on the Closing Date shall be applied by the Management Company, acting for and on behalf of the Issuer, to pay to the Seller the purchase price for the portfolio of Eligible Receivables to be purchased by the Issuer on the Closing Date in accordance with, and subject to, the terms of the Receivables Transfer Agreement.

Placement, listing, admission to trading and clearing

Placement

All Class A Notes will be offered for subscription in accordance with this Prospectus.

The Class B Notes will not be offered for subscription other than to the Seller and will be subscribed in full by the Seller.

The Residual Units will not be offered for subscription other than to the Seller and will be subscribed in full by the Seller.

Listings, Admission to Trading and Clearing

The Class A Notes will be listed on the official list of the Luxembourg Stock Exchange and will be admitted to trading on the Regulated Market and will be admitted to the Clearing Systems.

None of the Class B Notes and the Residual Units will be:

- (a) listed on any French or foreign stock exchange or traded on any French or foreign securities market (whether regulated within the meaning of Articles L. 421-1 *et seq.* of the French Monetary and Financial Code or over the counter); and
- (b) accepted for clearance through the Clearing Systems or any other French or foreign clearing system.

Selling Restrictions

No offering material or document (including this Prospectus) has been (or will be) registered with the French *Autorité des Marchés Financiers* and the Class A Notes may not be offered or sold to the public in France nor may the FCT Regulations, any offering material or other document relating to the Notes be distributed or caused to be distributed, directly or indirectly, to the public in France. Such offers, sales and distributions may only be made in France to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, Articles L. 411-1, L. 411-2 and D. 411-1 to D. 411-3 of the French Monetary and Financial Code (see the Section entitled "SUBSCRIPTION AND SALE – Selling and Transfer Restrictions - France" on page 136).

Ratings

Class A Notes

It is a condition to the issue of the Class A Notes that the Class A Notes will, when issued, be assigned an "AAA (sf)" rating by DBRS, an "Aaa (sf)" rating by Moody's, and an "AAA (sf)" rating by Standard & Poor's.

Class B Notes

The Class B Notes will not be rated by the Rating Agencies.

Residual Units

The Residual Units will not be rated by the Rating Agencies.

Rights and Obligations of the Noteholders

FCT Regulations

Upon subscription or purchase of any Note, a Noteholder shall automatically and without any formalities (*de plein droit*) be bound by the provisions of the FCT Regulations, as they may be amended from time to time in accordance with the provisions of the FCT Regulations as described in the Section entitled "MODIFICATIONS TO THE TRANSACTION" on page 127.

Information

The Noteholders shall have the right to receive the information as described in the Section entitled "INFORMATION RELATING TO THE ISSUER" on page 134 and "GENERAL ACCOUNTING PRINCIPLES" on page 129. They may not participate in the management of the Issuer and, accordingly, shall incur no liability therefore. All prospective investors of Notes should consult their own professional advisers concerning any possible legal, tax, accounting, capital adequacy or financial consequences of buying, holding or selling any Note under French law and the applicable laws of their country of citizenship, residence or domicile.

Management Company to act in the best interest of the Noteholders

The Management Company shall always act in the best interest of the Noteholders, it being understood that if the Noteholders give a unanimous written notice to the Management Company (whether at their own initiative or at the initiative of the Management Company), whereby the Noteholders inform the Management Company that making a decision (or refraining from making the same) or performing an action or a specific procedure (or refraining from performing the same) would be in their best interests, then the Management Company shall be entitled, *vis-à-vis* the Noteholders, to act in accordance with their interests as expressed by them under such notice. In case of a conflict of interest between the Class A Noteholders and the Class B Noteholders and/or the Residual Unitholders, the interest of the Class A Noteholders shall prevail.

The parties hereto acknowledge and agree that in the event that the Management Company seeks from the Noteholders their views in relation to a specific situation and that the Noteholders do not express such views, the Management Company shall nevertheless act in their best interests, as provided for by the French Monetary and Financial Code and the other applicable laws and regulations and shall not construe the lack of action from the Noteholders as an expression of their interests, whether positive, negative or other.

Limited Recourse

Without limiting the scope of the obligations and the possibility of recourse of the Issuer, the Noteholders acknowledge that they shall have no direct right of action or recourse, under any circumstances whatsoever, against the Borrowers of the portfolio of Transferred Receivables. Moreover, pursuant to Condition 6, each Noteholder will expressly and irrevocably:

- (a) agree that, in accordance with Articles L. 214-43 and L. 214-48 III of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making a payment in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, even if the Issuer is liquidated;
- (b) agree that in accordance with Article L. 214-43 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations;
- (c) to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, undertake to waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full; and
- (d) agree that in accordance with Article L. 214-48 III of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

After the relevant Legal Maturity Date, any principal and/or interest amount remaining unpaid in respect of the Notes shall be automatically and without any formalities (*de plein droit*) cancelled, and as a result, with effect from the relevant Legal Maturity Date, the Noteholders shall no longer have any right to assert a claim in respect of the Notes against the Issuer.

THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES

The portfolio of Transferred Receivables, the ownership of which is assigned to the Issuer on the Closing Date, is a portfolio of French Law Auto Loan Agreements as originated by the Seller for the purchase of New Cars and Used Cars.

Eligibility Criteria

The Seller represents and warrants to the Issuer and the Management Company under the Receivables Transfer Agreement that each of the Receivables to be transferred to the Issuer, together with the related Borrower and Auto Loan Agreement, shall, on the Closing Date satisfy the Eligibility Criteria, set out below:

- (a) the Receivable results from an Auto Loan Agreement, entered into between the Seller and the Borrower, the latter being identified neither as an employee of the Renault Group, nor as a member of the Renault Group commercial network;
- (b) the Auto Loan Agreement was concluded in connection with the execution of a sale contract for a Vehicle entered into between a Car Dealer and the Borrower;
- (c) the interest rate applicable to the Receivable is fixed;
- (d) the Receivable is neither a Defaulted Receivable, nor a Delinquent Receivable and more generally is not doubtful (*douteuse*), subject to litigation (*litigieuse*) or frozen (*immobilisée*);
- (e) the Receivable is amortised on a monthly basis and gives rise to constant monthly instalments (except for the last instalment in the case of Balloon Loans);
- (f) the payment of the relevant Instalments has been set up at the signature of the Auto Loan Agreement by direct debit;
- (g) the Receivable is not the subject of a payment of an indemnity by any insurance company under, as the case may be, a death insurance policy within the framework of a group insurance and/or an unemployment death insurance policy within the framework of a group insurance;
- (h) the Borrower, if it is a private legal entity (*personne morale de droit privé*), is registered (*immatriculé*) in Metropolitan France, or if it is an individual, is a resident in Metropolitan France, as provided for in the corresponding Auto Loan Agreement;
- (i) the relevant Discount Rate is at least equal to seven percent (7%);
- (j) to the extent the Borrower under such Receivable was granted a right of withdrawal (*droit de rétractation*) either by any applicable law or contractually under any applicable Contractual Document, such withdrawal period has lapsed;
- (k) on the Cut-Off Date preceding such Closing Date, the Receivable has a remaining term to maturity not exceeding 60 months and not less than one month;
- (l) the Receivable is payable in euro;
- (m) in respect of each Receivable, on the Cut-Off Date preceding the Closing Date, the sum of the age of the relevant Vehicle as at the corresponding Auto Loan Effective Date and the maturity of the Auto Loan Agreement was less than ten years;

- (n) when the Receivable results from a Balloon Loan, the amount of the Balloon Instalments is less than 65% of the sale price of the corresponding Vehicle as at the corresponding Auto Loan Effective Date;
- (o) when the Receivable results from a Balloon Loan, it has been granted to an individual;
- (p) as of the Cut-Off Date preceding the Closing Date, there has been at least one Instalment paid under the relevant Auto Loan Agreement;
- (q) the initial Principal Outstanding Balance of the Receivable is equal to or below the value of the corresponding Vehicle as at the corresponding Auto Loan Effective Date;
- (r) on the Cut-Off Date preceding the Closing Date, the current Discounted Balance of the Receivable was higher than €100; and
- (s) the Receivable does not relate to a Vehicle that uses an electric motor for propulsion.

Additional Representations and Warranties

The Seller shall give additional representations and warranties on the Closing Date in relation to the Receivables to be transferred by it to the Issuer, the underlying Auto Loan Agreements and the related Borrowers to the effect that, among other matters:

- (a) the Seller has full title over the (i) Receivables and (ii) their Ancillary Rights and both are free of any encumbrances;
- (b) the Auto Loan Agreements and the Contractual Documents relating to the relevant Receivable (and to any related Collateral Security) are governed by French law and constitute legal, valid and binding obligations of the Borrowers;
- (c) the Auto Loan Agreements have been entered into by the Seller pursuant to its usual procedures in respect of the acceptance of auto loans and in compliance with applicable French law and regulation provisions (including any applicable consumer law);
- (d) the Borrower does not hold any deposit with the Seller;
- (e) the amounts received in connection with any given Receivable can be identified and segregated from the amounts pertaining to any other Receivable and from the amounts pertaining to all other receivables of the Seller;
- (f) the Seller has performed all of its obligations in connection with the Receivables;
- (g) the Receivables have not been the subject of a writ being served (*assignation*) by the Borrowers or by any other third party on any ground whatsoever;
- (h) the Receivables are not subject, *inter alia*, in whole or in part, to any prohibition on payment, protest, lien, cancellation right, suspension, set-off, counterclaim, judgment, claim, refund or any other similar events which are likely to reduce the amount due in respect of the Receivables;
- (i) the payments due from the Borrowers in connection with the Receivables are not subject to withholding tax;
- (j) any given Auto Loan Agreement will finance the purchase of the same Vehicle until the repayment date of such Auto Loan Agreement and that the Borrower shall remain the same until the repayment date of such Auto Loan Agreement; and

- (k) the Receivables are automatically managed through the Seller's information systems and are not manually processed in any way.

Non-Compliance of the Transferred Receivables

Undertakings of the Seller

The Receivables shall be purchased by the Issuer in consideration of representations, warranties and undertakings given by the Seller as to their conformity with the applicable Eligibility Criteria.

Pursuant to the provisions of the Receivables Transfer Agreement, if, at any time after the date of execution of the Receivables Transfer Agreement, the Seller or, in relation to a Transferred Receivable, the Management Company becomes aware that any of the representations, warranties and undertakings referred to above was false or incorrect by reference to the facts and circumstances existing on the date on which the relevant representation or warranty was made, then:

- (a) that party shall inform the other parties without delay by written notice; and
- (b) the Seller shall remedy the breach on the earliest of the fifth Business Day from the day on which the Seller became aware of such breach, or the fifth Business Day following receipt of the said written notification.

If such breach is not or is not capable of being remedied, then the transfer of such Affected Receivable shall automatically be deemed null and void without any further formalities (*résolu de plein droit*) and the Seller shall pay to the Issuer, in accordance with and subject to the provisions of the Receivables Transfer Agreement, an amount equal to the relevant Non-Compliance Payment.

Limits of the Representations and Warranties

The representations, warranties and undertakings given by the Seller in respect of the conformity of the Transferred Receivables to the applicable Eligibility Criteria under the terms of the Receivables Transfer Agreement do not give rise to any guarantee. Under no circumstances may the Management Company request an additional indemnity from the Seller in respect of such representations, warranties and undertakings.

The Seller does not guarantee the creditworthiness of the Borrowers or the effectiveness and/or the economic value of the Ancillary Rights. Moreover, the above representations, warranties and undertakings do not provide the Class A Noteholders with any enforcement right vis-à-vis the Seller, the Management Company being the only entity authorised to represent the interests of the Issuer vis-à-vis any third party and under any legal proceedings in accordance with Article L. 214-49-7 I of the French Monetary and Financial Code.

Balloon Payment as a Percentage of Car Sale Price

Balloon Payment as % of Car Sale Price	New - Balloon		Used - Balloon		TOTAL			
	Sum of Discounted Balance	%	Sum of Discounted Balance	%	Sum of Discounted Balance	%	Number of Contracts	%
<=x< 10.0	6,342	0.00%	-	0.00%	6,342	0.00%	1	0.01%
10.0 <=x< 20.0	407,397	0.21%	-	0.00%	407,397	0.20%	46	0.29%
20.0 <=x< 30.0	7,754,670	3.93%	108,123	4.44%	7,862,794	3.94%	644	4.02%
30.0 <=x< 40.0	80,315,112	40.73%	907,738	37.30%	81,222,851	40.69%	6,487	40.51%
40.0 <=x< 50.0	81,288,488	41.23%	1,092,842	44.91%	82,381,330	41.27%	6,653	41.54%
50.0 <=x< 60.0	25,910,996	13.14%	257,142	10.57%	26,168,137	13.11%	2,064	12.89%
60.0 <=x	1,483,095	0.75%	67,783	2.79%	1,550,878	0.78%	119	0.74%
Total	197,166,100	100.00%	2,433,629	100.00%	199,599,728	100.00%	16,014	100.00%

Maximum Balloon Payment as % of Car Sale Price	64.9%	64.0%
Min Balloon Payment as % of Car Sale Price	1.3%	26.3%
Weighted average Balloon Payment as % of Car Sale Price	41.5%	41.7%

Balloon Payment as a Percentage of Initial Discounted Balance

Balloon Payment as % of Initial O/S Balance	New - Balloon		Used - Balloon		TOTAL			
	Sum of Discounted Balance	%	Sum of Discounted Balance	%	Sum of Discounted Balance	%	Number of Contracts	%
- <=x< 10.0	6,342	0.00%	-	0.00%	6,342	0.00%	1	0.01%
10.0 <=x< 20.0	351,138	0.18%	-	0.00%	351,138	0.18%	35	0.22%
20.0 <=x< 30.0	5,523,245	2.80%	68,870	2.83%	5,592,116	2.80%	448	2.80%
30.0 <=x< 40.0	59,476,349	30.17%	817,989	33.61%	60,294,338	30.21%	4,613	28.81%
40.0 <=x< 50.0	71,368,679	36.20%	975,930	40.10%	72,344,609	36.24%	5,829	36.40%
50.0 <=x< 60.0	39,723,970	20.15%	382,038	15.70%	40,106,009	20.09%	3,310	20.67%
60.0 <=x< 70.0	15,761,965	7.99%	167,470	6.88%	15,929,436	7.98%	1,348	8.42%
70.0 <=x< 80.0	3,470,553	1.76%	21,330	0.88%	3,491,883	1.75%	289	1.80%
80.0 <=x< 90.0	873,503	0.44%	-	0.00%	873,503	0.44%	79	0.49%
90.0 <=x< 100.0	421,825	0.21%	-	0.00%	421,825	0.21%	41	0.26%
100.0 <=x	188,530	0.10%	-	0.00%	188,530	0.09%	21	0.13%
Total	197,166,100	100.00%	2,433,629	100.00%	199,599,728	100.00%	16,014	100.00%

Maximum Balloon Payment as % of Initial O/S Balance	100.0%	74.3%
Min Balloon Payment as % of Initial O/S Balance	1.4%	28.6%
Weighted average Balloon Payment as % of Initial O/S Balance	45.9%	44.3%

Regions

Region	New - Amortizing		Used - Amortizing		New - Balloon		Used - Balloon		TOTAL			
	Sum of Discounted Balance	%	Number of Contracts	%								
Ile-de-France (except Paris)	58,927,628	12.68%	47,259,142	14.52%	21,265,810	10.79%	285,417	11.73%	127,737,997	12.90%	21,872	12.29%
Provence-Alpes-Côte-d'Azur	53,479,128	11.50%	31,858,616	9.79%	17,301,028	8.77%	214,922	8.83%	102,853,695	10.39%	18,289	10.28%
Nord-Pas-de-Calais	39,106,337	8.41%	25,079,896	7.70%	32,557,522	16.51%	310,762	12.77%	97,054,517	9.80%	14,707	8.27%
Rhône-Alpes	44,869,542	9.65%	26,529,816	8.15%	12,430,938	6.30%	239,574	9.84%	84,069,869	8.49%	16,360	9.20%
Aquitaine	25,263,557	5.43%	25,276,491	7.76%	8,432,736	4.28%	206,667	8.49%	59,179,452	5.98%	11,850	6.66%
Picardie	19,847,586	4.27%	15,396,339	4.73%	22,115,269	11.22%	150,735	6.19%	57,509,929	5.81%	8,830	4.96%
Languedoc-Roussillon	23,507,213	5.06%	15,179,582	4.66%	8,298,775	4.21%	53,174	2.18%	47,038,515	4.75%	8,521	4.79%
Midi-Pyrénées	22,422,127	4.82%	16,571,365	5.09%	6,456,336	3.27%	65,718	2.70%	45,515,546	4.60%	9,007	5.06%
Lorraine	21,317,618	4.59%	11,175,576	3.43%	7,448,053	3.78%	78,852	3.24%	40,020,099	4.04%	6,991	3.93%
Haute-Normandie	14,657,572	3.15%	11,491,587	3.53%	12,169,045	6.17%	23,450	0.96%	38,341,654	3.87%	6,004	3.37%
Pays-de-la-Loire	18,908,196	4.07%	12,506,251	3.84%	6,667,649	3.38%	42,224	1.74%	38,124,319	3.85%	8,021	4.51%
Centre	17,490,078	3.76%	13,282,147	4.08%	7,123,052	3.61%	196,292	8.07%	38,091,569	3.85%	6,911	3.88%
Bretagne	17,597,352	3.79%	11,166,902	3.43%	5,267,418	2.67%	35,323	1.45%	34,066,995	3.44%	7,476	4.20%
Poitou-Charentes	13,027,373	2.80%	10,417,201	3.20%	4,399,338	2.23%	103,520	4.25%	27,947,429	2.82%	5,478	3.08%
Bourgogne	12,425,097	2.67%	8,030,697	2.47%	4,629,037	2.35%	43,818	1.80%	25,128,649	2.54%	4,569	2.57%
Alsace	10,927,269	2.35%	9,485,894	2.91%	3,755,884	1.90%	70,539	2.90%	24,239,585	2.45%	4,474	2.51%
Basse-Normandie	10,784,135	2.32%	6,818,607	2.09%	3,996,345	2.03%	39,028	1.60%	21,638,115	2.19%	3,875	2.18%
Champagne-Ardenne	10,646,756	2.29%	6,528,342	2.01%	3,650,212	1.85%	102,278	4.20%	20,927,588	2.11%	3,514	1.98%
Auvergne	7,995,913	1.72%	5,513,830	1.69%	2,550,274	1.29%	29,157	1.20%	16,089,174	1.63%	3,037	1.71%
Franche-Comté	6,657,821	1.43%	5,598,371	1.72%	1,918,352	0.97%	117,399	4.82%	14,291,943	1.44%	2,656	1.49%
Limousin	4,979,626	1.07%	4,011,596	1.23%	2,235,650	1.13%	24,781	1.02%	11,251,654	1.14%	2,185	1.23%
Paris	4,917,872	1.06%	3,972,614	1.22%	1,314,208	0.67%	-	0.00%	10,204,694	1.03%	1,939	1.09%
Corse	5,129,917	1.10%	2,374,688	0.73%	1,183,171	0.60%	-	0.00%	8,687,776	0.88%	1,338	0.75%
Total	464,885,713	100.00%	325,525,321	100.00%	197,166,100	100.00%	2,433,629	100.00%	990,010,762	100.00%	177,904	100.00%

Manufacturing Year

Manufacturing Year	New - Amortizing		Used - Amortizing		New - Balloon		Used - Balloon		TOTAL			
	Sum of Discounted Balance	%	Number of Contracts	%								
2002	-	0.00%	51,747	0.02%	-	0.00%	-	0.00%	51,747	0.01%	66	0.04%
2003	784	0.00%	1,356,475	0.42%	-	0.00%	2,898	0.12%	1,360,156	0.14%	910	0.51%
2004	-	0.00%	5,465,359	1.68%	-	0.00%	-	0.00%	5,465,359	0.55%	2,391	1.34%
2005	5,153	0.00%	14,747,140	4.53%	-	0.00%	-	0.00%	14,752,294	1.49%	5,449	3.06%
2006	237,250	0.05%	28,343,824	8.71%	6,874	0.00%	32,515	1.34%	28,620,463	2.89%	10,163	5.71%
2007	2,465,178	0.53%	50,237,002	15.43%	28,089	0.01%	78,336	3.22%	52,808,605	5.33%	15,302	8.60%
2008	12,008,979	2.58%	68,083,243	20.91%	11,923,560	6.05%	79,091	3.25%	92,094,872	9.30%	20,998	11.80%
2009	51,946,063	11.17%	66,784,708	20.52%	32,365,731	16.42%	319,058	13.11%	151,415,560	15.29%	29,594	16.63%
2010	136,795,323	29.43%	68,971,131	21.19%	55,111,607	27.95%	901,875	37.06%	261,779,935	26.44%	42,850	24.09%
2011	219,292,094	47.17%	21,452,442	6.59%	81,213,362	41.19%	1,005,005	41.30%	322,962,903	32.62%	43,246	24.31%
2012	42,134,889	9.06%	32,250	0.01%	16,516,876	8.38%	14,851	0.61%	58,698,867	5.93%	6,935	3.90%
Total	464,885,713	100.00%	325,525,321	100.00%	197,166,100	100.00%	2,433,629	100.00%	990,010,762	100.00%	177,904	100.00%

Largest Individual Borrowers

Largest Borrowers	Sum of Discounted Balance	%	Number of Contracts	%
Top 1	223,288	0.02%	33	0.02%
Top 5	556,242	0.06%	90	0.05%
Top 10	797,869	0.08%	103	0.06%
Top 20	1,224,358	0.12%	121	0.07%

Recovery Rates – Amortising Loans/Companies/New and Used Vehicles

Quarter of Default	Default Amount €	Number of Months after Default																														
		3	6	9	12	15	18	21	24	27	30	33	36	39	42	45	48	51	54	57	60	63	66	69	72	75	78	81	84	87	90	93
2004 - Q1	985,292	25.44%	32.81%	42.42%	46.08%	49.55%	52.19%	54.83%	56.26%	57.77%	61.08%	62.41%	64.43%	65.47%	66.49%	67.16%	67.91%	68.55%	69.13%	69.86%	70.25%	70.82%	71.16%	71.57%	71.91%	72.44%	72.99%	73.53%	74.78%	75.37%	75.64%	75.98%
2004 - Q2	737,714	18.88%	31.28%	40.24%	43.90%	46.29%	49.50%	51.72%	54.36%	56.23%	57.61%	59.18%	60.82%	62.60%	64.21%	64.86%	65.53%	65.95%	67.71%	68.08%	68.62%	69.32%	69.93%	70.53%	71.06%	71.44%	71.79%	72.06%	72.86%	73.44%	73.61%	73.84%
2004 - Q3	692,187	25.59%	32.14%	38.30%	40.00%	41.04%	42.38%	44.94%	45.94%	47.19%	48.61%	49.07%	49.62%	50.25%	51.22%	51.58%	51.89%	52.42%	53.05%	53.23%	53.88%	54.22%	54.59%	54.87%	55.18%	55.48%	55.78%	56.22%	56.74%	57.05%	57.30%	
2004 - Q4	627,059	9.59%	19.40%	32.96%	36.20%	41.55%	43.95%	46.63%	48.11%	48.97%	49.91%	50.46%	53.10%	53.58%	54.51%	55.24%	56.82%	58.17%	58.44%	59.07%	59.28%	59.59%	59.82%	59.99%	60.25%	60.32%	60.59%	60.75%	60.94%	61.19%		
2005 - Q1	729,059	3.86%	21.68%	27.03%	30.31%	34.05%	35.70%	37.66%	39.50%	41.81%	42.56%	43.66%	44.59%	45.06%	46.94%	47.20%	48.42%	48.57%	48.93%	51.18%	52.08%	52.98%	53.42%	53.73%	54.00%	54.28%	54.59%	54.84%	55.49%			
2005 - Q2	651,094	13.83%	19.76%	23.18%	24.65%	27.97%	29.27%	31.57%	32.07%	32.67%	33.64%	34.71%	35.35%	36.73%	39.03%	40.09%	40.89%	41.33%	41.90%	42.38%	42.79%	43.16%	43.40%	44.00%	44.48%	44.82%	45.14%	45.52%				
2005 - Q3	1,152,402	3.79%	17.54%	20.73%	22.52%	23.93%	25.03%	25.58%	25.86%	26.33%	27.17%	27.75%	28.61%	31.92%	32.31%	32.84%	33.23%	34.10%	34.58%	35.05%	35.64%	36.11%	36.53%	36.86%	37.23%	39.31%	39.55%					
2005 - Q4	1,318,799	10.37%	18.14%	22.10%	23.34%	28.01%	29.53%	31.85%	32.47%	33.57%	34.45%	34.94%	37.78%	39.83%	41.00%	41.56%	42.59%	42.91%	43.76%	44.39%	45.20%	45.67%	45.95%	46.47%	46.66%	47.10%						
2006 - Q1	1,172,452	12.74%	18.00%	21.49%	24.54%	28.00%	29.94%	32.05%	34.96%	35.86%	36.46%	38.13%	38.80%	39.21%	39.74%	40.35%	40.78%	41.27%	41.75%	42.34%	42.61%	42.97%	43.26%	43.53%	43.67%							
2006 - Q2	1,044,126	7.03%	24.01%	27.95%	32.91%	34.45%	39.33%	41.44%	42.35%	42.85%	43.08%	44.12%	44.95%	46.02%	46.80%	47.59%	48.27%	48.88%	50.07%	50.64%	51.42%	51.86%	52.30%	53.34%	53.58%							
2006 - Q3	729,832	2.78%	17.68%	23.09%	27.11%	31.22%	32.88%	36.71%	39.18%	41.18%	41.91%	42.83%	43.86%	44.73%	46.10%	46.86%	47.58%	48.26%	48.90%	49.43%	50.14%	50.60%	51.27%									
2006 - Q4	665,527	2.76%	20.36%	27.08%	28.93%	34.92%	35.34%	36.96%	38.69%	41.21%	41.85%	42.46%	43.17%	45.13%	46.01%	47.12%	48.16%	49.50%	50.43%	51.43%	52.11%	52.47%										
2007 - Q1	874,486	3.53%	19.75%	24.35%	29.75%	32.73%	36.86%	37.23%	37.43%	37.92%	39.29%	39.96%	41.31%	42.02%	42.60%	42.91%	43.29%	43.64%	43.85%	44.09%	44.38%											
2007 - Q2	426,522	9.38%	24.18%	32.33%	33.73%	37.56%	41.82%	41.91%	42.29%	42.86%	43.42%	44.24%	44.92%	45.69%	45.90%	46.22%	46.69%	46.99%	47.39%	47.67%												
2007 - Q3	408,593	16.98%	24.30%	31.70%	34.51%	36.56%	37.44%	37.83%	40.46%	44.13%	44.50%	45.66%	46.13%	46.77%	47.24%	47.80%	49.19%	49.79%														
2007 - Q4	408,092	3.69%	36.81%	42.53%	43.16%	45.35%	45.80%	46.39%	47.50%	48.79%	49.43%	52.00%	53.60%	53.91%	54.32%	54.68%	55.04%	56.36%														
2008 - Q1	428,732	28.41%	36.88%	40.89%	44.38%	46.24%	48.31%	51.01%	51.67%	52.37%	54.58%	55.33%	56.15%	57.37%	58.47%	59.84%																
2008 - Q2	364,045	16.20%	23.51%	28.42%	30.87%	35.28%	36.45%	37.06%	37.35%	37.98%	38.73%	39.40%	39.70%	40.10%	41.55%																	
2008 - Q3	331,945	3.25%	23.79%	27.96%	33.74%	35.51%	40.84%	41.49%	42.97%	43.20%	44.01%	45.50%	46.29%	46.92%	47.84%																	
2008 - Q4	546,283	2.33%	8.04%	15.87%	16.50%	17.69%	17.97%	18.56%	18.89%	19.52%	21.21%	23.40%	25.09%																			
2009 - Q1	304,851	0.68%	23.80%	37.17%	42.01%	44.33%	45.27%	47.80%	48.24%	49.28%	50.94%	51.51%	51.84%																			
2009 - Q2	236,909	8.83%	22.92%	24.83%	33.19%	37.98%	39.06%	40.57%	41.99%	43.04%	45.08%	45.59%																				
2009 - Q3	195,114	14.43%	26.58%	36.33%	38.96%	39.73%	42.31%	43.12%	43.78%	44.29%	44.31%																					
2009 - Q4	70,596	2.70%	18.97%	26.08%	27.29%	40.46%	45.56%	46.74%	47.56%	47.84%																						
2010 - Q1	162,756	6.17%	11.39%	17.30%	19.64%	20.82%	21.79%	22.24%	22.91%																							
2010 - Q2	107,203	4.77%	19.78%	29.47%	39.04%	42.06%	45.55%																									
2010 - Q3	73,182	10.28%	21.94%	27.02%	28.65%	29.32%	30.40%																									
2010 - Q4	64,478	20.71%	25.64%	31.03%	46.93%	51.51%																										
2011 - Q1	46,044	40.35%	44.41%	45.94%	46.82%																											
2011 - Q2	41,243	23.37%	27.37%	35.12%																												
2011 - Q3	37,749	4.62%	15.33%																													
2011 - Q4	15,793	14.75%																														

Prepayments

Prepayment rates are calculated as the ratio between (i) the nominal outstanding principal balance of all loans prepaid during the same month multiplied by 12 and (ii) the outstanding principal balance of all loans (defaulted loans excluded) at the beginning of that month.

Month of observation	COMPANY		PRIVATE				Total	
	NV		UV		NV			
	AMORTISSABLE	AMORTISSABLE	AMORTISSABLE	BALLOON	AMORTISSABLE	BALLOON		
Jan-04	20.74%	8.63%	16.27%	11.32%	15.62%	15.25%	14.86%	
Feb-04	19.12%	10.96%	18.43%	12.61%	17.74%	15.46%	16.73%	
Mar-04	9.39%	18.80%	21.63%	15.98%	20.72%	25.23%	19.99%	
Apr-04	12.14%	10.22%	18.37%	16.77%	18.91%	22.90%	18.23%	
May-04	17.54%	13.95%	16.50%	14.20%	17.03%	17.11%	16.16%	
Jun-04	10.05%	10.56%	18.60%	16.10%	19.63%	24.93%	18.46%	
Jul-04	22.31%	12.24%	17.86%	18.73%	18.78%	21.56%	18.50%	
Aug-04	21.11%	9.25%	13.51%	12.93%	14.35%	15.84%	13.74%	
Sep-04	16.88%	10.76%	13.85%	14.24%	16.23%	17.59%	14.95%	
Oct-04	5.70%	11.05%	19.49%	23.00%	20.56%	34.51%	21.12%	
Nov-04	19.79%	24.23%	20.33%	22.71%	19.37%	25.49%	20.80%	
Dec-04	18.31%	23.41%	20.08%	23.56%	18.81%	26.77%	20.82%	
Jan-05	19.73%	9.86%	15.84%	15.74%	15.71%	25.24%	15.98%	
Feb-05	8.44%	8.05%	16.97%	16.23%	17.08%	23.31%	16.88%	
Mar-05	13.25%	15.47%	17.68%	21.13%	18.85%	20.39%	19.20%	
Apr-05	18.44%	9.94%	21.25%	23.14%	20.88%	32.87%	21.95%	
May-05	6.10%	15.29%	18.77%	20.90%	18.75%	25.45%	19.56%	
Jun-05	21.55%	17.43%	18.00%	20.75%	21.69%	26.31%	20.45%	
Jul-05	14.16%	16.89%	17.91%	21.40%	19.89%	24.10%	19.93%	
Aug-05	25.26%	11.92%	13.55%	15.54%	16.44%	22.35%	15.52%	
Sep-05	21.23%	15.18%	14.43%	14.61%	17.63%	21.33%	15.84%	
Oct-05	10.23%	6.74%	19.26%	23.26%	20.30%	26.69%	21.17%	
Nov-05	13.38%	13.10%	20.56%	23.56%	19.93%	26.41%	21.54%	
Dec-05	23.69%	19.08%	19.99%	23.22%	18.76%	28.04%	21.00%	
Jan-06	6.92%	15.13%	15.63%	17.82%	16.83%	20.14%	16.96%	
Feb-06	15.33%	12.94%	17.06%	19.04%	18.76%	32.54%	18.74%	
Mar-06	18.24%	19.21%	18.41%	22.08%	20.87%	30.67%	21.05%	
Apr-06	14.53%	16.00%	18.55%	24.87%	17.15%	23.67%	20.30%	
May-06	8.54%	22.18%	19.42%	24.85%	16.34%	24.13%	20.19%	
Jun-06	10.35%	21.78%	18.24%	27.30%	16.51%	24.77%	20.81%	
Jul-06	15.10%	18.46%	17.49%	25.66%	18.23%	26.58%	21.33%	
Aug-06	8.01%	11.53%	13.00%	16.25%	14.38%	16.41%	14.89%	
Sep-06	16.85%	17.29%	13.16%	16.34%	14.60%	19.43%	15.20%	
Oct-06	13.21%	11.08%	19.15%	28.05%	20.60%	24.53%	23.44%	
Nov-06	18.70%	15.09%	17.81%	27.48%	18.89%	21.63%	22.26%	
Dec-06	15.14%	19.59%	15.49%	22.15%	16.67%	18.42%	18.72%	
Jan-07	22.88%	17.88%	15.27%	20.70%	17.20%	18.23%	18.27%	
Feb-07	8.92%	9.70%	14.18%	20.37%	17.00%	21.30%	17.92%	
Mar-07	14.20%	17.74%	17.94%	25.72%	19.65%	22.74%	21.87%	
Apr-07	10.65%	18.65%	16.64%	25.26%	19.11%	20.55%	21.12%	
May-07	7.64%	20.06%	16.03%	26.77%	17.36%	22.37%	21.11%	
Jun-07	9.89%	26.69%	17.52%	26.42%	18.49%	21.90%	21.65%	
Jul-07	16.70%	17.67%	18.86%	30.46%	20.80%	25.03%	24.47%	
Aug-07	3.53%	14.68%	12.83%	20.00%	14.79%	17.73%	16.59%	
Sep-07	8.38%	13.75%	12.60%	18.94%	13.93%	17.94%	15.88%	
Oct-07	9.13%	12.88%	16.86%	29.19%	19.50%	25.80%	23.14%	
Nov-07	10.15%	20.25%	17.64%	32.98%	18.07%	23.43%	24.18%	
Dec-07	16.88%	17.42%	16.54%	29.75%	16.37%	21.34%	21.97%	
Jan-08	12.47%	9.48%	14.65%	27.24%	14.37%	18.24%	19.66%	
Feb-08	11.46%	10.49%	16.16%	27.16%	17.90%	23.52%	21.45%	
Mar-08	36.84%	19.87%	15.46%	28.24%	18.08%	24.25%	21.90%	
Apr-08	15.33%	15.00%	18.50%	36.10%	20.41%	24.83%	26.28%	
May-08	11.77%	26.71%	14.51%	28.71%	17.35%	24.84%	21.58%	
Jun-08	12.99%	17.60%	17.24%	30.78%	19.13%	23.08%	23.39%	
Jul-08	14.08%	16.55%	16.63%	33.08%	19.84%	25.04%	24.59%	
Aug-08	5.55%	6.76%	11.66%	22.43%	12.90%	18.08%	16.62%	
Sep-08	9.08%	13.40%	11.45%	21.37%	14.92%	21.02%	17.02%	
Oct-08	22.32%	25.62%	15.92%	32.50%	18.58%	29.86%	24.03%	
Nov-08	2.65%	2.86%	7.57%	17.86%	9.63%	14.97%	12.59%	
Dec-08	4.08%	13.90%	12.68%	28.97%	14.55%	21.81%	20.01%	
Jan-09	22.87%	18.24%	10.95%	22.66%	12.41%	17.43%	16.27%	
Feb-09	16.37%	8.62%	10.31%	18.85%	13.16%	17.62%	14.86%	
Mar-09	13.85%	2.98%	12.12%	23.10%	16.79%	23.16%	18.23%	
Apr-09	15.19%	2.89%	11.08%	24.48%	15.40%	24.34%	17.94%	
May-09	12.30%	18.11%	9.90%	22.24%	13.72%	18.92%	15.87%	
Jun-09	7.51%	7.82%	11.15%	26.24%	15.35%	22.17%	18.14%	
Jul-09	10.95%	3.91%	10.83%	27.75%	13.94%	21.77%	17.91%	
Aug-09	8.41%	6.01%	10.73%	26.88%	13.31%	20.07%	17.19%	
Sep-09	10.32%	10.71%	12.77%	34.61%	17.22%	28.10%	21.88%	
Oct-09	5.67%	13.19%	12.61%	32.90%	17.64%	29.94%	21.38%	
Nov-09	8.31%	14.35%	12.65%	33.14%	18.65%	33.52%	21.84%	
Dec-09	5.91%	10.68%	10.71%	25.23%	14.39%	27.28%	16.97%	
Jan-10	10.72%	12.31%	9.46%	23.94%	12.89%	23.69%	15.39%	
Feb-10	10.01%	8.27%	8.90%	22.71%	12.06%	22.18%	14.41%	
Mar-10	11.65%	8.83%	9.13%	22.81%	13.27%	23.07%	14.85%	
Apr-10	10.15%	10.75%	10.19%	24.31%	14.43%	27.27%	16.13%	
May-10	10.08%	11.32%	10.84%	26.69%	15.21%	29.50%	17.24%	
Jun-10	11.95%	7.93%	10.56%	28.36%	14.42%	29.33%	17.15%	
Jul-10	10.46%	10.55%	10.89%	28.72%	14.54%	28.75%	17.25%	
Aug-10	12.08%	9.95%	10.80%	27.11%	14.08%	25.35%	16.45%	
Sep-10	12.27%	14.49%	10.11%	22.84%	12.85%	21.81%	14.57%	
Oct-10	10.82%	4.56%	9.72%	23.34%	12.95%	21.30%	14.49%	
Nov-10	11.67%	3.91%	9.93%	27.44%	13.74%	26.39%	15.92%	
Dec-10	14.60%	20.38%	10.23%	30.46%	14.75%	29.81%	17.05%	
Jan-11	22.66%	21.75%	9.96%	28.84%	14.24%	27.68%	16.18%	
Feb-11	20.16%	23.41%	9.50%	25.16%	13.56%	25.57%	14.78%	
Mar-11	19.38%	14.79%	10.18%	26.45%	14.42%	27.37%	15.58%	
Apr-11	18.98%	15.85%	10.57%	27.58%	14.98%	29.21%	16.17%	
May-11	26.02%	27.60%	11.98%	30.61%	15.93%	30.11%	17.70%	
Jun-11	18.58%	0.00%	11.44%	29.69%	14.71%	26.41%	16.70%	
Jul-11	13.19%	0.00%	11.37%	29.36%	14.74%	26.64%	16.57%	
Aug-11	9.16%	15.90%	10.34%	25.96%	13.67%	23.53%	14.97%	
Sep-11	9.41%	17.21%	10.00%	21.99%	13.07%	22.58%	13.81%	
Oct-11	7.62%	19.60%	10.26%	22.34%	13.23%	23.53%	14.06%	
Nov-11	5.77%	1.59%	10.92%	24.37%	13.23%	26.99%	14.85%	
Dec-11	10.00%	5.19%	11.48%	28.20%	14.26%	30.46%	16.26%	

Delinquencies

Month of observation	Delinquency Buckets		
	[1, 2[[2, 3[Total
Jan-04	1.34%	0.51%	1.85%
Feb-04	1.46%	0.53%	1.99%
Mar-04	1.32%	0.52%	1.84%
Apr-04	1.30%	0.51%	1.81%
May-04	1.66%	0.54%	2.20%
Jun-04	1.43%	0.48%	1.91%
Jul-04	1.30%	0.44%	1.74%
Aug-04	1.24%	0.44%	1.69%
Sep-04	1.45%	0.45%	1.90%
Oct-04	1.35%	0.47%	1.82%
Nov-04	1.36%	0.51%	1.87%
Dec-04	1.10%	0.47%	1.56%
Jan-05	1.28%	0.50%	1.78%
Feb-05	1.20%	0.46%	1.66%
Mar-05	1.23%	0.50%	1.72%
Apr-05	1.42%	0.52%	1.94%
May-05	1.45%	0.53%	1.98%
Jun-05	1.53%	0.49%	2.02%
Jul-05	1.34%	0.53%	1.87%
Aug-05	1.30%	0.53%	1.83%
Sep-05	1.38%	0.56%	1.94%
Oct-05	1.38%	0.52%	1.91%
Nov-05	1.44%	0.55%	2.00%
Dec-05	1.49%	0.51%	2.00%
Jan-06	1.38%	0.49%	1.87%
Feb-06	1.25%	0.47%	1.72%
Mar-06	1.34%	0.56%	1.89%
Apr-06	1.50%	0.51%	2.01%
May-06	1.55%	0.52%	2.07%
Jun-06	1.35%	0.52%	1.87%
Jul-06	1.33%	0.51%	1.84%
Aug-06	1.27%	0.52%	1.79%
Sep-06	1.38%	0.57%	1.95%
Oct-06	0.98%	0.33%	1.31%
Nov-06	1.19%	0.39%	1.59%
Dec-06	0.96%	0.40%	1.36%
Jan-07	1.15%	0.44%	1.59%
Feb-07	1.07%	0.44%	1.50%
Mar-07	1.16%	0.45%	1.61%
Apr-07	1.24%	0.40%	1.64%
May-07	1.23%	0.47%	1.70%
Jun-07	1.17%	0.44%	1.61%
Jul-07	1.04%	0.37%	1.41%
Aug-07	0.94%	0.38%	1.32%
Sep-07	1.19%	0.41%	1.60%
Oct-07	1.03%	0.37%	1.40%
Nov-07	1.15%	0.46%	1.61%
Dec-07	1.14%	0.40%	1.54%
Jan-08	1.20%	0.46%	1.66%
Feb-08	1.15%	0.45%	1.61%
Mar-08	1.09%	0.46%	1.55%
Apr-08	1.20%	0.42%	1.62%
May-08	1.12%	0.50%	1.62%
Jun-08	1.20%	0.44%	1.64%
Jul-08	1.02%	0.38%	1.40%
Aug-08	1.02%	0.43%	1.45%
Sep-08	1.21%	0.43%	1.64%
Oct-08	1.07%	0.42%	1.49%
Nov-08	1.11%	0.27%	1.38%
Dec-08	1.91%	0.28%	2.19%
Jan-09	2.23%	0.71%	2.94%
Feb-09	2.10%	0.62%	2.72%
Mar-09	2.05%	0.55%	2.61%
Apr-09	2.11%	0.50%	2.60%
May-09	1.23%	0.56%	1.79%
Jun-09	1.20%	0.50%	1.71%
Jul-09	1.13%	0.47%	1.59%
Aug-09	0.96%	0.43%	1.38%
Sep-09	1.05%	0.43%	1.48%
Oct-09	0.92%	0.43%	1.36%
Nov-09	1.06%	0.46%	1.52%
Dec-09	1.03%	0.48%	1.51%
Jan-10	1.06%	0.46%	1.52%
Feb-10	1.00%	0.46%	1.46%
Mar-10	1.02%	0.49%	1.51%
Apr-10	0.98%	0.50%	1.47%
May-10	0.91%	0.47%	1.39%
Jun-10	1.10%	0.46%	1.55%
Jul-10	0.85%	0.41%	1.26%
Aug-10	0.91%	0.38%	1.30%
Sep-10	0.97%	0.42%	1.39%
Oct-10	0.86%	0.42%	1.28%
Nov-10	1.06%	0.43%	1.48%
Dec-10	0.83%	0.39%	1.22%
Jan-11	0.95%	0.36%	1.31%
Feb-11	0.87%	0.36%	1.23%
Mar-11	0.88%	0.41%	1.29%
Apr-11	0.98%	0.37%	1.35%
May-11	0.94%	0.39%	1.33%
Jun-11	1.08%	0.40%	1.48%
Jul-11	0.93%	0.37%	1.30%
Aug-11	0.87%	0.34%	1.22%
Sep-11	0.82%	0.39%	1.21%
Oct-11	0.87%	0.34%	1.21%
Nov-11	0.98%	0.39%	1.38%
Dec-11	0.86%	0.35%	1.21%

PURCHASE AND SERVICING OF THE RECEIVABLES

The following section relating to the purchase and servicing of the Eligible Receivables is a summary of certain provisions contained in the Receivables Transfer Agreement and the Servicing Agreement and refers to the detailed provisions of the terms and conditions of each of these documents.

Purchase of Receivables

Purchase of Eligible Receivables

On or before the Closing Date, the Seller and the Issuer, represented by the Management Company, will enter into the Receivables Transfer Agreement pursuant to which the Issuer agrees to purchase (subject to the Conditions Precedent to the purchase of Eligible Receivables as set out in the Receivables Transfer Agreement) from the Seller and the Seller agreed to assign and transfer to the Issuer all the Seller's right, title and interest in a portfolio of Eligible Receivables, subject to and in accordance with French law and the provisions set out in the Receivables Transfer Agreement.

Conditions Precedent to the Purchase of Eligible Receivables

The Management Company shall verify that the following Conditions Precedent to the purchase of Eligible Receivables are satisfied on the Closing Date:

- (a) no Servicer Event of Default has occurred;
- (b) no Servicer Potential Event of Default has occurred and is continuing;
- (c) the Management Company has received all confirmations, representations, warranties, certificates and other information or documents from all parties to the FCT Transaction Documents, which are required under the FCT Transaction Documents;
- (d) the Issuer has received on or prior to such date in respect of the Class B Notes, an acceptance from the Class B Notes Subscriber to subscribe the proposed issue in an amount equal to the relevant Class B Notes Issue Amount and from the Unitholder the proposed issue of Units on such date, together in each case, with the entire issue proceeds thereof;
- (e) the balance of the General Reserve is at least equal to the General Reserve Required Level; and
- (f) the conditions precedent to the subscription of the Class A Notes pursuant to the Class A Notes Subscription Agreement have been satisfied including:
 - (i) the representations and warranties of the Management Company, the Custodian and the Seller under the FCT Transaction Documents are true, accurate; and
 - (ii) receipt of notification from DBRS, Moody's and Standard & Poor's, to the effect that a rating of "AAA (sf)" by DBRS, "Aaa (sf)" by Moody's and "AAA (sf)" by Standard & Poor's, respectively, has been or will be granted to the Class A Notes.

Receivables Transfer Price

The Receivables Transfer Price for the portfolio of Eligible Receivables to be transferred on the Closing Date shall be equal to €852,238,199.38 which corresponds to the aggregate Discounted Balance of such Eligible Receivables as of the Cut-Off Date immediately preceding the Closing Date.

The Receivables Transfer Price of the Eligible Receivables shall be paid on the Closing Date by, or on behalf of, the Issuer by way of transferring the said Receivables Transfer Price to the credit of the account designated by the Seller to the Management Company.

Ancillary Rights

The Issuer will benefit from the Ancillary Rights.

The Ancillary Rights may include a retention of title over Vehicles and, in limited circumstances, a French law automobile pledge (*gage portant sur un véhicule automobile*).

In addition to the above, Borrowers may on their own initiative take out credit insurance policies and other insurance policies which are offered as part of the Seller's standard origination procedures. Such policies are currently taken out with Quatrem Assurances Collectives, Covea Fleet, RCI Life Ltd and RCI Insurance Ltd, in each case naming the Seller as beneficiary. These insurance policies secure the payment of the corresponding Receivable either (i) in case of death, incapacity and/or unemployment of the Borrower or (ii) if the Vehicle is destroyed and the price paid by the Borrower's damage insurance company is not sufficient to pay the remaining outstanding amounts due by the Borrower in relation to the corresponding Receivable. The rights of the Seller to the indemnities payable under any Insurance Policy (which include the insurance policies described above) are also transferred to the Issuer pursuant to and in accordance with the Receivables Transfer Agreement. Accordingly, the present and future receivables relating to the indemnities payable by the relevant Insurance Company to the Seller under any Insurance Policies relating to the Transferred Receivables are transferred to the Issuer on the Closing Date, as Ancillary Rights attached to and transferred with the relevant Eligible Receivables.

The proceeds of enforcement of any Ancillary Rights form part of the Collections which are payable to the Issuer on each Business Day, in accordance with the Servicing Agreement.

Insurance Policies

Pursuant to the Receivables Transfer Agreement, upon receipt by the Management Company of a notice by any Insurance Company that the Seller has not paid any premium owed by it under any relevant Insurance Policy, the Management Company shall deduct from the Overpayments received by the Issuer an amount equal to the premiums due and payable by the Seller under the relevant Insurance Policy and pay such premiums to the relevant Insurance Company in lieu of the Seller in order to ensure that the guarantees under such Insurance Policy will be maintained.

Re-transfer of Transferred Receivables

Re-transfer of due or accelerated Transferred Receivables

Pursuant to Article L.214-43 of the French Monetary and Financial Code, the Issuer shall be entitled to assign any Transferred Receivable which has become due (*créance échue*) or which has been accelerated (*créance déchue du terme*) pursuant to the meaning ascribed to each such terms in Article L. 214-43 of the French Monetary and Financial Code, upon request from the Seller, in accordance with the terms and conditions set out in clause 15.1 of the Receivables Transfer Agreement.

In accordance with clause 15.2 of the Receivables Transfer Agreement, further to a significant change agreed by the Seller to the terms and conditions of the Auto Loan Agreement under which a Transferred Receivable is arising, the Seller shall repurchase such Transferred Receivable. A change to an Auto Loan Agreement will be deemed to be significant if:

- (a) the effect of any such amendment, variation, termination or waiver would be to render the Transferred Receivables non-compliant with the Eligibility Criteria that would have applied if such

Receivable was to be transferred to the Issuer at the time of such amendment, variation, termination or waiver; or

- (b) such amendment, variation, termination or waiver would result in a decrease of any Instalment applicable under the Auto Loan Agreement or an increase of the number of monthly Instalments remaining due thereunder, unless such amendment, variation, termination or waiver is:
- (i) a modification of the applicable calendar day with respect to the Instalment Due Dates (*changement de quatrième*) applicable under the Auto Loan Agreement;
 - (ii) a deferment (*report*) by one calendar month of the Instalment Due Dates applicable thereunder;
 - (iii) a partial prepayment under the relevant Auto Loan Agreement; or
 - (iv) the mandatory result of a settlement imposed by a French consumer indebtedness tribunal or other judicial or quasi-judicial authority pursuant to the applicable provisions of Consumer Credit Legislation or the French Civil Code in relation to consumer indebtedness, creditors' arrangements, insolvency and analogous circumstances.

The Management Company shall be free to accept or reject, in whole or in part and in its absolute discretion, a request by the Seller to re-transfer Transferred Receivables.

Representations and Warranties

The Seller will represent and warrant to the Issuer on the Signing Date and on the Closing Date, *inter alia*, in the terms summarised below:

- (a) as a general matter in relation to itself:
 - (i) it is duly incorporated and validly existing under the laws of France;
 - (ii) its entering into and performance of its obligations have been duly authorised by all necessary corporate bodies and other actions and do not contravene any applicable laws or agreements binding upon it;
 - (iii) it is not subject to or threatened by any legal or other proceedings which, if the outcome was unfavourable, would significantly affect the ability of the Seller to perform its obligations under the FCT Transaction Documents to which it is a party;
 - (iv) since 31 December 2011, there has not been any change in the Seller's financial situation or activities that would be of such nature as to significantly affect the Seller's ability to perform its obligations under the FCT Transaction Documents to which it is a party; and
 - (v) there is no Servicer Event of Default, or, to the knowledge of the Seller, no Potential Servicer Event of Default; and
- (b) specifically, that the Receivables sold by it, the related Auto Loan Agreements and the Borrowers have satisfied all of the Eligibility Criteria as of the Closing Date.

The Seller will also give the additional representations and warranties in relation to the Receivables, the Auto Loan Agreements and the Borrowers as detailed in the Section entitled "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES – Additional Representations and Warranties" on page 68.

Servicing of the Transferred Receivables

In accordance with Article L. 214-46 of the French Monetary and Financial Code and with the provisions of the Servicing Agreement, the Seller has been appointed by the Management Company as Servicer. As Servicer, the Seller shall remain responsible for the servicing and collection of the Transferred Receivables.

Duties of the Servicer

Pursuant to the Servicing Agreement, the Servicer undertakes the following tasks and to provide such other duties as the Management Company may reasonably request in relation to the Transferred Receivables:

- (a) to provide administration services in relation to the collection of the Transferred Receivables;
- (b) to provide services in relation to the transfer of the collections to the Issuer and of all amounts payable by the Servicer and/or the Seller (in any capacity whatsoever) under the Servicing Agreement to the Issuer;
- (c) to provide certain data administration and cash management services in relation to the Transferred Receivables; and
- (d) to report to the Management Company on a monthly basis on the performance of the Transferred Receivables.

The Servicer undertakes to comply in all material respects with the applicable Servicing Procedures in the event that there is any default or breach by any Borrower in relation to any Transferred Receivables. The current Servicing Procedures of the Seller in relation to management of Auto Loans where payments have fallen into arrears are summarised in the Section entitled "UNDERWRITING AND MANAGEMENT PROCEDURES" on page 91.

The Servicer may amend or replace the Servicing Procedures at any time, provided that the Management Company and the Rating Agencies are informed of any substantial amendment or substitution to the Servicing Procedures and such amendment does not result in the ratings of the Class A Notes being downgraded.

The Servicer has undertaken to identify and individualise each and every Transferred Receivable, so that each Borrower and each Transferred Receivable may be identified and individualised (*désignée et individualisée*) at any time as from the Closing Date.

In the event that the Servicer has to face a situation that is not expressly envisaged by the said Servicing Procedures, it shall act in a commercially prudent and reasonable manner.

In applying the Servicing Procedures or taking any action in relation to any particular Borrower which is in default or which is likely to be in default, the Servicer shall only deviate from the relevant Servicing Procedures if the Servicer reasonably believes that doing so will enhance recovery prospects or mitigate loss relating to the Transferred Receivables relating to that particular Borrower.

The Servicer undertakes to allocate sufficient resources, including personnel and office premises, as necessary, to perform its obligations under the Servicing Agreement and generally to administer the relevant Transferred Receivables using the same degree of skill, care and diligence that it would apply if it were administering rights and agreements in respect of which it held the entire ownership.

Pursuant to Article D. 214-104 of the French Monetary and Financial Code and the provisions of the Servicing Agreement, the Servicer shall ensure the safekeeping of the Contractual Documents relating to the Transferred Receivables and their Ancillary Rights. In this respect, the Servicer shall be responsible for the

safekeeping of the agreements and other documents, including the Contractual Documents, relating to the Receivables, their security interest and related Ancillary Rights and shall establish appropriate documented custody procedures and an independent internal ongoing control of such procedures.

In accordance with the provisions of the Servicing Agreement:

- (a) the Custodian shall ensure, on the basis of a statement of the Servicer, that appropriate documented custody procedures have been set up. This statement shall enable the Custodian to verify that the Servicer has established appropriate documented custody procedures allowing safekeeping of the Transferred Receivables, their Security Interests and Ancillary Rights and that the Transferred Receivables are collected for the sole benefit of the Issuer; and
- (b) at the request of the Management Company or the Custodian, the Servicer shall forthwith provide to the Custodian or any other entity designated by the Custodian and the Management Company, the Contractual Documents relating to the Transferred Receivables.

The Servicer undertakes not to take any action or any decision in respect of the Transferred Receivables, the Contractual Documents or the Auto Loans that could affect the validity or the recoverability of the Transferred Receivables in whole or in part, or which could harm, in any other way, the interest of the Issuer in the Transferred Receivables or in the Ancillary Rights, provided that the Servicer shall be permitted to take any initiative or action expressly permitted by the FCT Transaction Documents or the Servicing Procedures. It shall not assign in any way any of the Transferred Receivables or the corresponding Contractual Documents or attempt to carry out any such action in any way whatsoever, except if and where expressly permitted pursuant to the FCT Transaction Documents to which it is a party.

Finally, it shall not create and will not allow the creation or continuation of any right whatsoever encumbering all or part of the Transferred Receivables, except if and where expressly permitted by the FCT Transaction Documents or the Servicing Procedures.

The Servicer undertakes to comply with all reasonable directions, orders and instructions that the Management Company may from time to time give to it which would not result in it committing a breach of its obligations under Transaction Documents to which it is a party or in an illegal act.

The Seller agrees, both in its own right and in its capacity as Servicer, generally to pay any amount necessary to hold harmless the Issuer against all liabilities, cost, loss and expenses that are reasonable and justified and suffered by the Issuer as a result of any failure by it to perform any of its obligations under the FCT Transaction Documents.

Transfers of Collections

Subject to and in accordance with the provisions of the Receivables Transfer Agreement, the Seller shall forthwith from the Closing Date pay to the Issuer all Collections received in respect of Transferred Receivables as from the Transfer Effective Date.

Subject to and in accordance with the provisions of the Servicing Agreement and the Dedicated Account Agreement, the Servicer shall:

- (a) ensure that all Collections relating to each Borrower, as paid by wire transfers or direct debits (*virements ou prélèvements automatiques*), in respect of the corresponding Transferred Receivables are credited directly to the Servicer Collection Account by the relevant third party payees;
- (b) collect, transfer and deposit, in an efficient and timely manner, to the Servicer Collection Account, all Collections relating to each Borrower, as paid by cheque or any payment mode other than wire

- transfers or direct debits (*virements ou prélèvements automatiques*), in respect of the Transferred Receivables;
- (c) transfer from the Servicer Collection Account to the General Collection Account, on each Business Day, the Collections received during the preceding Business Day; and
 - (d) more generally, transfer all amounts due and payable by the Seller or the Servicer pursuant to the FCT Transaction Documents to which they are parties, on the relevant contractual payment date.

Servicer Collection Account

In accordance with Article L. 214-46-1 and Article D. 214-103 of the French Monetary and Financial Code, the Management Company, the Custodian, the Servicer and the Servicer Collection Account Bank have entered into a Dedicated Account Agreement (*Convention de Compte à Affectation Spéciale*) on or before the Closing Date, pursuant to which the sums credited at any time to the Servicer Collection Account shall benefit exclusively the Issuer.

Pursuant to Article L. 214-46-1 of the French Monetary and Financial Code, the creditors of the Servicer are not entitled to claim payment over the sums credited to the Servicer Collection Account, including if the Servicer becomes subject to any insolvency proceeding set out in Book VI of the French Commercial Code.

The Servicer Collection Account Bank

The Servicer Collection Account Bank is, at the Closing Date, Crédit Industriel et Commercial, a *société anonyme* incorporated under the laws of France, whose registered office is at 6 avenue de Provence, 75009 Paris, France, registered with the Trade and Companies Register of Paris under number 542 016 381, licensed as a credit institution in France by the *Autorité de Contrôle Prudentiel*.

Without prejudice to the rights of the Issuer under the Dedicated Account Agreement, until the Management Company notifies the termination of the appointment of the Servicer to the Servicer Collection Account Bank, the Servicer shall be entitled to operate the Servicer Collection Account, provided, however, that the Servicer shall strictly comply with the provisions of the Dedicated Account Agreement in connection with the credit and debit operations to the Servicer Collection Account. The reconciliation of the operations of the Servicer Collection Account shall be performed on a daily basis.

Pursuant to Article L. 214-46-1 of the French Monetary and Financial Code, the commencement of any proceeding governed by Book VI of the French Commercial Code or any equivalent procedure governed by any foreign law (*procédure équivalente sur le fondement d'un droit étranger*) against the Servicer can neither result in the termination of the Dedicated Account Agreement nor the closure of the Servicer Collection Account.

The Servicer Collection Account Bank shall at all times be an Eligible Bank.

In accordance with the FCT Transaction Documents, if the ratings afforded to the Servicer Collection Account Bank fall below the Required Ratings:

- (a) the Servicer Collection Account Bank shall promptly notify the Management Company and the Custodian of the occurrence of this event; and
- (b) the Servicer shall enter, within 15 calendar days as from the day on which any of the ratings afforded to the Servicer Collection Account Bank falls below the Required Ratings applicable to the FCT Account Bank, into a dedicated account agreement with an Eligible Bank (the **Substitute Servicer Collection Account Bank**) substantially in the form of the Dedicated Account Agreement pursuant to which the Collections credited at any time on the substitute servicer collection account opened in

the books of the Substitute Servicer Collection Account bank (the **Substitute Servicer Collection Account**) shall be secured for the exclusive benefit of the Issuer provided that such substitution will not result in the deterioration of the level of security offered to the Noteholders; in particular such substitution will not result in the downgrading of the then current rating of the Class A Notes by the Rating Agencies.

Reports

On each Information Date, the Servicer shall provide the Management Company with the Monthly Report and such other information as the Management Company may from time to time reasonably request. The Monthly Report is in the form set out in the Servicing Agreement and contains, *inter alia*, information relating to the performance of the Transferred Receivables.

Removal of Servicer

The Management Company is entitled to terminate the appointment of the Servicer if a Servicer Event of Default has occurred in accordance with and subject to the Servicing Agreement. In such circumstances, the Management Company shall appoint within 30 days of such termination a substitute servicer in accordance with, and subject to, Article L. 214-46 of the French Monetary and Financial Code and the Servicing Agreement, until a substitute servicer, approved by the Management Company, assumes the terminated Servicer's responsibilities and obligations.

A **Servicer Event of Default** includes, *inter alia*:

- (a) any failure by the Servicer to make any payment when due under the Servicing Agreement or any other FCT Transaction Document to which it is a party (except if the failure is due to technical reasons and such default is remedied by the Servicer within two Business Days);
- (b) insolvency or analogous events in relation to the Servicer; and
- (c) a Servicer Potential Event of Default which, at the end of the relevant consultation period referred to below, is not cured in the reasonable opinion of the Management Company in each case subject to and in accordance with the terms of the Servicing Agreement.

A Servicer Potential Event of Default includes, *inter alia*, breach of obligation, misrepresentation and other events in relation to the Servicer which, in all cases and in the reasonable opinion of the Management Company, results in, or is likely to give rise to, a default of the Issuer's own obligations and/or, undertakings under any of the FCT Transaction Documents and FCT Transaction Documents to which it is a party, or affects, or is likely to affect significantly, the ability of the Servicer to perform its obligations under the terms of the Servicing Agreement. Upon the occurrence of a Servicer Potential Event of Default, a 30 calendar days period of consultation shall commence with a view to avoiding, if possible, the occurrence of a Servicer Event of Default.

Data Escrow Agreement

In accordance with the data escrow agreement between the Management Company, the Seller, the Custodian and the Data Escrow Agent (the **Data Escrow Agreement**), the Seller will deliver to the Management Company electronically or otherwise the schedule of Receivables in the form of an encoded receivables register containing certain information relating to the Borrowers in respect of the Receivables. The Seller will deliver to the Management Company only on or prior to the Closing Date pursuant to the Receivables Transfer Agreement, a list, electronically or otherwise, in encrypted form, containing the information in respect of the encoded receivables register and the names and addresses of the Borrowers. The key (the **Key**) to decrypt the reference list and, consequently, to decode the encoded receivables register will be delivered on or prior to the Closing Date at the premises of the Data Escrow Agent and the Data Escrow Agent shall

confirm in writing to the Management Company and the Custodian that it has received the Key. Pursuant to the Data Escrow Agreement, the Data Escrow Agent will remit the Key to the Management Company upon removal of the Servicer.

If the rating afforded to the Data Escrow Agent falls below the Required Ratings, in accordance with the Data Escrow Agreement, the Management Company shall:

- (a) promptly notify the Custodian, the Seller and the Servicer of the occurrence of such event;
- (b) use all its best endeavours to enter, within 30 calendar days as from the day the rating of the Data Escrow Agent falls below the Required Ratings, into a data escrow agreement substantially in the form of the Data Escrow Agreement (the **Substitute Data Escrow Agreement**) with a substitute data escrow agent (the **Substitute Data Escrow Agent**) provided that:
 - (i) such substitution shall not result in the downgrading of the then current rating of the Class A Notes; and
 - (ii) the Substitute Data Escrow Agent shall have the Required Ratings;
- (c) ensure that the Data Escrow Agent remits the Key to the Substitute Data Escrow Agent promptly after the execution of the Substitute Data Escrow Agreement; and
- (d) the Data Escrow Agreement shall terminate only after remittance of the Key by the Data Escrow Agent to the Substitute Data Escrow Agent.

Governing Law and Submission to Jurisdiction

The Receivables Transfer Agreement, the Servicing Agreement and the Data Escrow Agreement are governed by French law. Any dispute in connection with these agreements will be submitted to the jurisdiction of the French courts having competence in commercial matters.

UNDERWRITING AND MANAGEMENT PROCEDURES

Underwriting Process

The approval process by DIAC relating to the treatment of Borrower's applications and the entry into of Auto Loan Agreements follows a systematic framework. It is conducted by separate expert systems which are used by DIAC depending upon the segment of clientele to which any given Borrower belongs (private clients or companies).

Each dealership is equipped with a system containing the information required to apply for financing. Approximately 80% of all applications are processed via this system, and the information is directly channelled to the network underwriting department (*Centre de Services au Réseau – CSR*). Once the information is received, the system generates either an acceptance (subject to documentation), or the application will be subject to further analysis.

The relevant system used by DIAC bases its approval on information and analysis obtained from several other systems:

- (a) a scoring matrix system (described below) assigns a colour to the borrower reflecting its probability of default;
- (b) a client renewal database records information on all Borrowers, which have been clients of the RCI Banque Group within the last year. This database is limited to Borrowers who have always repaid any arrears and have never been in default;
- (c) a tracking system collects credit information from the national payments database for loans to individuals (the *Fichier National des Incidents de Remboursement des crédits aux Particuliers*), the central cheques database (the *Fichier Central des Chèques*) and the Banque de France. If it results in an automatic refusal but if the client is nevertheless part of the client renewal database, an exceptional application can nonetheless be made to the CSR;
- (d) a general information database containing diverse information such as delinquency history, disposable income of spouse, potential guarantees, etc; and
- (e) an additional database created by RCI Banque, which gathers all information relating to a client.

The expert systems used by DIAC also assess the financial solvency of borrowers. Solvency is determined with reference to each borrower's debt to income ratio based on satisfactory proof of income, such as payslips. An application with a solvency rate higher than the maximum threshold can be sent to the network manager for exceptional approval.

Credit Scoring

RCI Banque Group has opted for the most advanced methods proposed by the Basel II reform for measuring and monitoring its credit risks; all parameters are thus estimated internally. Valuations are applied to the calculation of Retail, Corporate and Dealer customer risk exposures.

DIAC applies a credit scoring method to all its loan applications. It is subject to an annual review. The scoring method takes into account usual information such as maturity, banking history, whether or not the borrower owns or rents property, family situation, age, and other relevant information.

The scoring is specific to individuals and companies. The scoring is given under the form of colours (green, orange, and red) and indicates the probability that the borrower will default under its loan.

Management Procedures

Management of Auto Loans

The auto loans are managed by the client relationship department based in France (the **CRD**).

In total, at year end 2011, approximately 140 loan agents were dedicated to the management of performing loans, managing 338,068 performing contracts (of which approximately 75% were loan products). The main tasks of the loan agents involve:

- (a) administration of the loans (change of addresses, bank details, new car registration, etc); and
- (b) changes related to the loan contract (payment date, modifications of insurance contract, interest rate, repayment, loan maturity).

Should a Borrower encounter difficult financial circumstances, the CRD can authorise the postponement of an Instalment, thereby delaying the final maturity date. In 2011, 9% of total number of loan contracts had their final maturity dates postponed.

Management of Delinquent Auto Loans

In total, approximately 70 collection agents deal with delinquent loans. In 2011, the team managed approximately 39,000 files. The objective of the department is to regularise all delinquent files as quickly as possible.

Once the system detects a late payment in respect of a loan, the file is transmitted to the delinquent loan department. If the file is regularised it will go back to the CRD; if not, the delinquent file will be sent to the litigation department 90 days after the first late payment.

The first missed payment in respect of a loan when missed is detected between 1 and 15 days after the relevant Instalment Due Date, when the direct debit is rejected. The loan is then considered in arrears and amicable procedures are automatically commenced. The borrower is notified by mail of the failure of the direct debit.

When no payment is received following such notification, a collection agent will contact by phone the borrower to enquire about the causes for non-payment and will try to arrange for future payments. The arrangement initially proposed is the payment of the arrears spread over three Instalments depending on the borrower's risk assessment, or as an alternative an extension of the loan maturity.

If the collection agent fails to contact the borrower within two days, a letter is sent. A second letter will follow after the fourth to sixth day, and a third one between the 12th and the 18th day if the borrower has still not contacted the collection agent.

If the foregoing procedure does not result in payment, the collection agent will make the decision to file a claim (between the 20th and 26th day) with the competent court to start legal proceedings against the borrower with a view to repossessing the vehicle.

If the borrower fails to make payment at the due date under the arrangement agreed with the collection agent, the borrower is contacted two days later to reach another arrangement. If the collection agent has not managed to reach an arrangement or if the borrower does not respect the agreement, the file will be sent to the pre-litigation department. The collection agent will send one or more letters threatening legal proceedings and will take steps to seize the vehicle. The litigation department will take over management of the loan after one month if any attempts at recovery have failed. Since 2000, the pre-litigation department is part of the

management of the delinquent loans department, and is no longer part of the litigation department. This has resulted in the pre-litigation department becoming more pro-active in the recovery procedure.

Litigation Management

The litigation department consists of approximately 35 agents. The agents in the department have significant experience in legal procedures. In 2011, the department managed approximately 10,000 files. Loans represent a smaller proportion of files under management than leases, as legal proceedings in relation to leasing contracts tend to be lengthier.

The main objective is to repossess the relevant vehicle within a short period of time. An administrator is sent to the relevant borrower to obtain a mandate to sell the vehicle.

Sale of the Vehicle

A vehicle may be sold for the benefit of the lender in the following two cases: if the borrower has voluntarily returned the vehicle or if the vehicle has been repossessed pursuant to a court order. A sale will usually be conducted by auction. In certain cases, vehicles are sold to dealers or licensed garages. The decision to sell is made by the relevant agent when it has not been possible to obtain an amicable arrangement with the borrower.

Personal Insolvency Management (Neiertz Procedure)

Personal insolvency is dealt with separately by a specialised team. However, some borrowers may be technically insolvent without being in default on loans granted by DIAC. These borrowers are surveyed by the delinquent loans department.

Payment flows

The payment schedule relating to a loan is established on a monthly basis (the 5th, 10th, 15th, 20th, 25th or the last day of the month). If any such day is not a business day, the payment date is the next following day. DIAC will generally become aware of a payment not received within five to ten days after the due date. Currently, approximately 100% of borrowers have set up a direct debit payment arrangement. The other payment methods are by cheque or postal order.

DESCRIPTION OF RCI BANQUE AND THE SELLER

Description of RCI Banque

Introduction

History and Activities

RCI Banque is the holding of an international group of companies (the **RCI Banque Group**), principally involved in automobile financing and related services. It is a *société anonyme* incorporated under the laws of France, whose registered office is at 14 avenue du Pavé Neuf, 93160 Noisy le Grand, France, registered with the Trade and Companies Register of Bobigny under number 306 523 358, and is licensed as a credit institution (*établissement de crédit*) in France by the *Autorité de Contrôle Prudentiel*. RCI Banque is a wholly-owned subsidiary of Renault S.A.S.

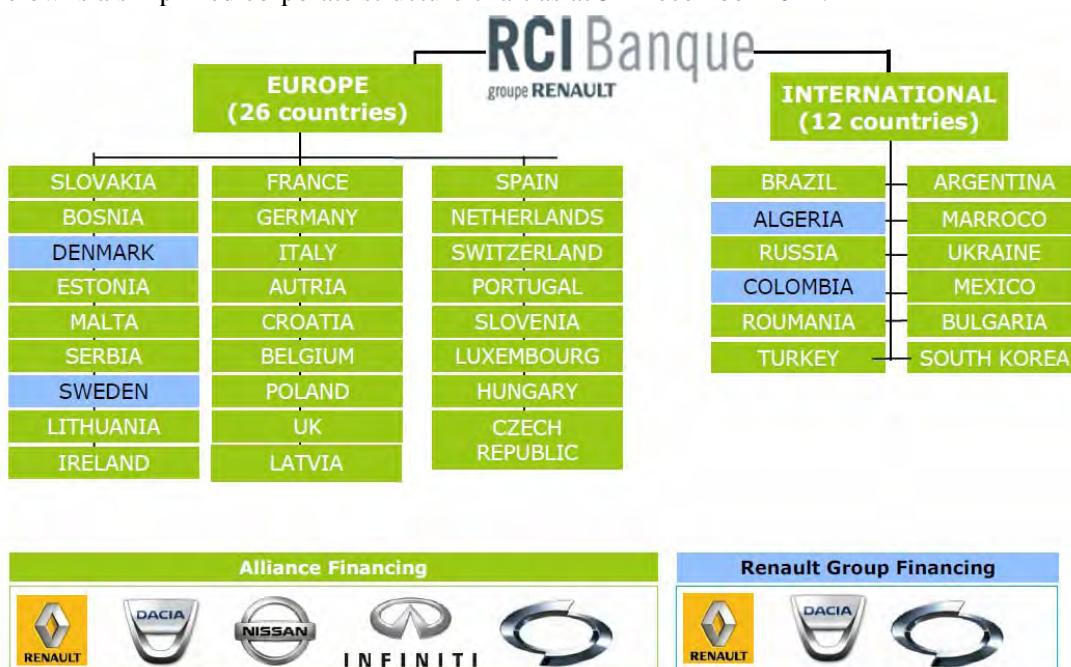
Renault was privatised on 15 July 1996. The French State owns 15.0% of Renault shares at year end 2011. In 1999, Renault acquired a 36.8% interest in Nissan and the RCI Banque Group acquired 100% of the European finance subsidiaries of Nissan in five countries (Germany, the United Kingdom, Italy, Spain and the Netherlands). Except in the United Kingdom, all of the former Renault and Nissan entities have merged and now form a single entity with two commercial brands (Renault and Nissan). As of today, Renault owns 44% of Nissan.

Business Description

The RCI Banque Group:

- contributes to winning and enhancing the loyalty of Renault and Nissan customers by offering a wide range of competitive products integrated into the commercial policy of the Renault and Nissan brands; and
- ensures the profitability of Renault's shareholder equity while maintaining optimum financial security for the RCI Banque Group.

Set out below is a simplified corporate structure chart as at 31 December 2011.



RCI BANQUE OVERVIEW

RCI Banque is the captive finance company of the Renault Nissan Alliance and, as a consequence, finances sales of the following brands: Renault, Renault Samsung Motors (RSM), Dacia, Nissan and Infiniti.

At year end 2011 the RCI Banque Group operates in 38 countries:

- **Europe:** France, Austria, Belgium, Bosnia-Herzegovina, Croatia, Czech Republic, Denmark, Estonia, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom;
- **Americas:** Argentina, Brazil, Colombia, Mexico;
- **Euromed region:** Algeria, Bulgaria, Morocco, Romania, Turkey;
- **Eurasia:** Russia, Ukraine;
- **Asia:** South Korea.

As a captive finance company, the group is to offer a comprehensive range of financings and services to:

- the Customers (Retail and Corporate) to whom RCI Banque offers new and used car loans, rentals with options to buy, leases and long-term rentals. It also provides related services such as insurances, maintenance, extended warranties, roadside assistance, fleet management and credit cards;
- the brand Dealers. RCI Banque finances inventories of new vehicles, used vehicles and spare parts, as well as short-term cash requirements.

Business Activity at year end 2011

2011 was a record year with more than €1 billion of new financings. The average penetration rate increases by 2 points, at 33.6% for all the Alliance brands.

In 2011, global automotive markets posted growth of 5.3%. This increase was driven by countries outside Europe; the market within Europe remained stable (down by 0.5%). In this environment, the RCI Banque Group achieved a record year, passing the threshold of €1 billion in new financings (excluding cards and personal loans), an increase of 11% compared to 2010.

Over the year, 1,024,771 new vehicle contracts were signed (up by 7.5%).

The group's overall penetration rate reached 33.6% (+2 points compared to 2010), thanks to a strong growth due to Dacia (29.5% against 25.6% in 2010) and Nissan (28.8% against 25.8% in 2010) brands. The penetration rate on Renault improved by 1.5 points to 34.4%.

Loans outstanding rose by 13% to €24.5 billion from €21.7 billion at year end 2010. Net customer loans outstanding amounted to €8.2 billion, posting an increase of 8% compared to 2010.

Sales and financing statistics for passenger cars and light utility vehicles

CP+LUV* MARKET		MARKET SHARE RENAULT GROUP BRANDS %	MARKET SHARE NISSAN %	RCI BANQUE PENETRATION RATE %	NEW VEHICLE CONTRACTS PROCESSED NUMBER	NEWS FINANCINGS EXCLUDING CARDS AND PL (€M)	NET LOANS OUTSTANDING AT YEAR-END (€M)	OF WHICH DEALERS (€M)
Western Europe	2011	10.6%	3.3%	33.0%	755,388	8,703	20,065	5,117
	2010	11.3%	2.9%	30.9%	719,504	8,067	18,430	4,308
of which Germany	2011	5.3%	2.2%	33.4%	114,804	1,432	3,852	958
	2010	5.5%	2.0%	34.1%	111,929	1,344	3,595	755
of which Spain	2011	10.9%	5.0%	40.5%	65,646	713	1,717	409
	2010	11.4%	4.4%	34.5%	65,114	722	1,821	342
of which France	2011	26.1%	3.1%	34.5%	338,068	3,950	8,869	2,239
	2010	27.9%	2.3%	32.0%	325,317	3,731	8,151	1,932
of which United Kingdom	2011	4.0%	4.9%	25.5%	68,140	743	1,603	285
	2010	5.0%	4.2%	24.8%	69,701	740	1,449	271
of which Italy	2011	6.4%	3.6%	40.5%	83,121	1,067	2,064	545
	2010	6.6%	2.8%	37.2%	76,718	883	1,724	412
Brazil	2011	5.7%	2.0%	38.2%	104,009	1,109	2,058	756
	2010	4.8%	1.1%	35.7%	72,998	723	1,232	313
South Korea	2011	7.0%	0.4%	56.6%	71,282	819	1,326	12
	2010	10.1%	0.4%	46.1%	77,331	855	1,199	12
Rest of the world **	2011	12.7%	1.7%	25.6%	94,092	457	1,042	378
	2010	11.2%	1.3%	25.5%	83,277	357	866	283
TOTAL RCI BANQUE GROUP	2011	9.7%	2.7%	33.6%	1,024,771	11,089	24,491	6,263
	2010	10.1%	2.2%	31.6%	953,110	10,003	21,727	4,916

*Figures refer to passenger car and light utility vehicle market.

**Rest of the world: Argentina, Czech Republic, Hungary, Morocco, Poland, Romania, Scandinavian countries, Slovenia.

Earnings

The RCI Banque Group's pre-tax income rose by 11.6% compared to December 2010.

This performance is primarily accounted for by:

- net banking income at 5.21% of APO (Average Performing loans Outstanding), a rise of 4.9% compared to December 2010 due to the increase in the gross financial margin and margin on services (4.7% and 4.6% respectively during the period);
- a very significant decrease in the cost of risk, which came to 0.23% of APO against 0.40% in 2010;
- a decrease in the operating expenses-to-APO ratio (1.58% against 1.64% in December 2010), resulting from actions to optimise the group's structures.

Net consolidated income - parent company shareholders' part - came to €493 million, showing a rise of 5.6% compared to December 2010.

Balance Sheet

The excellent business performance in the 2011 financial year boosted loans outstanding by €2.8 billion compared to December 2010. Consolidated equity amounted to €2,569 million, compared to €2,460 million at the end of December 2010, a rise of €109 million.

Profitability

For the second consecutive year, the ROE - Return On Equity (excluding non-recurring items) - is above 23%, confirming the performance of RCI Banque.

Solvency

The RCI Banque Group's solvency ratio (Core Tier 1) rises to 10.5% in 2011 against 10.6% at end December 2010. Excluding transitional requirements under the floor level provisions, the Core Tier 1 ratio was 13.6% at 31 December 2011, against 13% as at 31 December 2010.

CONSOLIDATED INCOME STATEMENT (in million euros)		12/2011	12/2010	12/2009	CONSOLIDATED BALANCE SHEET (in million euros)		12/2011	12/2010	12/2009
Operating income		2,131	1,957	1,911	Net total outstanding of which		24,491	21,727	20,842
Operating expenses		(942)	(823)	(867)	• Retail customer loans		11,843	11,057	10,406
Net banking income		1,189	1,134	1,044	• Leasing and long-term rentals		6,385	5,754	5,407
Operating costs and depreciation and impairment losses on tangible and intangible assets		(357)	(347)	(363)	• Dealer loans		6,263	4,916	4,749
Cost of risk		(52)	(85)	(199)	Financial assets at fair value through profit or loss and hedging derivatives		310	81	95
Share of companies accounted for under the equity method		6	2	5	Other assets		2,304	2,302	3,508
Consolidated pre-tax income		786	704	487	Shareholders' equity of which		2,830	2,723	2,545
CONSOLIDATED NET INCOME (part of the shareholders of the parent company)		493	167	316	• Equity		2,569	2,460	2,284
				• Subordinated debts		261	263	261	
				Bonds		10,895	7,809	6,113	
				Negotiable debt securities (CD, CP, BMTN)		3,213	3,540	3,040	
				Securitization		3,704	3,775	3,812	
				Banks and other lenders (including Schuldcheine)		4,851	4,763	7,408	
				Financial liability at fair value through profit or loss and hedging derivatives		91	137	182	
				Other liabilities		1,521	1,363	1,145	
				TOTAL BALANCE SHEET		27,105	24,110	24,245	

Financial policy

In this tough environment, RCI Banque, which saw strong growth in its business activity, carried out the biggest financing plan in its history.

The group borrowed over €7 billion resources with a maturity of one year or more, of which €3.35 billion were on the bond markets in EUR and €1.8 billion in securitisations. RCI Banque continued and accelerated the process of diversifying its investor base initiated in 2010 and issued:

- for the first time in 2011:
 - a private placement in USD for an amount equivalent to €0.9 billion (144 A format);
 - a bond dedicated to the Belgian retail market;
 - a public issue of Letras Financeiras (financial bill) in Brazil, following the recent creation of this new financial instrument by the Brazilian Monetary Council (CMN);
- a second bond in CHF.

The group was also active on the market for private placements in Euros and on the Korean and Argentine bond markets.

The amounts borrowed and the many different sources of access to liquidity demonstrate that RCI Banque has a stable and diversified funding base.

These long-term resources, to which should be added €4.5 billion of undrawn committed credit lines and €1.7 billion of collateral eligible to the European Central Bank's (ECB) open market operations, secure the continuity of RCI Banque's commercial business activity for more than eight months under a stress scenario characterised by a total lack of new funding sources.

In a complex and volatile environment, the conservative financial policy implemented by the group in recent years proved especially justified. This policy protects the commercial margin of each entity while securing the refinancing for its business activities. It is defined and implemented at a consolidated level by RCI Banque and applies to all sales financing entities within the group.

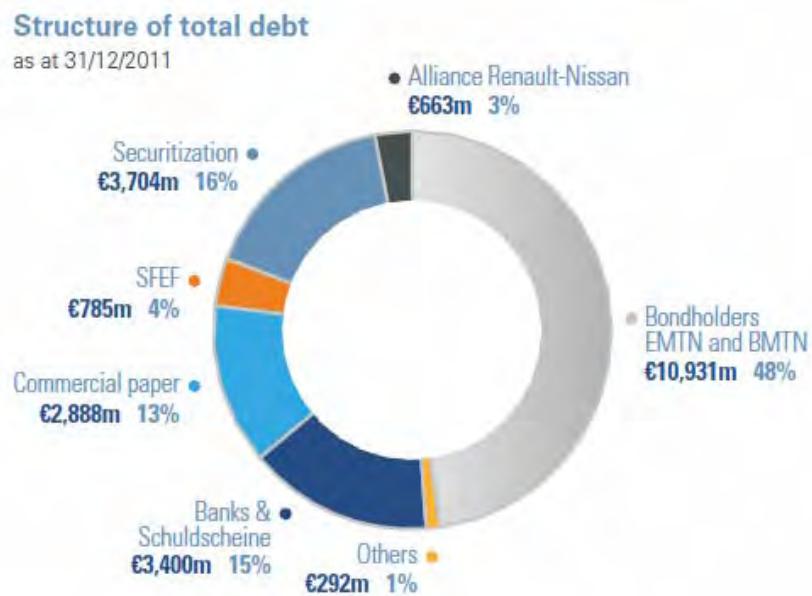
Balance sheet sensitivity can also be measured through very low market risks (interest rate, currency and counterparty), which are monitored daily on a consolidated basis:

- In 2011, RCI Banque's overall sensitivity to the interest rate risk remained below the €30 million limit set by the group. As at 31 December 2012, a 100-base point rise would have had an impact of:
 - - €4.5 million in EUR
 - + €0.5 million in CHF
 - - €0.1 million in GBP
 - - €0.2 million in USD

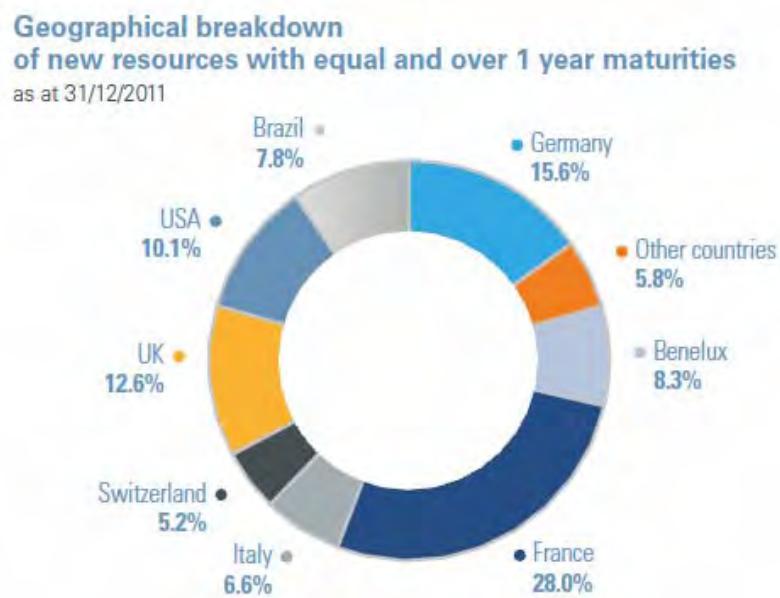
The sum of the absolute values of sensitivities in each currency amounted to €6 million.

- Exposure to currency risk amounted to €8.4 million.
- Available liquidity amounted to €6.3 billion (undrawn committed credit lines with a residual term of over three months: €4.5 billion, available receivables assignable at the central bank: €1.7 billion, cash and cash equivalents: €1.19 million), more than twice the combined total of commercial papers and certificates of deposit outstanding.
- The liquidity reserve amounted to €3.4 billion. This represents available liquidity surplus to the certificates of deposit and commercial papers outstanding. The group has to maintain sources of alternative liquidity above the level of its short-term negotiable debt securities.

Structure of total debt as at 31/12/2011



Geographical breakdown of new resources with equal and over 1 year maturities as at 31/12/2011



FINANCIAL POLICY

Description of the Seller

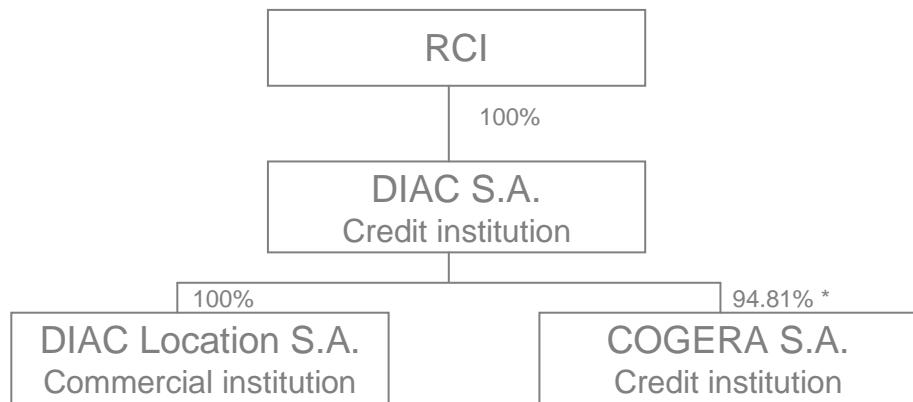
General Information

In France, RCI Group provides financing through three distinct companies depending on the client's entity. Cogera finances the dealership network, DIAC finances private clients and small companies and DIAC Location provides financing to enterprises.

DIAC was set up in 1924 to take over the financing companies of the Renault Group. In 1990, RCI bought the shares of DIAC S.A. to become the sole shareholder. RCI Banque holds 100% of the share capital of DIAC S.A., which employs 1200 people at year end 2011.

RCI Banque and DIAC are very integrated: the location is the same, personnel have the same status and management committees are the same.

Chart of the DIAC Group as of 31 December 2011:



DIAC is the largest entity within RCI Banque Group followed by its German subsidiary.

DIAC's main business is to provide financing products to customers through loans or leases of sales of vehicles to the end customers of Renault and Nissan brands in France.

Commercial Offer

DIAC offers products such as:

- Loans (financing scheme):
 - Classic amortising auto loans: with equal instalments on maturity from 12 to 72 months.
 - Balloon Loans called New Deal: with a number of equal instalments and an ultimate larger instalment, the balloon payment. The main maturities available on this product are 25, 37 and 49 months.
 - The purpose is to attract and retain new customers and to encourage them to upgrade to new cars on a regular basis. The New Deal product characterises this new strategy in France.

The New Deal adopts a different financing approach by setting up monthly instalments covering both maintenance and the running costs of a car.

- Leases (long-term and with purchase option), split among:
 - Long-term lease financed (LLD) or finance leases; and
 - Leases with a purchase option (known as a *Crédit bail*) to individuals and companies (governed by French Consumer Credit Legislation).

Key Figures - As of 31 December 2011

	2009	2010	2011	difference 2010/2009	difference 2010/2011
Renault NV contracts	114 742	117 057	117 407	2 315	350
Private individuals	91 809	96 060	94 564	4 251	-1 496
RGP	8 298	6 883	6 536	-1 415	-347
Companies	3 458	748	700	-2 710	-48
Car rental companies	2 163	2 662	2 980	499	318
Dealer car rental companies	2 953	3 266	4 878	313	1 612
Demo cars	6 061	7 438	7 749	1 377	311
Dacia NV contracts	13 140	27 645	26 532	14 505	-1 113
Private individuals	11 994	25 663	21 409	13 669	-4 254
Others	1 146	1 982	5 123	836	3 141
Nissan NV contracts	6 290	8 305	14 671	2 015	6 366
Private individuals	6 084	7 838	13 917	1 754	6 079
Others	206	467	754	261	287
Renault UV contracts	58 736	65 201	70 100	6 465	4 899
Private individuals	51 815	53 642	52 501	1 827	-1 141
Dealer car rental companies	6 670	11 344	17 251	4 674	5 907
Others	251	215	347	-36	132
Dacia UV contracts	509	1 087	1 530	578	443
Nissan UV contracts	1 008	1 114	1 215	106	101

The commercial department manages every aspect of financing products (product design organisation of the sales network, customer relationship, etc) throughout the life of each loan, whether it is performing, in arrears or in default.

The commercial department manages its two client types (private individuals and companies) separately.

Since 2001, DIAC has reorganised its commercial network by separating itself from the sales and production process. At present, the organisation of the commercial network is divided into two regional underwriting centres (**CSR**) – Paris & Lyon. The delinquency management is centralised in Bordeaux for all the group.

USE OF PROCEEDS

The proceeds of the Notes and the Residual Units to be issued on the Closing Date shall be applied by the Management Company, acting for and on behalf of the Issuer, to pay to the Seller the purchase price for the portfolio of Eligible Receivables to be purchased by the Issuer on the Closing Date in accordance with, and subject to, the terms of the Receivables Transfer Agreement.

TERMS AND CONDITIONS OF THE CLASS A NOTES

1. Form, Denomination and Title

1.1 The Issuer shall on or about the Closing Date issue the Class A Notes in the denomination of €100,000 each in the total amount of €750,000,000.

The Class A Notes are issued by the Issuer in bearer dematerialised form in compliance with Article L. 211-3 of the French Monetary and Financial Code. Interest on the Class A Notes is payable in arrears on each Monthly Payment Date. The Class A Notes will at all times be represented in bearer dematerialised form (*forme dématérialisée*), in compliance with Article L. 211-3 of the French Monetary and Financial Code. No physical documents of title are issued in respect of the Class A Notes.

1.2 The issue price of each Class A Note shall be 100% of the nominal value of such Class A Note.

1.3 The Class A Notes are, upon issue, admitted to the Clearing Systems, which shall subsequently credit the accounts of Account Holders affiliated with them.

1.4 Title to the Class A Notes shall at all times be evidenced by entries in the books of the Account Holders affiliated with the Clearing Systems, and a transfer of Class A Notes may only be effected through registration by the Clearing Systems of the transfer in the register of the Account Holders held by them.

1.5 All Class A Notes shall be fungible among themselves. The Class A Notes shall not be considered as forming part of the same category as, and shall not be fungible with, any other class of notes (including the Class B Notes) issued by the Issuer.

2. Interest

2.1 Interest Periods and Payment Dates

Period of Accrual

All the Class A Notes shall bear interest in arrears from (and including) the Closing Date, to (but excluding) the earlier of:

- (a) the date on which the Class A Notes Outstanding Amount is reduced to zero; or
- (b) the Legal Maturity Date,

and shall accrue interest on their respective Class A Notes Outstanding Amount at the Class A Notes Interest Rate as calculated in accordance with Condition 2.2, on a monthly basis.

Interest Periods

For all Class A Notes, the interest period shall be:

- (a) the period commencing on (and including) the Closing Date, and ending on (but excluding) the first Monthly Payment Date following such Closing Date; and
- (b) the subsequent periods commencing on (and including) a Monthly Payment Date and ending on (but excluding) the immediately following Monthly Payment Date (each, an **Interest Period**).

Payment Dates

Interest on the Class A Notes shall be payable in arrears on each Monthly Payment Date.

2.2 Interest

Rate of Interest

The interest rate of the Class A Notes is equal to 1.379% per annum (the **Class A Notes Interest Rate**).

Determination

The Class A Notes Interest Amount with respect to each Monthly Payment Date is equal to the product of:

- (a) the Class A Notes Interest Rate;
- (b) the Class A Notes Outstanding Amount as of the preceding Calculation Date; and
- (c) the number of days of the relevant Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365); and
- (d) rounding the resultant figure to the nearest cent (half a cent being rounded upwards).

The Management Company shall promptly notify the Class A Notes Interest Amount with respect to each Interest Period to the Paying Agents on the Calculation Date preceding the relevant Monthly Payment Date.

Day Count Fraction

The day count fraction in respect of the calculation of an amount of interest on the Class A Notes for any Interest Period will be computed and paid on the basis of the actual number of days in the relevant Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365).

2.3 Determinations and Calculations Binding

All notifications, opinions, determinations, calculations and decisions given, expressed, made or obtained for the purposes of this Condition 2 by the Management Company shall (in the absence of gross negligence (*faute lourde*), wilful misconduct (*faute dolosive*), bad faith (*mauvaise foi*) or manifest error (*erreur manifeste*)) be binding on the Management Company, the Custodian and the Class A Noteholders.

3. Status and Relationship between the Class A Notes and the other Notes

3.1 Status and Ranking of the Class A Notes

The Class A Notes constitute direct, unsecured and unconditional obligations of the Issuer and all payments of principal and interest with respect to the Class A Notes shall be made pursuant to the applicable Priority of Payments.

3.2 Relationship between the Notes

The relationship between the Notes shall be as follows:

- (a) payments of interest in respect the Class B Notes are subordinated to payments of interest and principal in respect of the Class A Notes;
- (b) payments of principal in respect of the Class B Notes are subordinated to payments of principal and interest in respect of the Class A Notes.

4. Amortisation

4.1 Amortisation Period

On any Monthly Payment Date falling within the Amortisation Period, the Class A Notes shall be subject to pro rata amortisation, in accordance with the applicable Priority of Payments and in an aggregate amount equal to the Class A Notes Amortisation Amount.

4.2 Accelerated Amortisation Period

Following the occurrence of an Accelerated Amortisation Event or a Liquidation Event, the Class A Notes shall be subject to mandatory pro rata amortisation on each Monthly Payment Date until the Class A Notes are amortised in full on a *pari passu* basis, in accordance with the applicable Priority of Payments. The Class A Notes shall be amortised on each Monthly Payment Date in an aggregate amount equal to the Class A Notes Amortisation Amount in accordance with the applicable Priority of Payments.

4.3 Determination of the Amortisation of the Class A Notes

On each Calculation Date, the Management Company shall determine:

- (a) as applicable, the Class A Notes Amortisation Amount, due and payable on the following Monthly Payment Date;
- (b) the Class A Notes Outstanding Amount on such Monthly Payment Date; and
- (c) the Class A Notes Interest Amount due and payable on such Monthly Payment Date.

4.4 Legal Maturity Date

The Legal Maturity Date of the Class A Notes is 25 September 2021 and, unless previously redeemed, shall be redeemed on that date.

4.5 Rounding

If in accordance with the relevant Priority of Payments, on any Monthly Payment Date, there is no sufficient funds to fully amortise all the Class A Notes to be amortised on such date, the available funds for such amortisation shall be allocated *pari passu* and pro rata and the amount allocated to each Class A Note to be amortised shall be rounded down to the nearest euro.

5. Payments

5.1 Method of Payment & Taxes

Method of Payment

Any amounts of interest or principal due in respect of any Class A Note are paid in Euro outside the United States and its possessions by the Principal Paying Agent on each applicable Payment Date up to the amount transferred by the Management Company (or the FCT Account Bank acting upon the instructions of the Custodian and the Management Company) to the Principal Paying Agent by debiting the General Collection Account. Such payments will be made to the Class A Noteholders identified as such and as recorded with the Clearing Systems. Any payments of principal and interest are made in accordance with the rules of the Clearing Systems. No paying agent shall be appointed in the United States or its possessions.

Tax

Payments of principal and interest in respect of the Class A Notes are made subject to any withholding tax or deduction for or on account of any tax and neither the Issuer nor the Paying Agents are under any obligation to pay any additional amounts as a consequence of any such withholding or deduction.

Supply of Information

Each Class A Noteholder shall be responsible for supplying to the Paying Agents, in a timely manner, any information as may be reasonably required by the latter in order for it to comply with the identification and reporting obligations imposed on it by European Council Directive 2003/48/EC implemented into French law under Article 242 *ter* of the French Tax Code (*Code général des impôts*).

5.2 Principal Paying Agent and Luxembourg Paying Agent

The initial Principal Paying Agent is:

Société Générale
29 Boulevard Haussman
75008 Paris
France

The initial Luxembourg Paying Agent is:

Société Générale Bank & Trust
11 avenue Emile Reuter
L2420 Luxembourg
BP 1271
Grand Duchy of Luxembourg

Pursuant to the provisions of the Paying Agency Agreement, the Management Company is entitled at any time to modify or terminate the appointment of any paying agent in relation to the Class A Notes and/or appoint another or other paying agent(s) in relation to the Class A Notes and/or approve any change in the specified offices of the Paying Agents, subject to a six-month prior notice period and provided that (a) so long as any of the Class A Notes are listed on the official list of the Luxembourg Stock Exchange and are admitted to trading on the Regulated Market, it will at all times maintain a paying agent in relation to the Class A Notes having a specified office in Luxembourg and (b) no paying agent shall be appointed in the United States or its possessions. Notice of any amendments to

the Paying Agency Agreement shall promptly be given to the Noteholders in accordance with Condition 7.

5.3 Payments Made on Business Days

If the due Payment Date of any amount of principal or interest in respect of the Class A Notes is not a Business Day, then the Class A Noteholders shall not be entitled to payment of the amount due until the next following Business Day unless that day falls in the next calendar month, in which case the due date for such payment shall be the first preceding day that is a Business Day.

6. Limited Recourse

Without limiting the scope of the obligations and the possibility of recourse of the Issuer, by subscribing other Class A Notes, each Noteholder acknowledges that he shall have no direct right of action or recourse, under any circumstances whatsoever, against the Borrowers under the Transferred Receivables and expressly and irrevocably:

- (a) agrees that, in accordance with Articles L. 214-43 and L. 214-48 III of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making a payment in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, even if the Issuer is liquidated;
- (b) agrees that in accordance with Article L. 214-43 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations;
- (c) to the extent that he may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, undertakes to waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full; and
- (d) agrees that in accordance with Article L. 214-48 III of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

After the Legal Maturity Date, any principal and/or interest amount remaining unpaid in respect of the Class A Notes shall be automatically cancelled without any formalities (*de plein droit*) and as a result, with effect from the Legal Maturity Date, the Class A Noteholders shall no longer have any right to assert a claim in respect of the Class A Notes against the Issuer.

7. Notice to Noteholders

Notices may be given to Class A Noteholders in any manner deemed acceptable by the Management Company provided that for so long as the Class A Notes are listed on the official list of the Luxembourg Stock Exchange and are admitted to trading on the Regulated Market, such notice shall be in accordance with the rules of the Luxembourg Stock Exchange. Notices regarding the Class A Notes will be deemed duly given if published in a leading daily newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) and any other newspaper of general circulation appropriate for such publications and approved by the Management Company and the Custodian. If not published in a leading daily newspaper of general circulation in Luxembourg, such notices will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Such notices shall also be addressed to the Rating Agencies.

Class A Noteholders will be deemed to have received such notices three Business Days after the date of their publication.

In the event that the Management Company declares the dissolution of the Issuer after the occurrence of a Liquidation Event or upon the request of the Seller, the Management Company will notify such decision to the Class A Noteholders within ten Business Days. Such notice will be deemed to have been duly given if published in the leading daily newspaper of Luxembourg mentioned above. The Management Company may also notify such decision on its website or through any appropriate medium.

8. Representation of the Class A Noteholders

8.1 The Class A Noteholders will be grouped automatically for the defence of their respective common interests in a *Masse* (the *Masse*).

In the absence of specific legal provisions governing the legal regime of notes (*titres de créances*) issued by a *fonds commun de titrisation*, each *Masse* will be governed by Article L. 228-90 of the French Commercial Code, by the provisions of Articles L. 228-46 *et seq.* of the French Commercial Code (with the exception of the provisions of Articles L. 228-48, L. 228-59, L. 228-65, L. 228-71, L. 228-72, R. 228-63, R. 228-67, R. 228-69 and R. 228-72 thereof), and/or, as the case may be, by any other mandatory provisions from time to time governing notes (*titres de créances*) issued by a *fonds commun de titrisation*, and by the conditions set out below.

8.2 The *Masse* is a separate legal body, by virtue of Article L. 228-46 of the French Commercial Code acting in part through one representative (the **Class A Noteholders Representative**) and in part through the Class A Noteholders General Meeting.

The *Masse* alone, to the exclusion of all individual Class A Noteholders, shall exercise the common rights, actions and benefits that now or in the future may accrue with respect to the Class A Notes.

8.3 The office of the Class A Noteholders Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as the Class A Noteholders Representative:

- (a) the Management Company, the Custodian, its respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d'administration*), Management Board (*Directoire*) or Supervisory Board (*Conseil de surveillance*), as the case may be, its statutory auditors, or employees as well as their ascendants, descendants and spouses;
- (b) the Seller;
- (c) companies possessing at least 10% of the share capital of the Management Company and/or the Custodian or of which the Management Company and/or the Custodian hold at least 10% of the share capital;
- (d) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors (*Conseil d'administration*), Management Board (*Directoire*) or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouses; and

- (e) persons to whom the practice of banking activities is forbidden or who have been deprived of the right to direct, administer or manage a business in whatever capacity.

The Class A Noteholders Representative will be the Association de Représentation des Masses de Titulaires de Valeurs Mobilières.

In the event of death, resignation or revocation of the Class A Noteholders Representative, a replacement Class A Noteholders Representative will be elected by the Class A Noteholders General Meeting.

No appointment fee shall be paid to any Class A Noteholders.

All interested parties shall at all times have the right to obtain the name and the address of the then appointed Class A Noteholders Representative at the head office of the Management Company, the Custodian and at the offices of the Paying Agents.

- 8.4 The Class A Noteholders Representative shall, in the absence of any decision to the contrary of the Class A Noteholders General Meeting, have the power to take all acts of management to defend the common interests of the Class A Noteholders.

All legal proceedings against the Class A Noteholders or initiated by them in order to be legally valid, must be brought against the Class A Noteholders Representative or by it, and any legal proceedings which have not been brought in accordance with this provision shall not be legally valid.

The Class A Noteholders Representative may not interfere in the management of the affairs of the Issuer.

- 8.5 The Class A Noteholders General Meeting may be held in any location and at any time, on convocation either by the Management Company or by the Class A Noteholders Representative. One or more Class A Noteholders, holding together at least one-thirtieth of outstanding Class A Notes may address to the Management Company and the Class A Noteholders Representative a demand for convocation of the Class A Noteholders General Meeting; if such Class A Noteholders General Meeting has not been convened within two months from such demand, such Class A Noteholders may commission one of them to petition the competent court in Paris to appoint an agent (*mandataire*) who will call the meeting on their behalf.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a general assembly will be published as provided under Condition 7 not less than 15 calendar days prior to the date of the general assembly for a first convocation and not less than six calendar days in the case of a second convocation prior to the date of the reconvened general assembly.

Each Class A Noteholder has the right to participate in meetings of the *Masse* in person, represented by proxy correspondence or, if the FCT Regulations so specify, videoconference or any other means of telecommunication allowing the identification of the participating Class A Noteholders. Each Class A Note carries the right to one vote.

- 8.6 A Class A Noteholders General Meeting is empowered to deliberate on the dismissal and replacement of the Class A Noteholders Representative, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Class A Notes, including authorising the Class A Noteholders Representative to act as plaintiff or defendant.

A Class A Noteholders General Meeting may further deliberate on any proposal relating to the modification of the Conditions, including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that a Class A Noteholders General Meeting may not increase the obligations of (including any amounts payable by) the Class A Noteholders nor establish any unequal treatment between the Class A Noteholders.

Class A Noteholders General Meetings may deliberate validly on first convocation only if the Class A Noteholders present or represented hold at least one quarter of the principal amount of the Class A Notes then outstanding. On second convocation, no quorum shall be required. Decisions at these meetings shall be taken by a two-third majority of votes cast by the Class A Noteholders attending such meeting or represented thereat.

- 8.7 Decisions of any Class A Noteholders General Meeting must be published in accordance with the provisions set out in Condition 7 not more than 90 calendar days from the date thereof.
- 8.8 Each Class A Noteholder or the Class A Noteholders Representative thereof has the right, during the 15-day period preceding the holding of each Class A Noteholders General Meeting, to consult or make a copy of the text of the resolutions which are proposed and of the reports which are presented at this meeting, which is available for inspection at the principal office of the Management Company, at the offices of any of the Paying Agents and at any other place specified in the notice of meeting.
- 8.9 The Issuer will not pay any expenses incurred by the operation of the *Masse*, including expenses relating to the calling and holding of meetings and the expenses which arise by virtue of the remuneration of the Class A Noteholders Representative, and more generally all administrative expenses resolved upon by a Class A Noteholders General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable on the Class A Notes.

9. Prescription

After the Legal Maturity Date, any part of the nominal value of the Class A Notes or of the interest due thereon which may remain unpaid will be automatically cancelled, so that the Class A Noteholders, after such date, shall have no right to assert a claim in this respect against the Issuer, regardless of the amounts which may remain unpaid after the Legal Maturity Date.

10. Calculations

The parties hereto agree that the amortisation amount relating to any given Class A Note shall be rounded downwards to the next cent, if need be, and that the issue amount of any given Class A Note shall be rounded upwards to the next cent, if need be.

11. Governing Law and Submission to Jurisdiction

The Class A Notes, the Interest Amounts, the Principal Payments and the FCT Regulations are governed by and will be construed in accordance with French law. All claims and disputes in connection with the Class A Notes, the Interest Amounts, the Principal Payments and the FCT Regulations shall be subject to the exclusive jurisdiction of the French courts having competence in commercial matters.

TAXATION

France

The statements herein regarding taxation are based on the laws in force in the Republic of France as of the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Class A Notes. Each prospective holder or beneficial owner of the Class A Notes should consult its tax adviser as to the tax consequences of any investment in or ownership and disposition of the Class A Notes under the laws of the Republic of France and/or any other jurisdiction.

All prospective Class A Noteholders should seek independent advice as to their tax positions.

Withholding tax

The payments of interest and other similar income made by the Issuer with respect to Class A Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* (the **French Tax Code**) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a **Non-Cooperative State**). If such payments under the Notes are made in a Non-Cooperative State, a 50% withholding tax will be, as a general rule, applicable pursuant to Article 125 A III of the French Tax Code (subject to certain exceptions and to the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, Article 125 A III of the French Tax Code provides that the 50% withholding tax will not apply in respect of the Class A Notes if the Issuer can prove that the principal purpose and effect of the issue of the Class A Notes was not that of allowing the payments of interest or other revenues to be made in a Non-Cooperative State (the **Exception**). Pursuant to the ruling (*rescrit*) n°2010/11 (FP and FE) of the French tax authorities dated 22 February 2010 and the regulations published in the BOI (*bulletin officiel des impôts*) 14 A-5-12 dated 10 May 2012, the issue of the Class A Notes will benefit from the Exception without the Issuer having to provide any proof of the purpose and effect of such issue if the Class A Notes are:

- (a) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (b) admitted, at the time of their issue, to the clearing operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Financial and Monetary Code, or of one or more similar foreign depositaries or operators, provided that such depositary or operator is not located in a Non-Cooperative State.

Consequently, payments of interest and other similar income made by the Issuer under the Class A Notes are not subject to the withholding tax set out under Article 125 A III of the French Tax Code.

Luxembourg

The following summary is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors of the Class A Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature refers to Luxembourg tax law and/or concepts only.

Withholding Tax

Luxembourg resident holders of Class A Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the **Relibi Law**), there is no Luxembourg withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Class A Notes, nor on accrued but unpaid interest in respect of the Class A Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Class A Notes held by Luxembourg resident holders of Class A Notes.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payment of interest under the Class A Notes coming within the scope of the Relibi law will be subject to a withholding tax at a note of 10%.

This withholding tax represents the final tax liability for the Luxembourg individual resident taxpayers.

Luxembourg non-resident holders of Class A Notes

Under the Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005, as amended (the **Savings Laws**), there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Class A Notes, nor on accrued but unpaid interest in respect of the Class A Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Class A Notes held by non-resident holders of Class A Notes.

Under the Savings Laws implementing the Council Directive 2003/48/EC of 3 June 2003 (the **Savings Directive**) on taxation of savings income in the form of interest payments and ratifying several agreements concluded between Luxembourg and certain dependent or associated territories of EU Member States (the **Territories**), payments of interest or similar income made or ascribed by a Luxembourg based paying agent to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, another EU Member State or in certain EU dependent or associated Territories will be subject to withholding tax unless the beneficiary of the interest payments elects for an exchange of information or for the tax certificate procedure.

Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Class A Notes coming within the scope of the Savings Laws will be subject to a withholding tax rate of 35%.

EU Directive on the Taxation of Savings Income

Under the Savings Directive on the taxation of savings income in the form of interest payments Member States are required from 1 July 2005 to provide to the tax authorities of another Member State details of payments of interest and other similar income paid by a person within their jurisdiction to an individual resident in that other Member State or to certain entities established in that other Member State.

However, for a transitional period, Austria and Luxembourg are instead required (unless during such period they elect otherwise) to operate a withholding tax system in relation to such payments (the ending of such

transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system in the case of Switzerland).

The Savings Directive was implemented into French law under Article 242 *ter* of the French Tax Code. These provisions impose on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another Member State (or certain territories), including, among other things, the identity and address of the beneficial owner and a detailed list of the different categories of interest payments made to that beneficial owner.

The European Commission has proposed certain amendments to the Savings Directive which may, if implemented, amend or broaden the scope of the requirements described above.

DESCRIPTION OF THE FCT ACCOUNTS

Account and Cash Management Agreement

FCT Accounts

On the Closing Date, the Management Company shall ensure that the Custodian, in accordance with the provisions of the Account and Cash Management Agreement, has opened the FCT Accounts, namely:

- (a) the General Collection Account;
- (b) the General Reserve Account; and
- (c) the Commingling Reserve Account.

General Collection Account

The General Collection Account shall be:

- (a) credited with the following amounts:
 - (i) on each Business Day, by debit of the Servicer Collection Account, the sum of:
 - (A) the aggregate Instalments scheduled to be paid by the Borrowers according to their applicable contractual schedule, in respect of Transferred Receivables that were Performing Receivables;
 - (B) the aggregate amounts in relation to prepayments made by Borrowers in respect of the Performing Receivables;
 - (C) all fees, penalties, late-payment indemnities received from the Borrowers, amounts received from insurance companies under any Insurance Policies in respect of the Transferred Receivables;
 - (D) Recoveries; and
 - (E) the Delinquencies Ledgers Decrease less the Delinquencies Ledgers Increase;
 - (ii) on each Monthly Payment Date, the aggregate Non-Compliance Payments due by the Seller in respect of the preceding Reference Period;
 - (iii) on the Business Day preceding each Monthly Payment Date, the Financial Income as deposited (or caused to be deposited) by the FCT Account Bank;
 - (iv) from time to time: any other cash remittances, which are not otherwise expressly specified in this Section, paid by any obligor of the Issuer under any of the FCT Transaction Documents;
 - (v) on the Closing Date, the subscription price of the Notes and the Residual Units;
 - (vi) on each Monthly Payment Date, the credit balance of the General Reserve Account;
 - (vii) on each Monthly Payment Date if the Servicer has breached its obligation under the Servicing Agreement to transfer Collections to the Issuer, by debit of the Commingling Reserve Account to the Issuer, an amount up to the amount of non-transferred Collections;

- (viii) on any Monthly Payment Date with any Re-transfer Amount and further to the occurrence of a Liquidation Event with the repurchase price (if any) of the Transferred Receivables;
- (b) debited:
- (i) on each Monthly Payment Date with the Overpayments due to the Seller;
 - (ii) on the Closing Date with the Receivables Transfer Price; and
 - (iii) on each Monthly Payment Date, in full, in accordance with the provisions of the relevant Priority of Payments (see the Section entitled "OPERATION OF THE ISSUER – Priority of Payments" on page 61).

General Reserve Account

- (a) The General Reserve Account which shall be:
 - (i) credited by the Seller on the Closing Date with a deposit in an amount of €8,523,000 to be made by the Servicer pursuant to Articles L. 211-38 of the French Monetary and Financial Code in favour of the Issuer;
 - (ii) credited by the Management Company, on each Monthly Payment Date up to the General Reserve Required Level by debit of the General Collection Account in accordance with the applicable Priority of Payments;
 - (iii) debited by the Management Company with the following amounts:
 - (A) no later than 9.00 am on each Monthly Payment Date, in full for transfer into the General Collection Account; and
 - (B) once all the Notes have been repaid in full, in full for transfer to the account of the Seller in accordance with the applicable Priority of Payments.
- (b) On any Monthly Payment Date, the Management Company (acting on behalf of the Issuer) shall be entitled in accordance with Article L.211-38 of the French Monetary and Financial Code to set-off on such Monthly Payment Date the Issuer's claim to receive the amounts due and payable by the Seller under clause 15.1 (Recourse against non payment under the Transferred Receivables) of the Receivables Transfer Agreement against the Seller's claim under the General Reserve Deposit Agreement to recover the amount credited to the General Reserve Account up to the amount of the lesser of those two claims. The interest and proceeds of the Authorised Investments, if any, on the General Reserve Account shall be transferred by the FCT Cash Manager, upon request of the Management Company, to the benefit of the Issuer and credited to the General Collection Account as part of the Financial Income.
- (c) Following the application of the relevant Priority of Payments, on each Monthly Payment Date the Management Company shall retransfer to the Seller a part of the General Reserve Deposit up to an amount equal to the lesser of:
 - (a) the positive difference, if any, between:
 - (A) the credit balance of the General Reserve Account on such Monthly Payment Date before the transfer referred to in paragraph (a)(iii)(A) above; and
 - (B) the General Reserve Required Level on such Monthly Payment Date; and

- (b) the credit balance of the General Collection Account after making the payments ranking, in accordance with the applicable Priority of Payments, above such retransfer to the Seller.
- (d) In accordance with the General Reserve Deposit Agreement, on the FCT Liquidation Date, the Management Company shall retransfer to the Seller the residual credit balance of the General Reserve Account, if any, in accordance with the relevant Priority of Payments and provided that all of the Notes and Residual Units have been repaid in full. Such transfer shall constitute full and definitive discharge of the obligation of the FCT to refund the General Reserve Deposit back to the Seller.

Commingling Reserve Account

The Commingling Reserve Account which shall be credited within two Business Days of the date, if any, on which the Commingling Reserve Rating Condition is no longer satisfied, with an amount equal to the Commingling Reserve Required Level. The Servicer will then on the third Business Day preceding each Monthly Payment Date credit this Commingling Reserve Account with such amounts as are necessary to maintain the balance of such Commingling Reserve Account at the Commingling Reserve Required Level. In order to secure the payment of Collections by the Servicer to the General Collection Account and mitigate the risk of commingling Collections with existing funds of the Servicer prior to being transferred to the Issuer, the Servicer shall transfer to the Commingling Reserve Account certain amounts of money pursuant to Article L. 211-38 of the French Monetary and Financial Code to the Issuer. On any Monthly Payment Date, if the Servicer has breached its obligations under the Servicing Agreement to transfer Collections to the Issuer, the Issuer's claim under the Servicing Agreement to receive from the Servicer such non-transferred Collections will be set-off with the Servicer's claim under the Commingling Reserve Deposit Agreement to recover the amount credited to the Commingling Reserve Account up to the amount of the lesser of those two claims. Such set-off will trigger the transfer of the amount standing to the credit of the Commingling Reserve Account to the General Reserve Account (see the Section entitled "CREDIT STRUCTURE – Reserve Funds" on page 120).

If, on a given Calculation Date, the credit balance of the Commingling Reserve Account exceeds the Commingling Reserve Required Level as of such Calculation Date (including if on such date such excess is caused by the Commingling Reserve Condition being satisfied again), then the Management Company shall re-transfer to the Servicer on the Monthly Payment Date following such Calculation Date, by debiting the Commingling Reserve Account, an amount equal to the difference between:

- (a) the credit balance of the Commingling Reserve Account as of such Calculation Date; and
- (b) the Commingling Reserve Required Level as of such Calculation Date.

During the life of the Issuer, the Custodian shall be entitled to delegate or sub-contract any or all of its obligations in respect of the book-keeping of the bank accounts and the custody of any financial instruments governed by the agreement(s) relating to the relevant bank accounts to any credit institution duly licensed therefore under the laws and regulations of France, subject to any applicable laws.

No Debit Balance

Any payment or provision for payment is made by the Management Company only out of and to the extent of the credit balance of the General Collection Account and subject to the application of the relevant Priority of Payments. None of the FCT Accounts shall ever have a debit balance at any time during the life of the Issuer.

Limited Liability

The Management Company is not liable for any failure in the proper implementation of the Priority of Payments if it results from the failure of the Seller or Servicer to perform their respective obligations under the Receivables Transfer Agreement and/or Servicing Agreement or from the failure of the FCT Account Bank to perform its obligations under the Account and Cash Management Agreement.

Downgrade of the ratings of the FCT Account Bank and FCT Cash Manager

Pursuant to the Account and Cash Management Agreement, if any of the ratings of the FCT Account Bank's debt obligations becomes lower than the Required Ratings then the Custodian will, upon request of the Management Company, by written notice to the FCT Account Bank or, as the case may be, to the FCT Cash Manager, terminate the appointment of the FCT Account Bank or, as the case may be, the FCT Cash Manager and will appoint, within 15 calendar days, a substitute account bank or, as the case may be, cash manager on condition that such substitute account bank or cash manager shall:

- (a) be an Eligible Bank having at least the Required Ratings;
- (b) have agreed with the Management Company and the Custodian to perform the duties and obligations of the FCT Account Bank or, as the case may be, FCT Cash Manager pursuant to and in accordance with terms satisfactory to the Management Company and the Custodian,

provided that:

- (i) such substitution will not result in the downgrading of the then current rating of the Class A Notes by the Rating Agencies; and
- (ii) no termination of the FCT Account Bank's appointment shall occur for so long as an eligible substitute account bank has not been appointed by the Management Company.

Resignation of the FCT Account Bank and FCT Cash Manager

Each of the FCT Account Bank and the FCT Cash Manager may resign its appointment at any time, subject to the issuance 30 calendar days in advance of a written notice addressed to the Custodian (with a copy to the Management Company), provided, however, that such resignation will not take effect until the following conditions are satisfied:

- (a) a substitute account bank or, as the case may be, a substitute cash manager, has been appointed by the Management Company with the prior consent of the Custodian (such consent not being unreasonably withheld) and a new bank account agreement has been entered into upon terms satisfactory to the Management Company and the Custodian;
- (b) the substitute account bank or, as the case may be, cash manager is an Eligible Bank; and
- (c) such substitution does not result in the deterioration of the level of security offered to the Noteholders. In particular, it must not result in the downgrading of the then current rating assigned to the Notes by the Rating Agencies.

Governing Law and Submission to Jurisdiction

The Account and Cash Management Agreement are governed by, and will be construed in accordance with, French law and all claims and disputes arising in connection therewith shall be subject to the exclusive jurisdiction of the French courts having competence in commercial matters.

Credit of the FCT Accounts

In accordance with the provisions of the FCT Regulations, the Management Company will give such instructions as are necessary to the Custodian and the FCT Account Bank to ensure that each of the FCT Accounts is credited or, as the case may be, debited in the manner described above under this Section.

NO RE COURSE AGAINST THE ISSUER

Pursuant to the Conditions and the applicable FCT Transaction Documents, each Noteholder, the Seller, the Servicer, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager, the Paying Agents, the Listing Agent, the Servicer Collection Account Bank, the Data Escrow Agent and each of the Joint Arrangers and Joint Lead Managers and Joint Bookrunners each expressly and irrevocably (and the Management Company has expressly and irrevocably undertaken to procure, upon the conclusion of any agreement, in the name and on behalf of the Issuer with any third party, that such third party expressly and irrevocably):

- (a) agrees that, in accordance with Articles L. 214-43 and L. 214-48 III of the French Monetary and Financial Code, it has no claim whatsoever against the Issuer for sums in excess of the amount of the Issuer's assets available for making a payment in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, even if the Issuer is liquidated;
- (b) agrees that in accordance with Article L. 214-43 of the French Monetary and Financial Code, the Issuer's assets may only be subject to civil proceedings (*mesures civiles d'exécution*) in accordance with the applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations;
- (c) to the extent that it may have any claim (including any contractual claim or action (*action en responsabilité contractuelle*)) against the Issuer the payment of which is not expressly contemplated under any applicable Priority of Payments and the cash allocation provisions set out in the FCT Regulations, undertakes to waive to demand payment of any such claim as long as all Notes and Residual Units issued by the Issuer have not been repaid in full; and
- (d) agrees that in accordance with Article L. 214-48 III of the French Monetary and Financial Code, provisions of Book VI of the French Commercial Code are not applicable to the Issuer.

CREDIT STRUCTURE

Representations and Warranties Related to the Receivables

In accordance with the provisions of the Receivables Transfer Agreement, the Seller gives certain representations and warranties relating to the transfer of Receivables to the Issuer, including as to the compliance of the Transferred Receivables with the Eligibility Criteria. Without prejudice to such representations and warranties, the Seller does not guarantee the solvency of the Borrowers or the effectiveness of the related Ancillary Rights (see the Section entitled "THE AUTO LOANS AGREEMENTS AND THE RECEIVABLES" on page 67).

Credit Enhancement

The primary source of credit enhancement for the payment of interest and principal under the Class A Notes will result from the excess from time to time of the aggregate Interest Component of the Performing Receivables over the then Payable Costs.

Credit enhancement of the Class A Notes is also provided by subordination of principal and interest payments due in respect of the Class B Notes and the General Reserve Deposit Agreement. The Class B Notes are subscribed by the Seller.

Subordination of Notes

Credit enhancement to the Class A Notes is provided by the subordination of payments of principal and interest under the Class B Notes. Such subordination consists in the rights granted to the Class A Noteholders to receive on each Monthly Payment Date:

- (a) any amounts of interest in priority to any amounts of interest and principal payable to the Class B Noteholders; and
- (b) any amounts of principal in priority to any amounts of interest and principal payable to the Class B Noteholders.

Reserve Funds

The Issuer has established the General Reserve Account and the Commingling Reserve Account.

General Reserve Account

Pursuant to the provisions of the General Reserve Deposit Agreement, as security for the performance of its financial obligations the Seller will transfer to the Issuer on the Closing Date a €8,523,000 deposit pursuant to Articles L. 211-36 2° and L. 211-38 of the French Monetary and Financial Code, as security for the obligations of the Seller to secure the defaults of certain of the Borrowers under the Transferred Receivables.

The credit balance of the General Reserve Account shall be transferred to the General Collection Account on each Monthly Payment Date.

On each Monthly Payment Date, the Management Company shall credit the General Reserve Account, by debit of the General Collection Account up to the General Reserve Required Level in accordance with the relevant Priority of Payments.

On any Monthly Payment Date, the Management Company (acting on behalf of the Issuer) shall be entitled in accordance with Article L. 211-38 of the French Monetary and Financial Code to set-off on such Monthly Payment Date the Issuer's claim to receive the amounts due and payable by the Seller under clause 14.1

(Recourse against non payment under the Transferred Receivables) of the Receivables Transfer Agreement against the Seller's claim under the General Reserve Deposit Agreement to recover the amount credited to the General Reserve Account up to the amount of the lesser of those two claims.

The interest and proceeds of the Authorised Investments, if any, on the General Reserve Account shall be transferred by the FCT Cash Manager, upon request of the Management Company, to the benefit of the Issuer and credited to the General Collection Account as part of the Financial Income.

Following the application of the relevant Priority of Payments, on each Monthly Payment Date the Management Company shall retransfer to the Seller a part of the General Reserve Deposit up to an amount equal to the lesser of:

- (c) the positive difference, if any, between:
 - (i) the credit balance of the General Reserve Account on such Monthly Payment Date before the transfer of such credit balance to the General Collection Account on such Monthly Payment Date; and
 - (ii) the General Reserve Required Level on such Monthly Payment Date; and
- (d) the credit balance of the General Collection Account after making the payments ranking, in accordance with the applicable Priority of Payments, above such retransfer to the Seller.

In accordance with the General Reserve Deposit Agreement, on the FCT Liquidation Date, the Management Company shall retransfer to the Seller the residual credit balance of the General Reserve Account, if any, in accordance with the relevant Priority of Payments and provided that all of the Notes and Residual Units have been repaid in full. Such transfer shall constitute full and definitive discharge of the obligation of the FCT to refund the General Reserve Deposit back to the Seller.

Commingling Reserve Account

The Commingling Reserve Account shall be credited within two Business Days following the date, if any, on which the Commingling Reserve Rating Condition is no longer satisfied, with an amount equal to the Commingling Reserve Required Level. The Servicer will then on the third Business Day preceding each Monthly Payment Date credit this Commingling Reserve Account with such amounts as are necessary to maintain the balance of such Commingling Reserve Account at the Commingling Reserve Required Level. In order to secure the payment of Collections by the Servicer to the General Collection Account and mitigate the risk of commingling Collections with existing funds of the Servicer prior to being transferred to the Issuer, the Servicer shall transfer to the Commingling Reserve Account certain amounts of money pursuant to Articles L. 211-38 of the French Monetary and Financial Code to the Issuer. On any Monthly Payment Date falling during the Amortisation Period or the Accelerated Amortisation Period, if the Servicer has breached its obligations under the Servicing Agreement to transfer Collections to the Issuer, the Issuer's claim under the Servicing Agreement to receive from the Servicer such non-transferred Collections will be set-off with the Servicer's claim under the Commingling Reserve Deposit Agreement to recover the amount credited to the Commingling Reserve Account up to the amount of the lesser of those two claims. Such set-off will trigger the transfer of the amount standing to the credit of the Commingling Reserve Account to the General Reserve Account. The purpose of the Commingling Reserve Account is to mitigate the commingling risk arising from Collections being initially deposited in an account of and commingled with other funds of the Servicer.

If, on a given Calculation Date, the credit balance of the Commingling Reserve Account exceeds the Commingling Reserve Required Level as of such Calculation Date (including if on such date such excess is caused by the Commingling Reserve Condition being satisfied again), then the Management Company shall

re-transfer to the Servicer on the Monthly Payment Date following such Calculation Date, by debiting the Commingling Reserve Account, an amount equal to the difference between:

- (e) the credit balance of the Commingling Reserve Account as of such Calculation Date; and
- (f) the Commingling Reserve Required Level as of such Calculation Date.

Global Level of Credit Enhancement

On the Closing Date, the Class B Notes and the General Reserve Account are expected to provide the Class A Noteholders with total credit enhancement equal to 13.0% (1.0% with respect to the General Reserve Account and 12.0% with respect to the Class B Notes) of the initial aggregate principal amounts of the Class A Notes and the Class B Notes.

CASH MANAGEMENT AND INVESTMENT RULES

Introduction

In accordance with the Account and Cash Management Agreement, the Management Company has appointed the FCT Cash Manager to invest the FCT Available Cash. Following the execution of the Priority of Payments, the sums available for investment shall be the FCT Available Cash and all available sums standing to the credit of the Commingling Reserve Account. The FCT Cash Manager has undertaken to manage the FCT Available Cash in accordance with the provisions of the following investment rules.

Authorised Investments

The FCT Cash Manager shall only be entitled to invest the FCT Available Cash and all available sums standing to the credit of the Commingling Reserve Account into the following Authorised Investments:

- (a) Euro denominated cash deposits (*dépôts en espèces*) with a credit institution whose registered office is located in a member state of the European Economic Area or the Organisation for Economic Co-operation and Development and whose credit rating is at least at the level of the Required Ratings and which can be repaid or withdrawn at any time on demand by the Issuer;
- (b) Euro-denominated French Treasury bonds (*bons du Trésor*) which have at least the Required Ratings;
- (c) Euro-denominated debt securities which, in accordance with Article R. 214-94-2° of the French Monetary and Financial Code, represent a monetary claim against the relevant issuer (*titres de créances représentant chacun un droit de créance sur l'entité qui les émet*) and if such debt securities are negotiated on a regulated market located in a member state of the European Economic Area but provided that such debt securities do not give a right of access directly or indirectly to the share capital of a company provided that such debt securities are rated at the level of the Required Ratings;
- (d) Euro-denominated negotiable debt securities (*titres de créances négociables*) rated at least at the level of the Required Ratings; and
- (e) Euro-denominated shares (*actions*) or units (*parts*) issued by UCITS (*organismes de placement collectif en valeurs mobilières*) whose assets are principally invested in (i) French treasury bonds (*bons du Trésor*), (ii) debt securities referred to in Article R. 214-94-2° of the French Monetary and Financial Code or (iii) negotiable debt securities (*titres de créances négociables*), provided that such shares or units are rated at least AAA by Standard & Poor's and AAA/MR1+ by Moody's,

provided always that the Management Company will ensure that the FCT Cash Manager complies with the investment rules described below.

Investment Rules

The FCT Cash Manager shall arrange for the investment of FCT Available Cash and all available sums standing to the credit of the Commingling Reserve Account. The Management Company will ensure that the FCT Available Cash and all available sums standing to the credit of the Commingling Reserve Account are invested by the FCT Cash Manager in the Authorised Investments, and shall remain liable therefore towards the Noteholders.

These investment rules aim to avoid any risk of capital loss and provide for the selection of securities benefiting from a credit rating which would not adversely affect the level of security afforded to the Noteholders and to the Unitholder(s) (and in particular the credit rating of the Notes). An investment shall

never be made for a maturity ending after the Business Day prior to the Monthly Payment Date which immediately follows the date upon which such investment is made, nor shall it be disposed of prior to its maturity except in exceptional circumstances and for the sole purposes of protecting the interests of the Noteholders and of the Unitholder(s). Such circumstances may be (i) a material adverse change in the legal, financial or economic situation of the Issuer of the relevant security(ies) or (ii) the risk of the occurrence of a market disruption or an inter-bank payments system failure on or about the maturity date of the relevant security(ies).

LIQUIDATION OF THE ISSUER

General

Pursuant to the FCT Regulations and the Receivables Transfer Agreement, the Management Company may decide to initiate the early liquidation of the Issuer in accordance with Article L. 214-49-10 of the French Monetary and Financial Code in the circumstances described below. Except in such circumstances, the Issuer shall be liquidated on the FCT Liquidation Date.

Liquidation Events

The Management Company is entitled to initiate the liquidation of the Issuer and carry out the corresponding liquidation formalities upon the occurrence of any of the following events:

- (a) it is in the interest of the Noteholders and of the Unitholder(s) to liquidate the Issuer;
- (b) the aggregate Discounted Balance of the non-matured Transferred Receivables (*créances non échues*) falls below 10% of the aggregate Discounted Balance of the Transferred Receivables as of the Closing Date and such liquidation is requested by the Seller; or
- (c) all of the Notes and the Residual Units issued by the Issuer are held by a single holder and the liquidation is requested by such holder.

Liquidation of the Issuer

Pursuant to the FCT Regulations, following the occurrence of any of the Liquidation Events, if the Management Company initiates the liquidation of the Issuer, it will:

- (a) immediately notify the Seller, with a copy to the Custodian, of the occurrence of such Liquidation Event; and
- (b) propose to the Seller to repurchase the remaining outstanding Transferred Receivables (together with the related Ancillary Rights, if any) in accordance with and subject to the following provisions and the provisions of Articles L. 214-43, R. 214-101 and D. 214-102 of the French Monetary and Financial Code.

Clean-Up Offer

Pursuant to the FCT Regulations and the Receivables Transfer Agreement, if the Management Company initiates the liquidation of the Issuer, the Management Company will propose to the Seller to repurchase in whole (but not in part) all of the remaining outstanding Transferred Receivables (together with their Ancillary Rights, if any) within a single transaction, for a repurchase price determined in accordance with the provisions below.

The Seller will have the discretionary right to refuse such proposal.

In the event of:

- (a) the Seller's acceptance of the Management Company's offer, the assignment of the outstanding remaining Transferred Receivables will take place on the next relevant Monthly Payment Date following the date of that offer or such other date agreed between the Management Company, the Custodian and the Seller. The Seller will pay the repurchase price on that date by wire transfer to the credit of the General Collection Account; in determining the repurchase price of the remaining outstanding Transferred Receivables hereunder the Management Company will take account of (a)

the expected net amount payable in respect of the remaining outstanding Transferred Receivables, together with any interest (if any) accrued thereon, and (b) the unallocated credit balance of the FCT Accounts (except the Commingling Reserve Account); provided that such repurchase price shall be sufficient so as to allow the Management Company to pay in full all amounts in principal and interest and of any nature whatsoever, due and payable in respect of the outstanding Notes and Residual Units after the payment of all liabilities of the Issuer ranking *pari passu* with or in priority to those amounts in the relevant Priority of Payments, failing which such assignment shall not take place; or

- (b) the Seller's refusal of the Management Company's offer, the Management Company will use its best endeavours to assign the remaining outstanding Transferred Receivables to a credit institution or such other entity authorised by French law and regulations to acquire the remaining outstanding Transferred Receivables under similar terms and conditions; in determining the repurchase price of the remaining outstanding Transferred Receivables hereunder the Management Company will take account of (a) the expected net amount payable in respect of the remaining outstanding Transferred Receivables, together with any interest (if any) accrued thereon, and (b) the unallocated credit balance of the FCT Accounts (except the Commingling Reserve Account); provided that such repurchase price shall be sufficient so as to allow the Management Company to pay in full all amounts in principal and interest and of any nature whatsoever, due and payable in respect of the outstanding Notes and Residual Units after the payment of all liabilities of the Issuer ranking *pari passu* with or in priority to those amounts in the relevant Priority of Payments, failing which such assignment shall not take place.

Liquidation upon Assignment

The Management Company will liquidate the Issuer upon the assignment of the remaining outstanding Transferred Receivables. Such liquidation is not conditional upon the payment in full of all of the creditors' debts against the Issuer except in respect of the Noteholders and the Unitholder(s) without prejudice to the application of the relevant Priority of Payments.

Duties of the Management Company

The Management Company shall be responsible for the liquidation of the Issuer. For this purpose, it shall be vested with the broadest powers to sell all of the assets of the Issuer, to pay any amount due and payable to the creditors of the Issuer, the Noteholders and the Unitholder(s) in accordance with the applicable Priority of Payments, and to distribute any residual sums.

The FCT Statutory Auditor and the Custodian will continue to exercise their functions until completion of the liquidation of the Issuer.

Any liquidation surplus (*boni de liquidation*) will be paid to the Unitholder(s).

MODIFICATIONS TO THE TRANSACTION

General

Any modification to the information provided in this Prospectus will be made public in a report (*communiqué*), after prior notification of the Rating Agencies. This report (*communiqué*) will be annexed to a supplement pursuant to Article 13 of the Prospectus Law dated 10 July 2005 and incorporated in the next management report to be issued by the Management Company acting on behalf of the Issuer. These changes will be binding upon the Noteholders and the Unitholder(s) within three Business Days after they have been informed thereof.

Modifications of the Transaction Documents

FCT Regulations

The Management Company and the Custodian, acting in their capacity as founders of the Issuer, may agree to amend from time to time the provisions of the FCT Regulations, provided that:

- (a) the Management Company shall notify the Rating Agencies of any contemplated amendment and such amendment or waiver will not result in the downgrading of the then current ratings assigned to the Notes;
- (b) any amendment to the financial characteristics of any type of Notes issued by the Issuer shall require the prior approval of the Noteholders of the relevant Class of Notes (as the case may be, by a decision of the general assembly of the relevant *Masse* passed under the applicable majority rule);
- (c) any amendment to any rule governing the allocation of available funds between the different Classes of Notes shall require the prior approval of the affected Noteholders of any Class of Notes (as the case may be, by a decision of the general assembly of the relevant *Masse* passed under the applicable majority rule);
- (d) any amendment to the financial characteristics of the Residual Units issued by the Issuer shall require the prior approval of the Unitholder(s); and
- (e) subject to paragraphs (a) to (d) above, any amendments to the FCT Regulations shall be notified to the Noteholders and the Unitholder(s), it being specified that such amendments shall be, automatically and without any further formalities (*de plein droit*), enforceable as against such Noteholders and Unitholder(s) within three Business Days after they have been notified thereof.

The Management Company shall provide a copy of any such amendment or waiver to the Rating Agencies.*

The Servicing Agreement

The provisions of the Servicing Agreement may only be modified or waived provided that, *inter alia*, such modification or waiver will not entail the downgrading of the then current ratings of the Notes.

GOVERNING LAW AND SUBMISSION TO JURISDICTION

Governing Law

The Notes (and the Residual Units) are governed by French law.

The FCT Transaction Documents are governed by and shall be construed in accordance with French law.

Submission to Jurisdiction

All claims and disputes relating to the establishment, the operation or the liquidation of the Issuer, which may involve either the Noteholders, the Management Company, the Unitholder(s) and/or the Custodian, will be subject to the exclusive jurisdiction of the French courts having competence in commercial matters.

GENERAL ACCOUNTING PRINCIPLES

The accounts of the Issuer are prepared in accordance with the recommendation no. 2003-09 dated 24 June 2003 of the French *Conseil National de la Comptabilité* (National Accounting Board) (now replaced by the *Autorité des normes comptables*).

Transferred Receivables and Income

The Transferred Receivables shall be recorded on the Issuer's balance sheet at their nominal value. The potential difference between the purchase price and the nominal value of the Transferred Receivables, whether positive or negative, shall be carried in an adjustment account on the asset side of the balance sheet. This difference shall be carried forward on a pro rata basis of the amortisation of the Transferred Receivables.

The interest on the Transferred Receivables shall be recorded in the income statement, *pro rata temporis*. The accrued and overdue interest shall appear on the asset side of the balance sheet in an apportioned receivables account.

Delinquencies or defaults on the Transferred Receivables existing as at their purchase date are recorded in an adjustment account on the asset side of the balance sheet. This amount shall be carried forward on a *pro rata temporis* basis over a period of 12 months.

The Transferred Receivables that are accelerated by the Servicer pursuant to the terms and conditions of the Servicing Agreement and in accordance with the Servicing Procedures shall be accounted for as a loss in the account for defaulted assets.

Class A Notes and Income

The Class A Notes shall be recorded at their nominal value and disclosed separately in the liability side of the balance sheet. Any potential differences, whether positive or negative, between the issuance price and the nominal value of the Class A Notes shall be recorded in an adjustment account on the liability side of the balance sheet. These differences shall be carried forward on a pro rata basis of the amortisation of the Transferred Receivables.

The interest due with respect to the Class A Notes shall be recorded in the income statement *pro rata temporis*. The accrued and overdue interest shall appear on the liability side of the balance sheet in an apportioned liabilities account.

Expenses, Fees and Income Related to the Operation of the Issuer

The various expenses, fees and income paid to the Custodian, the Management Company, the Servicer, the Paying Agents and the Paying Agents, the FCT Cash Manager, the Data Escrow Agent and the FCT Account Bank shall be recorded, as expenses, in the accounts *pro rata temporis* over the accounting period.

All costs related to the establishment of the Issuer shall be borne by the Seller.

Cash Deposit

Any cash deposit shall be recorded on the credit of the relevant reserve accounts on the liability side of the balance sheet.

FCT Available Cash

The income generated by the Authorised Investments shall be recorded in the income statement *pro rata temporis*.

Income

The net income shall be posted to a retained earnings account.

Liquidation Surplus

The liquidation surplus (*boni de liquidation*) shall consist of the income arising from the liquidation of the Issuer and the retained earnings.

Duration of the Accounting Periods

Each accounting period of the Issuer shall be 12 months and shall begin on 1 January and end on 31 December of each calendar year.

Accounting Information in Relation to the Issuer

The accounting information with respect to the Issuer shall be provided by the Management Company, under the supervision of the Custodian, in its annual report of activity and half-yearly report of activity, pursuant to the applicable accounting standards as set out in the FCT Regulations.

The accounts of the Issuer are subject to certification by the FCT Statutory Auditor.

THIRD PARTY EXPENSES

FCT Fees

In accordance with the FCT Regulations, the Scheduled FCT Fees are paid to their respective beneficiaries pursuant to the relevant Priority of Payments. Any tax or cost shall be borne by the Issuer.

The Issuer may also bear any Additional FCT Fees in relation to the appointment or designation, from time to time, of any other entity(ies) by the Management Company and any exceptional fees duly justified.

Management Company

In consideration for its obligations with respect to the Issuer, the Management Company shall receive the following fee (taxes included), on each Monthly Payment Date, in accordance with and subject to the Priority of Payments:

- (a) a €20,000 per annum fixed fee;
- (b) a floating fee of 0.1 basis point of the outstanding amount of Transferred Receivables per annum;
- (c) a €5,000 liquidation fee upon liquidation of the Issuer;
- (d) a €10,000 exceptional fee in case of notification of the Borrowers;
- (e) a €5,000 exceptional fee in case of any regulatory changes affecting the Issuer; and
- (f) in case of special work by the Management Company in relation to enforcement of any regulatory or legal matter to the benefit of the Issuer or if a party to the FCT Transaction Documents need to be substituted, the hourly fees of the Management Company's personnel at the following hourly rate:
 - (i) €250 (for personnel member of the *groupe de direction*);
 - (ii) €150 (for personnel *cadre confirmé*); and
 - (iii) €75 (for other personnel).

The above fees payable to the Management Company do not include the fees payable by the Management Company to the FCT Statutory Auditor as set out below.

Custodian

In consideration for its obligations with respect to the Issuer, the Custodian shall receive a €5,000 fee (taxes excluded) per annum.

Servicer

In consideration for its obligations with respect to the Issuer, the Servicer shall receive, on each Monthly Payment Date, a fee (taxes included) equal to 0.50% per annum of the Discounted Balance of the Transferred Receivables as of the Cut-Off Date relating to the relevant Monthly Payment Date.

FCT Account Bank and FCT Cash Manager

In consideration for its obligations with respect to the Issuer, the FCT Account Bank and the FCT Cash Manager shall receive, on each Monthly Payment Date falling in January, April, July and October, a €2,500 flat fee (excluding VAT and other taxes).

Paying Agents

- (a) The Principal Paying Agent shall receive:
 - (i) a €4,000 fee per annum, with the first payment due and payable on the Closing Date and on each anniversary of the Closing Date thereafter; and
 - (ii) for each event in respect of the Class A Notes (payment of coupon and payment of principal), a €160 fee payable on each Monthly Payment Date.
- (b) The Luxembourg Paying Agent and the Listing Agent shall receive:
 - (i) a €125 fee per annum, with the first payment due and payable on the first Monthly Payment Date following the Closing Date, and on each anniversary of the Closing Date thereafter; and
 - (ii) an upfront €2,000 fee.

and shall be repaid of the fees payable to the Luxembourg Stock Exchange in relation to the Class A Notes, including out-of-pocket expenses and publication costs.

The fees owed to the Paying Agents shall be paid by the FCT Account Bank acting on behalf of the Issuer in accordance with the applicable Priority of Payments.

Data Escrow Agent

In consideration for its obligations with respect to the Issuer, the Data Escrow Agent shall receive a €2,000 fee (excluding VAT and other taxes).

Statutory Auditor

The FCT Statutory Auditor will receive directly from the Management Company a €5,000 fee (taxes excluded) per annum.

Rating Agencies

The Rating Agencies will receive fees totalling €39,500 (excluding VAT) each calendar year.

Class A Noteholders Representative

The Class A Noteholders Representative will receive with respect to the Class A Notes issued on or about the Closing Date, a €1,000 flat fee per annum, on the first Monthly Payment Date following the Closing Date, and on each Monthly Payment Date falling on the anniversary date of the first Monthly Payment Date following the Closing Date.

Priority of Payments of the FCT Fees

The Management Company shall pay all amounts due and payable from time to time by the Issuer to all its creditors in accordance with the applicable Priority of Payments. Within the order of priority assigned

thereby to their payment, the FCT Fees shall be paid to the relevant entities of the Issuer in the following order of priority:

- (a) in no order *inter se* but *pari passu*: the Scheduled FCT Fees; and
- (b) in no order *inter se* but *pari passu*: the Additional FCT Fees, if any.

All deferred amounts regarding the above FCT Fees shall be paid to their respective creditors at the next Monthly Payment Date, according to the same orders of priority, provided that any deferred FCT Fees shall not bear interest.

Placement Fees

Pursuant to the Class A Notes Subscription Agreement, the Seller has agreed to pay to the Joint Lead Managers and Joint Bookrunners a placement fee.

INFORMATION RELATING TO THE ISSUER

Annual Information

Within four months following the end of each financial year, the Management Company shall prepare, under the supervision of the Custodian and in accordance with the then current and applicable accounting rules and practices, an annual activity report in relation to such financial year containing:

- (a) the following accounting documents:
 - (i) the inventory of the assets of the Issuer, including:
 - (A) the inventory of the Transferred Receivables; and
 - (B) the amount and the distribution of the FCT Available Cash; and
 - (ii) the annual accounts and the schedules referred to the recommendation of the French Accounting Rules Authority (*Autorité des Normes Comptables*) and, as the case may be, a detailed report on the debts of the Issuer and the guarantees it has received during the same period of time;
- (b) a management report consisting of:
 - (i) the nature, amount and proportion of all fees and expenses borne by the Issuer during the relevant financial year;
 - (ii) the certified level during the relevant financial year of temporarily available sums and the sums pending allocation as compared to the assets of the Issuer;
 - (iii) the description of the transactions carried out on behalf of the Issuer during the relevant financial year;
 - (iv) information relating to the Transferred Receivables and the Notes issued by the Issuer; and
 - (v) more generally, any information required in order to comply with the applicable instructions and regulations of the Luxembourg Stock Exchange;
- (c) any change made to the rating documents in relation to the Class A Notes and to the main features of this Prospectus and any event which may have an impact on the Notes and/or Residual Units issued by the Issuer; and
- (d) any information required, as the case may be, by the laws and regulations in force.

The FCT Statutory Auditor shall certify the annual accounts and verify the information contained in the annual activity report.

Interim Information

No later than three months following the end of the first half-yearly financial period, the Management Company shall prepare, under the supervision of the Custodian and in accordance with the then current and applicable accounting rules and practices, an interim report in relation to the said period containing:

- (a) financial information in relation to the Issuer with a notice indicating a limited review by the statutory auditor;

- (b) an interim management report containing the information described in the FCT Regulations; and
- (c) any modification to the rating documents in relation to the Class A Notes, to the main features of this Prospectus and to any event which may have an impact on the Notes and/or Residual Units issued by the Issuer.

Additional Information

The Management Company shall prepare each month the FCT Management Report containing, *inter alia*, information relating to the performance of the Transferred Receivables, which shall be based on the information contained in each Monthly Report.

The Management Company will publish on its Internet site, or through any other means that it deems appropriate, any information regarding the Seller, the Servicer, the Transferred Receivables, the Class A Notes and the management of the Issuer which it considers significant in order to ensure adequate and accurate information for the Class A Noteholders.

The Management Company will be responsible for publishing any additional information as often as it deems appropriate according to the circumstances affecting the Issuer.

Availability of Information

The annual report, the interim report and all other documents prepared and published by the Issuer shall be provided by the Management Company to the Class A Noteholders who request such information and made available to the Class A Noteholders at the premises of the Custodian and the Paying Agents.

Any Class A Noteholder may obtain free of cost from the Management Company and the Custodian, as soon as they are published, the management reports describing their activity.

The above information shall be released by mail. Such information will also be provided to the Rating Agencies and the Luxembourg Stock Exchange.

Furthermore, the Management Company shall provide the Rating Agencies with copies of all reports and data in electronic form as may be agreed between the Management Company and the Rating Agencies from time to time.

SUBSCRIPTION AND SALE

Subscription

Pursuant to the Class A Notes Subscription Agreement, entered into between the Joint Lead Managers, the Management Company, acting on behalf of the Issuer, and the Custodian, the Joint Lead Managers have agreed, subject to certain conditions, to subscribe and pay for the Class A Notes at 100% of the principal amount of such Class A Notes.

Pursuant to the Subscription Agreement, the Seller has covenanted that it will retain a material net economic interest of not less than 5% in the securitisation in accordance with the provisions of Article 122a of Directive 2006/48/EC (as amended). As at the Closing Date, such interest will comprise an interest in the Class B Notes as required by Article 122a. Any change to the manner in which such interest is held will be notified to investors.

Selling and Transfer Restrictions

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Joint Lead Manager has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of the Class A 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 Class A Notes in that Relevant Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Joint Lead Manager nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Class A Notes referred to in (a) to (c) above shall require the Issuer or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression **an offer of Class A Notes to the public** in relation to any Class A 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 Class A Notes to be offered so as to enable an investor to decide to purchase or subscribe the Class A Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

France

The Issuer and each Joint Lead Manager have represented and agreed that they have not offered or sold and will not offer or sell, directly or indirectly, the Class A Notes to the public in France, and have not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus or any other offering material relating to the Class A Notes, and such offers, sales and distributions have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties, and/or (ii) qualified investors (*investisseurs qualifiés*), other than individuals, all as defined in, and in accordance with, Articles L. 411-1, L. 411-2 and D. 411-1 to D. 411-3 of the French Monetary and Financial Code.

Austria

No prospectus has been or will be approved and/or published pursuant to the Austrian Capital Markets Act (*Kapitalmarktgesetz*) as amended. Neither this document nor any other document connected therewith constitutes a prospectus according to the Austrian Capital Markets Act and neither this document nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Joint Lead Managers. No steps may be taken that would constitute a public offering of the Class A Notes in Austria and the offering of the Class A Notes may not be advertised in Austria. Each Joint Lead Manager has represented and agreed that it will offer the Class A Notes in Austria only in compliance with the provisions of the Capital Markets Act and all other laws and regulations in Austria applicable to the offer and sale of the Class A Notes in Austria.

Belgium

This Prospectus has not been, and it is not expected that it will be, submitted for approval to the Belgian Financial Services and Markets Authority. Accordingly, each Joint Lead Manager has represented and agreed that it shall refrain from taking any action that would be characterised as or result in a public offering of these Class A Notes in Belgium in accordance with the Prospectus Law and the Law of June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time.

Germany

The EEA selling restriction mentioned above constitutes a general selling restriction which may be applicable to the sale of the Class A Notes having a maturity of at least 12 months to professional investors in Germany provided that, in addition, there is a general selling restriction according to which offers shall be made only in accordance with any laws applicable.

Each Joint Lead Manager has represented and agreed that the Class A Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the Federal Republic of Germany other than in compliance with the German Securities Prospectus Act (*Wertpapierprospektgesetz*), as amended, or any other laws applicable in the Federal Republic of Germany governing the issue, offering and sale of securities.

Ireland

Each Joint Lead Manager has represented and agreed that:

- (a) it will not underwrite the issue of, or place, the Class A Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct issued in connection therewith and the provisions of the Investor Compensation Act 1998;

- (b) it will not underwrite the issue of, or place, the Class A Notes, otherwise than in conformity with the provisions of the Irish Central Bank Act 1942–1999 (as amended) and any codes of conduct rules made under Section 117(1) thereof;
- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Class A Notes otherwise than in conformity with the provisions of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005, by the Financial Regulator; and
- (d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Class A Notes, otherwise than in conformity with the provisions of the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Financial Regulator.

The Republic of Italy

The offering of the Class A Notes has not been registered pursuant to Italian securities legislation and, accordingly, each of the Issuer and each Joint Lead Manager represents and agrees that the Class A Notes may not be offered, sold or delivered, nor may copies of any document relating to the Class A Notes be distributed in the Republic of Italy, except:

Unless it is specified within the Prospectus that a non-exempt offer may be made in Italy, the offering of the Class A Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Class A Notes may be offered, sold or delivered, nor may copies of the Prospectus or of any other document relating to the Class A Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Article 34-ter, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (**Regulation No. 11971**); or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Class A Notes or distribution of copies of the Prospectus or any other document relating to the Class A Notes in the Republic of Italy under (a) or (b) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the **Banking Act**); and
- (b) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and
- (c) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

Luxembourg

In addition to the cases described in the European Economic Area selling restrictions in which the Joint Lead Manager can make an offer of Class A Notes to the public in an EEA Member State (including the Grand

Duchy of Luxembourg), the Joint Lead Manager can also make an offer of Class A Notes to the public in the Grand Duchy of Luxembourg:

- (a) at any time, to national and regional governments, central banks, international and supranational institutions (such as the International Monetary Fund, the European Central Bank, the European Investment Bank) and other similar international organisations;
- (b) at any time, to legal entities which are authorised or regulated to operate in the financial markets (including credit institutions, investment firms, other authorised or regulated financial institutions, undertakings for collective investment and their management companies, pension and investment funds and their management companies, insurance undertakings and commodity dealers) as well as entities not so authorised or regulated whose corporate purpose is solely to invest in securities; and
- (c) at any time, to certain natural persons or small and medium-sized enterprises (as defined in the Luxembourg act dated 10 July 2005 on prospectuses for securities implementing the Prospectus Directive into Luxembourg law) recorded in the register of natural persons or small and medium-sized enterprises considered as qualified investors as held by the *Commission de surveillance du secteur financier* as competent authority in Luxembourg in accordance with the Prospectus Directive.

Portugal

Each Joint Lead Manager has represented and agreed that the Prospectus has not been and will not be registered or filed with or approved by the Portuguese Securities Exchange Commission (*Comissão do Mercado de Valores Mobiliários, CMVM*) nor has a prospectus recognition procedure been commenced with the CMVM. The Class A Notes may not be and will not be offered to the public in Portugal under circumstances which are deemed to be a public offer under the Portuguese Securities Code (*Código dos Valores Mobiliários*) enacted by Decree Law no. 486/99 of 13 November 1999 (as amended and restated from time to time) unless the requirements and provisions applicable to the public offering in Portugal are met and the above mentioned registration, filing, approval or recognition procedure is made. In addition, each Joint Lead Manager has represented and agreed and will be required to represent and agree that (i) it has not directly or indirectly taken any action or offered, advertised, marketed, invited to subscribe, gathered investment intentions, sold or delivered and will not directly or indirectly take any action, offer, advertise, invite to subscribe, gather investment intentions, sell, re-sell, re-offer or deliver any Class A Notes in circumstances which could qualify as a public offer (*oferta pública*) of securities pursuant to the Portuguese Securities Code, notably in circumstances which could qualify as a public offer addressed to individuals or entities resident in Portugal or having permanent establishment located in Portuguese territory, as the case may be; (ii) all offers, sales and distributions by it of the Class A Notes have been and will only be made in Portugal in circumstances that, pursuant to the Portuguese Securities Code or other securities legislation or regulations, qualify as a private placement of Class A Notes only (*oferta particular*); (iii) it will comply with all applicable provisions of the Portuguese Securities Code, the Prospectus Regulation implementing the Prospectus Directive and any applicable CMVM Regulations and all relevant Portuguese securities laws and regulations, in any such case that may be applicable to it in respect of any offer or sale of Class A Notes by it in Portugal or to individuals or entities resident in Portugal or having permanent establishment located in Portuguese territory, as the case may be, including compliance with the rules and regulations that require the publication of a prospectus, when applicable, and that such placement shall only be authorised and performed to the extent that there is full compliance with such laws and regulations."

Spain

Neither the Class A Notes nor the Prospectus have been or will be approved or registered in the administrative registries of the Spanish Securities Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Class A Notes may not be offered, sold or distributed in Spain except in circumstances which do not constitute a public offering of securities in Spain within the meaning of

section 30-bis of the Securities Market Law 24/1988 of 28 July 1988 (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) (as amended, the **Securities Market Law**), as developed by Royal Decree 1310/2005 of 4 November on admission to listing and on issues and public offers of securities (*Real Decreto 1310/2005 de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, de Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), and supplemental rules enacted thereunder or in substitution thereof from time to time. The Class A Notes may only be offered and sold in Spain by institutions authorised to provide investment services in Spain under the Securities Market Law (and related legislation) and Royal Decree 217/2008 of 15 February on the Legal Regime Applicable to Investment Services Companies (*Real Decreto 217/2008, de 15 de febrero, sobre el régimen jurídico de las empresas de servicios de inversión y de las demás entidades que prestan servicios de inversión*).

United Kingdom

Each Joint Lead Manager has represented and agreed that:

- (a) in relation to any Class A Notes having a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Class A Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Class A Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Class A Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Class A Notes in, from or otherwise involving the United Kingdom.

Japan

The Class A Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the FIEA) and each Joint Lead Manager has represented and agreed that it will not offer or sell any Class A Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

United States

The Class A Notes have not been and will not be registered under the Securities Act and may not be offered, or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act. Each of the Joint Lead Managers has represented and agreed that it has not offered and sold the Class A Notes, and will not offer and sell the Class A Notes (i) as part of its distribution at any time and (ii) otherwise until 40 calendar days after the completion of the distribution of all Class A Notes only in accordance with Rule 903 of the Regulation S promulgated under the Securities Act. Neither the Joint Lead Managers, their respective affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling

efforts with respect to the Class A Notes, and it and they have complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of the Class A Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Class A Notes from it during the restricted period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons by any person referred to in Rule 903 (b)(2) (iii) (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of Securities as determined and certified by the Joint Lead Managers, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meaning given to them by Regulation S under the Securities Act."

Terms used in paragraphs above have the meaning given to them by Regulation S under the Securities Act.

General

No action has been or will be taken in any jurisdiction by the Issuer that would, or is intended to, permit a public offering of the Class A Notes, or possession or distribution of this Prospectus or any other material, in any country or jurisdiction where action for that purpose is required. 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 Class A Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Class A Notes, in all cases at their own expense.

GENERAL INFORMATION

1. **Filings:** Application has been made to admit to trading Class A Notes on the Regulated Market. The estimated total expenses relating to the admission to trading of the Class A Notes is €600. This Prospectus prepared in connection with the Notes has not been submitted to the clearance procedures of the *Autorité des marchés financiers*. This Prospectus has been submitted for approval to the *Commission de Surveillance du Secteur Financier* in Luxembourg.
2. **Material net economic interest :** Pursuant to the Subscription Agreement, DIAC has covenanted that it will retain a material net economic interest of not less than 5% in the securitisation in accordance with the provisions of Article 122a of Directive 2006/48/EC (as amended). As at the Closing Date, such interest will comprise an interest in the first loss tranche (i.e. the Class B Notes) as required by Article 122a. Any change to the manner in which such interest is held will be notified to investors.
3. **Establishment of the Issuer:** The Issuer is established on the Closing Date. Under French law, it is not necessary for the Issuer to obtain any consent, approval or authorisation in connection with the issue and performance of the Class A Notes and the FCT Transaction Documents.
4. **Clearing Systems – Clearing Codes – ISIN Numbers:** The Class A Notes have been accepted for clearance through the Clearing Systems. The Common Code and the International Securities Identification Number (ISIN) in respect of the Class A Notes are as follows:

	Common Code	ISIN
Class A Notes	079096997	FR0011262278

The address of Clearstream, Luxembourg is 42 avenue John Fitzgerald Kennedy, L- 1855 Luxembourg, Grand Duchy of Luxembourg and the address of Euroclear France is 155, rue Réaumur, 75081 Paris Cedex 02 France.

5. **Paying Agents:** The Issuer has appointed Société Générale as Principal Paying Agent and Société Générale Bank & Trust as Luxembourg Paying Agent. For so long as the Class A Notes are listed on the official list of the Luxembourg Stock Exchange and are admitted to trading on the Regulated Market, the Issuer will maintain a paying agent in relation to the Class A Notes in Luxembourg.
6. **No post-issuance transaction information:** No post-issuance transaction information regarding the Class A Notes and the performance of the underlying Receivables will be published other than this Prospectus and such information as may be provided to the Class A Noteholders as set out in the Section entitled "GENERAL PROVISIONS APPLICABLE TO THE NOTES – Rights and Obligations of the Noteholders – Information" on page 65 and "INFORMATION RELATING TO THE ISSUER" on pages 134.
7. **Documents available:** this Prospectus shall be made available free of charge at the respective head offices of the Management Company, the Custodian, the Joint Lead Managers and the Paying Agents. Copies of the FCT Regulations shall be made available to the potential investors and the Class A Noteholders at the respective head offices of the Management Company and the Custodian (the addresses of which are specified on the last page of this Prospectus). This Prospectus will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).
8. **Notices:** for so long as any of the Class A Notes are listed on the official list of the Luxembourg Stock Exchange and the rules of that exchange so require notices in respect of the Class A Notes will be published in a leading daily economic and financial newspaper having general circulation in

Luxembourg (which is expected to be the *Luxemburger Wort*). If not published in a leading daily newspaper of general circulation in Luxembourg, such notices will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

9. **Third Party Information:** information contained in this Prospectus which is sourced from a third party has been accurately reproduced and, as far as the Management Company and the Custodian are aware and are able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Management Company and the Custodian have also identified the source(s) of such information.
10. **Assessment of compliance by Investors:** each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with Article 122a (and/or any implementing rules in relation to a relevant jurisdiction) and none of the Management Company, the Custodian, the Issuer, the Joint Arrangers, the Joint Lead Managers or the Seller make any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. In addition each prospective noteholder should ensure that they comply with the implementing provisions in respect of Article 122a in their relevant jurisdiction. Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.
11. **Supplement:** in case of occurrence of a significant new fact, capable of affecting the assessment of the Issuer, or if it is determined that this Prospectus contains any mistake or inaccuracy relating to the information contained in this Prospectus, prior to the listing of the Class A Notes on the official list and to the admission to trading on the Regulated Market of the Luxembourg Stock Exchange, a supplement to the Prospectus will have to be produced pursuant to Article 13 of the Luxembourg act dated 10 July 2005 on prospectuses for securities implementing the Prospectus Directive into Luxembourg law.

DOCUMENTS ON DISPLAY

During the life of this Prospectus, a copy of the following documents will be available for inspection by physical means during normal business hours at the registered offices of the Management Company and the Principal Paying Agent:

- (a) the FCT Regulations;
- (b) the Master Definitions Agreement;
- (c) the Receivables Transfer Agreement;
- (d) the Servicing Agreement;
- (e) the Paying Agency Agreement;
- (f) the Account and Cash Management Agreement;
- (g) the Dedicated Account Agreement;
- (h) the Data Escrow Agreement;
- (i) General Reserve Deposit Agreement;
- (j) Commingling Reserve Deposit Agreement;
- (k) the rating document issued by Standard & Poor's;
- (l) the rating document issued by DBRS; and
- (m) the rating document issued by Moody's.

This Prospectus will also be available on the Internet site of the Luxembourg Stock Exchange (www.bourse.lu/). A copy of this Prospectus will be freely remitted by the Principal Paying Agent to any investor in Class A Notes upon demand.

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ANNEX 1

GLOSSARY

Accelerated Amortisation Event shall have the meaning given to that term in the Section entitled "OPERATION OF THE ISSUER – Accelerated Amortisation Events" on page 59.

Accelerated Amortisation Period means the period between (i) the date of occurrence of an Accelerated Amortisation Event or the date on which the Management Company elects to proceed to the liquidation following a Liquidation Event and (ii) the earlier of the Legal Maturity Date and the Monthly Payment Date on which the Notes are repaid in full.

Account and Cash Management Agreement means the agreement entered into on or before the Signing Date between the Management Company, the Custodian, the FCT Account Bank and the FCT Cash Manager, as amended from time to time.

Account Holder means, with respect to the Class A Notes, any authorised financial intermediary institution entitled to hold accounts on behalf of its customers affiliated with Euroclear and/or, as the case may be, Clearstream Banking.

Additional FCT Fees means the fees due and payable to any organ(s), appointed or designated by the Management Company in accordance with the provisions of the FCT Regulations (for the avoidance of doubt, this shall not include the fees of any back-up servicer) and any other exceptional fees, duly justified.

Affected Receivable means any Transferred Receivable in respect of which any representation made and warranty given by the Seller was false or incorrect on the date on which it was made or given.

Amortisation Period means the period between the Closing Date (excluded) to but (including) the earlier of the following dates:

- (a) the Legal Maturity Date;
- (b) the date on which all Notes are redeemed in full; and
- (c) the date of occurrence of an Accelerated Amortisation Event.

Ancillary Rights means, in respect of each Receivable:

- (a) the right to serve notice to pay or repay, to recover and/or to grant a discharge in respect of the whole or part of the amounts due or to become due in connection with the said Receivable from the relevant Borrower (or from any other person having granted any Collateral Security);
- (b) the benefit of any and all undertakings assumed by the relevant Borrower (or by any other person having granted any Collateral Security) in connection with the said Receivable pursuant to the relevant Contractual Documents;
- (c) the benefit of any and all actions against the relevant Borrower (or against any other person having granted any Collateral Security) in connection with the said Receivables pursuant to the relevant Contractual Documents;
- (d) the benefit of any Collateral Security attached, whether by operation of law or on the basis of the Contractual Documents or otherwise, to the Receivable; and
- (e) any indemnity under any Insurance Policy relating to said Receivable.

Authorised Borrower means any Borrower being identified neither as an employee of the Renault Group nor as a member of the Renault Group's or Nissan's commercial networks.

Authorised Investments means the investments referred to in the Section entitled "CASH MANAGEMENT AND INVESTMENT RULES – Authorised Investments" on page 123.

Auto Loan means, in respect of an Auto Loan Agreement, the loan granted by the Seller to the relevant Borrower under such Auto Loan Agreement.

Auto Loan Agreement means a financing agreement, in the form of the relevant standard form (*contrat-type*), entered into between the Seller and one or more Authorised Borrower(s), pursuant to which the Seller has granted a loan to the Borrower for the purposes of financing the purchase by the Borrower of a Vehicle, and which is subject to the applicable provisions of the Consumer Credit Legislation, the applicable provisions of the French Civil Code or the applicable provisions of the French Commercial Code (as the case may be).

Auto Loan Effective Date means the date on which an Auto Loan Agreement is recorded in the Seller's information systems and interest starts to accrue on such Auto Loan.

Available Collections means, in respect of a Reference Period:

- (a) the Payable Principal Amount; plus
- (b) the Payable Interest Amount; plus
- (c) the Other Receivable Income; plus
- (d) the Delinquencies Ledgers Decrease; less
- (e) the Delinquencies Ledgers Increase.

Balloon Instalment means with respect to any Balloon Loan the last instalment under such Balloon Loan.

Balloon Loan means any Auto Loan in respect of which a significant part of the borrowed amount is due and payable in a lump sum on the maturity date of that Auto Loan.

Borrower means, with respect to any Receivable, any person or entity resident in Metropolitan France which is a borrower under the relevant Auto Loan Agreement.

Business Day means any day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in London, Paris, Luxembourg, and which is a TARGET Settlement Day in relation to the payment of a sum denominated in euro.

CA-CIB means Crédit Agricole Corporate and Investment Bank, a French *société anonyme*, licensed by the *Autorité de Contrôle Prudentiel* as a credit institution (*établissement de crédit*), whose registered office is located at 9 Quai du Président Paul Doumer, 92920 Paris La Défense, France, registered with the Trade and Company Registry of Nanterre under number 304 187 701.

Calculation Date means, in respect of an Information Date, the fifth Business Day following such Information Date; any reference to a Calculation Date relating to a given Reference Period or Cut-Off Date shall be a reference to the Calculation Date falling within the calendar month following such Reference Period or Cut-Off Date.

Car Dealer means a subsidiary or a branch, as the case may be, of the Renault Group or Nissan, or an independent car dealer being franchised or authorised by the Renault Group or Nissan, which has entered

into a sale contract in respect of a Vehicle with any person who has simultaneously entered into an Auto Loan Agreement with the Seller for the purposes of financing the acquisition of such Vehicle.

Class or **class** means, in respect of any Notes, the Class A Notes or the Class B Notes.

Class A Noteholder means any holder of Class A Notes.

Class A Notes means the senior fixed rate notes issued or to be issued on the Closing Date by the Issuer, pursuant to and in accordance with the FCT Regulations and Articles L. 214–42-1 to L. 214–49-14 of the French Monetary and Financial Code.

Class A Notes Amortisation Amount means,

- (a) with respect to each Monthly Payment Date falling during the Amortisation Period, the lesser of:
 - (i) the Class A Notes Outstanding Amount on the preceding Calculation Date;
 - (ii) the Monthly Amortisation Basis applicable on such Monthly Payment Date; and
- (b) on each Monthly Payment Date falling during the Accelerated Amortisation Period, the Class A Notes Outstanding Amount on the preceding Calculation Date.

Class A Notes Interest Amount means, with respect to any Monthly Payment Date, the interest amount payable under the Class A Notes on such Date, as being equal to the sum of:

- (a) the product of:
 - (i) the Class A Notes Interest Rate;
 - (ii) the relevant Class A Notes Outstanding Amount as of the preceding Calculation Date; and
 - (iii) the number of calendar days of the relevant Interest Period;divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365); and
- (b) any Class A Notes Interest Amount due on any preceding Monthly Payment Date and remaining unpaid.

Class A Notes Interest Rate means the interest rate applicable to the Class A Notes as set out in Clause 2.2 of the Section entitled "TERMS AND CONDITIONS OF THE CLASS A NOTES on page 103.

Class A Notes Outstanding Amount means at any time the outstanding principal balance of the Class A Notes at that time.

Class A Notes Subscription Agreement means the agreement entered into on or about the Closing Date between the Management Company, the Custodian and the Joint Lead Managers.

Class B Noteholder means any holder of Class B Notes.

Class B Notes means the subordinated fixed rate notes issued or to be issued by the Issuer, according to the FCT Regulations, in accordance with Articles L. 214–42-1 to L. 214–49-14 of the French Monetary and Financial Code.

Class B Notes Amortisation Amount means:

- (a) with respect to each Monthly Payment Date falling during the Amortisation Period, the lesser of:
 - (i) the Class B Notes Outstanding Amount on the preceding Calculation Date; and
 - (ii) the difference between:
 - (A) the Monthly Amortisation Basis applicable on such Monthly Payment Date; and
 - (B) the Class A Notes Amortisation Amount applicable on such Monthly Payment Date; and
- (b) with respect to each Monthly Payment Date falling during the Accelerated Amortisation Period, the Class B Notes Outstanding Amount on the preceding Calculation Date.

Class B Notes Interest Amount means, with respect to any Monthly Payment Date, the interest amount payable under the Class B Notes on such date, as being equal to the sum of:

- (a) the product of:
 - (i) the Class B Notes Interest Rate;
 - (ii) the relevant Class B Notes Outstanding Amount as of the preceding Calculation Date;
 - (iii) the number of days of the relevant Interest Period; and

divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365).

- (b) any Class B Notes Interest Amount due on any preceding Monthly Payment Date and remaining unpaid.

Class B Notes Interest Rate means 3.00% per annum.

Class B Notes Outstanding Amount means the outstanding principal balance of the Class B Notes.

Class B Notes Subscriber means the Seller.

Class B Notes Subscription Agreement means the agreement entered into on or about the Signing Date between the Management Company, the Custodian and the Class B Notes Subscriber.

Clearing Systems means Euroclear and Clearstream Banking.

Clearstream Banking means Clearstream Banking S.A., a *société anonyme* incorporated under, and governed by, the laws of Luxembourg, whose registered office is at 42 avenue J.F Kennedy, L-1855 Luxembourg, registered with the Trade and Companies Register of the Grand Duchy of Luxembourg under number B9248, as well as its successors and assigns.

Closing Date means 27 June 2012.

Collateral Security means, in respect of any Receivable, any guarantee or security (including any indemnity, pledge, mortgage, privilege, security, cash deposit or other agreement or arrangement of any

nature whatsoever) granted by a Borrower or a third party in order to guarantee the payment of any amount owed by, and/or the fulfilment of the obligations of, such Borrower in connection with such Receivable. For the avoidance of doubt, Collateral Security shall also include, *inter alia*:

- (a) any clause of retention of title (*clause de réserve de propriété*) which defers the transfer of ownership right of the relevant Vehicle until the date of the full payment of the purchase price by the Borrower; and
- (b) any automobile pledge (*gage portant sur un véhicule automobile*) governed by the provisions of the decree n°53-968 of 30 September 1953 (as amended) or any other applicable law or regulation governing security interest over assets such as automobile vehicles.

Collections means, with respect to any Transferred Receivable and on any day:

- (a) all cash collections and other cash proceeds (including, without limitation, bank transfers, direct debits, wire transfers, cheques, bills of exchange and direct debits) relating to such Transferred Receivable as received from the relevant Borrower on such day, and including all amounts of principal and interest, deferred amounts, fees, penalties, late payment indemnities, and amounts paid by the insurance companies as insurance indemnities; and
- (b) all Recoveries, Non-Compliance Payments and Re-transferred Amounts relating to such Transferred Receivable received by the Issuer on such day.

Commingling Reserve Account means the bank account opened by the Issuer with the FCT Account Bank with the following references 30003-03764-00003169722-75.

Commingling Reserve Deposit Agreement means the deposit agreement entered into on or prior to the Signing Date between the FCT Account Bank, the FCT Cash Manager, the Servicer, the Management Company and the Custodian, pursuant to which the Servicer agreed to transfer the Commingling Reserve Fund pursuant to Articles L. 211-38 of the French Monetary and Financial Code to the Issuer as security for its obligation to transfer Collections to the Issuer, as amended from time to time.

Commingling Reserve Fund means, at any time, the cash transferred by way of security by the Servicer to the Seller pursuant to Articles L. 211-38 of the French Monetary and Financial Code and credited to the Commingling Reserve Account, in accordance with the provisions of the Commingling Reserve Deposit Agreement.

Commingling Reserve Rating Condition means a condition that is satisfied if:

- (a) the unsecured, unsubordinated and unguaranteed long-term obligations of the Servicer are rated higher than or equal to (i) BBB, if the Servicer has a short-term rating of A-2 or higher, or (ii) otherwise BBB+ by Standard & Poor's; and
- (b) the unsecured, unsubordinated and unguaranteed short-term obligations of the Servicer are rated higher than or equal to P2 by Moody's; and
- (c) the unsecured, unsubordinated and unguaranteed short-term obligations of the Servicer are rated higher than or equal to BBBL, or, if there is no public DBRS Ratings Limited rating, then as determined by DBRS Ratings Limited through its private rating, provided that in the event of an entity which does not have a private rating nor a public rating from DBRS Ratings Limited, then for DBRS Ratings Limited, the minimum rating level will mean the following ratings from at least two of the following rating agencies:
 - (i) a long-term rating of at least BBB- by Fitch Ratings;

- (ii) a long-term rating of at least BBB- by Standard & Poor's;
- (iii) a long-term rating of at least Baa3 by Moody's.

Commingling Reserve Required Level means:

- (a) on the Closing Date and thereafter on any Calculation Date on which the Commingling Reserve Rating Condition is satisfied, nil; and
- (b) on any Calculation Date on which the Commingling Reserve Rating Condition is not satisfied, an amount as calculated by the Management Company as being equal to:

$$\max(25\%, 1.3 \times k) \times A / 12 + 1.25\% \times B + C$$

where:

- "k" is the average of the annual prepayment rates as calculated by the Management Company on the last 12 available Calculation Dates;
- "A" is an amount equal to the aggregate Discounted Balance of the Performing Receivables as of the Cut-Off Date relating to such Calculation Date;
- "B" is an amount equal to the aggregate Instalments due and payable by the Borrowers to the Seller in respect of all Performing Receivables, excluding any Balloon Instalment, during the next Reference Period; and
- "C" is an amount equal to the aggregate Balloon Instalments the scheduled final Instalment Due Dates of which fall within the next Reference Period.

For the purpose of calculating the Commingling Reserve Required Level applicable on the date, if any, on which the Commingling Reserve Rating Condition is no longer satisfied, the amounts "A", "B" and "C" above will refer to amounts as at the immediately preceding Calculation Date.

Conditions means the terms and conditions of the Class A Notes as set out on page 103.

Conditions Precedent means, on the Closing Date, the documentary conditions precedent set out in the Receivables Transfer Agreement.

Confidential Information means any information relating to the commercial activities, the financial situation or any other matter of a confidential nature concerning any party to the FCT Transaction Documents and any information relating to the personal details of any Borrower, and communicated to any other party to the FCT Transaction Documents, whether the said information has been communicated to it during the performance of its obligations under the FCT Transaction Documents or otherwise.

Consumer Credit Legislation means all applicable laws and regulations governing certain Auto Loan Agreements (including in particular Articles L. 311-1 to L. 311-52, Articles L. 313-1 to L313-17, Articles D. 311-1 to D. 311-14, Articles R. 311-3 to R. 311-10 and R. 313-1 to R. 313-11 and Articles D. 313-6 to D. 313-9 of the French Consumer Code) (*Code de la consommation*).

Contractual Documents means, with respect to any Receivable, any document or contract between the Seller and a Borrower, from which that Receivable arises, including the relevant Auto Loan Agreement, the application for the Auto Loan Agreement, negotiable instruments issued in respect of any Receivable, as the case may be, and general or particular terms and conditions.

CRA Regulation means Regulation (EC) No. 1069/2009 (as amended).

CSSF means the Luxembourg *Commission de Surveillance du Secteur Financier*.

Custodian means RCI Banque, acting in its capacity as Custodian of the Issuer pursuant to the FCT Regulations, and any successor thereof.

Customer Rate means, in respect of any Transferred Receivable and of any Reference Period, the nominal interest rate, expressed as a percentage, applicable to such Transferred Receivable as set out in the relevant Auto Loan Agreement.

Cut-Off Date means 31 May 2012 and thereafter, in respect of any Reference Period, the last calendar day of such Reference Period, and any reference to a Cut-Off Date with respect to a Calculation Date, Information Date and Monthly Payment Date shall be a reference to the last calendar day of the calendar month preceding such Calculation Date, Information Date and Monthly Payment Date.

Data Escrow Agent means RCI Banque, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 14, avenue du Pavé Neuf, 93160 Noisy-le-Grand (France), licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel* under the French Monetary and Financial Code, and any successor thereof.

Data Escrow Agreement means the data escrow agreement entered into on or about the Signing Date between the Management Company, the Custodian, the Seller and the Data Escrow Agent.

DBRS means DBRS Ratings Limited.

Dedicated Account Agreement means the agreement (*Convention de Compte à Affectation Spéciale*) dated on or before the Signing Date and made between the Management Company, the Custodian, the Servicer and the Servicer Collection Account Bank in relation to the operation of the Servicer Collection Account, and pursuant to which the Collections credited at any time to the Servicer Collection Account shall be secured for the exclusive benefit of the Issuer.

Defaulted Amount means on each Calculation Date relating to any Reference Period, the Discounted Balance, as of the preceding Cut-Off Date, of the Performing Receivables that have become Defaulted Receivables during such Reference Period.

Defaulted Receivable means any Receivable in respect of which:

- (a) an Instalment remains unpaid by the Borrower for at least 90 calendar days after the corresponding Instalment Due Date; or
- (b) the debit balance of the Loan by Loan File relating to this Transferred Receivable exceeds three times the last applicable Instalment of the relevant amortisation schedule; or
- (c) the Borrower has been classified as being a doubtful customer (*client douteux*) by the Servicer, in accordance with the Servicing Procedures; or
- (d) the Borrower is Insolvent; or
- (e) the related Vehicle has been repossessed by the Servicer; or
- (f) the Auto Loan Agreement is written off or is terminated.

Delinquencies Ledger means each ledger maintained by the Servicer in relation to each Transferred Receivable which records the aggregate outstanding amounts arrears under such Transferred Receivable.

Delinquencies Ledgers Decrease means, on any date, the positive difference between:

- (a) the aggregate of the balances of the Delinquencies Ledgers in respect of the Performing Receivables as of the preceding Cut-Off Date; and
- (b) the aggregate of the balances of the Delinquencies Ledgers in respect of the Performing Receivables as of the Cut-Off Date relating to such Calculation Date.

Delinquencies Ledgers Increase means, on any date, the positive difference between:

- (a) the aggregate of the balances of the Delinquencies Ledgers in respect of the Performing Receivables as of the Cut-Off Date relating to such Calculation Date; and
- (b) the aggregate of the balances of the Delinquencies Ledgers in respect of the Performing Receivables as of the preceding Cut-Off Date.

Delinquent Receivable means any Transferred Receivable in respect of which the relevant Delinquencies Ledger has a credit balance.

Discount Rate means, in respect of any Transferred Receivable, the higher of the following rate as determined as at the Cut-Off Date preceding the Closing Date:

- (a) the Customer Rate; and
- (b) 7.0%.

Discounted Balance means, in respect of any Receivable and on any date, the sum of the Instalments scheduled to be received, as of the immediately preceding Cut-Off Date or on such date if it is a Cut-Off Date, under the relevant Auto Loan Agreement and discounted at a rate equal to the Discount Rate applicable to such Receivable.

Eligibility Criteria means the criteria set out in the Section entitled "THE AUTO LOAN AGREEMENTS AND THE RECEIVABLES" on page 67.

Eligible Bank means a credit institution duly licensed therefore under the laws and regulations of France or of any other Member State of the European Economic Area (*Espace Economique Européen*) which has the Required Ratings applicable to the FCT Account Bank.

Eligible Receivable means a Receivable that complies with all the Eligibility Criteria on the Cut-Off Date relating to the Closing Date.

Euro, euro, € or EUR means the single currency unit of the Member States of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) and amended by the Treaty on the European Union (signed in Maastricht on 7 February 1992).

Euroclear means (a) Euroclear France S.A., a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 115 rue de Réaumur, 75002 Paris, France, registered with the Trade and Companies Register of Paris (France) under number 542 058 086 as central depository, and (b) Euroclear Bank S.A./N.V., a *société anonyme* incorporated under, and governed by, the laws of Belgium, whose registered office is at 1 Boulevard du Roi, Albert II, B-1210 Brussels, Belgium, registered with the *Banque-Carrefour des Entreprises (Kruispuntbank van Ondernemingen)* of Belgium under number 0429.875.591 as operator of the Euroclear system.

FCT Account Bank means Société Générale, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 29 boulevard Haussmann, 75008 Paris, France, and licensed as an *établissement de crédit* (credit institution) in France by the *Autorité de Contrôle Prudentiel* in its capacity as a banking institution holding and managing the FCT Accounts or any successor thereto being an Eligible Bank.

FCT Accounts means the following accounts:

- (a) the General Collection Account;
- (b) the General Reserve Account; and
- (c) the Commingling Reserve Account.

FCT Available Cash means all available sums pending allocation and standing from time to time to the credit of the FCT Accounts (except the Commingling Reserve Account) during each period commencing on (and including) a Monthly Payment Date (following the execution of the relevant Priority of Payments) and ending on (but excluding) the next Monthly Payment Date.

FCT Cash Manager means Société Générale, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 29 boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Register of Paris (France) under number 552 120 222, and licensed as a *banque* (a bank) in France by *Autorité de Contrôle Prudentiel* in its capacity as a banking institution managing the FCT Available Cash or any successor thereto.

FCT Fees means the aggregate amount of the Scheduled FCT Fees and of the Additional FCT Fees.

FCT Liquidation Date means the earliest of the following dates to occur:

- (a) the date on which the Management Company liquidates the Issuer following the occurrence of a FCT Liquidation Event in accordance with the provisions of Article L. 214-49-10 of the French Monetary and Financial Code and the FCT Regulations; and
- (b) the date on which the Management Company liquidates the Issuer within six months following the full extinction of the last Transferred Receivables held by the Issuer in accordance with clause 2(c)(ii) of the FCT Regulations.

FCT Management Report means the report to be provided to the Noteholders by the Management Company on the fifth Business Day preceding each Monthly Payment Date with respect to the relevant Reference Period, substantially in the form attached to the FCT Regulations.

FCT Regulations means the regulations executed on or before the Signing Date between the Management Company and the Custodian, under which the Management Company and the Custodian have agreed to create the Issuer and which relate to the creation and operation of the Issuer.

FCT Statutory Auditor means Mazars S.A.

FCT Transaction Documents means:

- (a) the FCT Regulations;
- (b) the Master Definitions Agreement;
- (c) the Receivables Transfer Agreement;

- (d) the Servicing Agreement;
- (e) the Commingling Reserve Deposit Agreement;
- (f) the General Reserve Deposit Agreement;
- (g) the Paying Agency Agreement;
- (h) the Account and Cash Management Agreement;
- (i) the Class A Notes Subscription Agreement;
- (j) the Class B Notes Subscription Agreement;
- (k) the Dedicated Account Agreement; and
- (l) the Data Escrow Agreement;

as amended from time to time.

File means, with respect to any Transferred Receivable:

- (a) all agreements, correspondence, notes, instruments, books, books of account, registers, records and other information and documents (including, without limitation, computer programmes, tapes or discs) in the possession of the Seller or delivered by the Seller to the Servicer, if applicable; and
- (b) the Contractual Documents,

relating to the said Transferred Receivable and to the corresponding Borrower.

Financial Income means, on any given Calculation Date, any interest amount or income on the FCT Available Cash accruing between the immediately preceding Monthly Payment Date (included) and the immediately following Monthly Payment Date (excluded).

French Civil Code means the French *Code civil*.

French Commercial Code means the French *Code de commerce*.

French Monetary and Financial Code means the French *Code monétaire et financier*.

French Tax Code means the French *Code général des impôts*.

General Collection Account means the bank account opened by the Issuer with the FCT Account Bank bearing the following references 30003-03764-00003169706-26.

General Reserve Account means the bank account opened by the Issuer with the FCT Account Bank bearing the following references 30003-03764-00003169714-02.

General Reserve Deposit Agreement means the deposit agreement entered into on or prior to the Signing Date by the Management Company, the Custodian, the Seller, the FCT Account Bank and the FCT Cash Manager, pursuant to which the Seller agreed to transfer to the Issuer by way of security certain amounts of money pursuant to Article L. 211-38 of the French Monetary and Financial Code.

General Reserve Required Level means:

- (a) on the Closing Date an amount equal to €8,523,000; and
- (b) with respect to any Monthly Payment Date thereafter, provided that the aggregate Discounted Balance of the Performing Receivables has not been reduced to zero, an amount equal to 1.00% of the Notes Outstanding Amount on such Monthly Payment Date; and
- (c) otherwise, nil.

Information Date means the fifth Business Day of each calendar month falling after the Closing Date. Any reference to an Information Date relating to a given Reference Period or Cut-Off Date shall be a reference to the Information Date falling within the calendar month following such Reference Period or Cut-Off Date.

Insolvent means, in relation to any person or entity, any of the following situations:

- (a) an alert procedure (*procédure d'alerte*) regarding the early detection of potential financial difficulties is initiated against the relevant person or entity pursuant to the Title 1 of Book VI of the French Commercial Code, which may result in an interruption of its activities and a voluntary arrangement (*règlement amiable*) between the relevant person or entity and its creditors; or
- (b) the relevant person or entity (i) becomes insolvent or is unable to pay its debts as they become due (*cessation des paiements*), or (ii) institutes or has instituted against it a proceeding seeking a judgment for its safeguard (*sauvegarde*) or financial accelerated safeguard (*sauvegarde financière accélérée*) or a judgment for its bankruptcy (*redressement judiciaire*) or a judgment for its liquidation (*liquidation judiciaire*); or
- (c) the relevant person, as applicable, has referred its insolvency, or has its insolvency referred, to the French *Commission de Surendettement des Particuliers*.

Instalment means, on any date with respect to any Auto Loan Agreement, each monthly instalment of principal and interest contractually scheduled to be paid under such Auto Loan Agreement thereunder, including any Balloon Instalment.

Instalment Due Date means, in respect of any Instalment, the date on which it is due and payable under the relevant Auto Loan Agreement.

Insurance Company means any insurance company party to an insurance policy under paragraph (a), (b) and (d) of the definition of Insurance Policy.

Insurance Policy means, in respect of any Receivable:

- (a) any insurance policy (if any) (under a group policy) which covers the payment of such Receivable in the event of death or disability or unemployment of the relevant Borrower;
- (b) any insurance policy (if any) (under a group policy) which indemnifies its beneficiary for the difference between any outstanding amount due by the Borrower in relation to such Receivable and the indemnity received under the relevant Vehicle's damage insurance policy;
- (c) any damage insurance policy (*assurance dommage*) subscribed by the Borrower and benefiting to DIAC pursuant to the terms of the Auto Loan Agreement otherwise by operation of law; and

- (d) the insurance policy (if such Receivable falls within the scope of this insurance policy) entered into on 21 July 2008 between DIAC and COVEA Fleet, entitled *pertes pécuniaires* as amended from time to time.

Insurance Premium means, in respect of a Receivable, any insurance premium due by the Borrower to the Seller as agent of an Insurance Company in connection with the relevant Auto Loan Agreement.

Interest Component means, with respect to any Receivable and any amount received from the Borrower thereunder, the portion of such amount which is deemed interest by the Management Company as determined in accordance with an actuarial calculation based on the methodology agreed between the Seller and the Management Company.

Interest Period means, in relation to the Class A Notes, each period defined as such in Condition 2.1.

Issuer or Cars Alliance Auto Loans France F 2012-1 means the *fonds commun de titrisation* (securitisation mutual fund), named Cars Alliance Auto Loans France F 2012-1 and established on the Closing Date at the joint initiative of the Management Company and the Custodian, acting as founders of the Issuer, and governed by the FCT Regulations, by Articles L. 214-42-1 to L. 214-49-14 and Articles R. 214-92 to R. 214-114 of the French Monetary and Financial Code and by any law whatsoever applicable to *fonds commun de titrisation*.

Joint Arrangers means CA-CIB and Société Générale CIB.

Joint Lead Managers means CA-CIB, Citigroup Global Markets Limited and Société Générale CIB.

Key shall have the meaning given to that term in the Section entitled "RISK FACTORS" on page 24, "Risk factors relating to the Parties" on page 24, "Risk relating to the Servicer" on page 26, and "French rules regarding data".

Legal Maturity Date means 25 September 2021.

Liquidation Event means any of the events referred to in the Section entitled "LIQUIDATION OF THE ISSUER – Liquidation Events" on page 125.

Listing Agent means Société Générale Bank & Trust, a *société anonyme* incorporated under the laws of the Grand-Duchy of Luxembourg, whose registered office is at 11 avenue Emile Reuter, L2420 Luxembourg.

Loan by Loan Files means the computer files named "DIACIM1" and "DIACEV1" relating to the relevant Transfer Date substantially in the form attached to the Receivables Transfer Agreement.

Luxembourg Paying Agent means Société Générale Bank & Trust, a *société anonyme* incorporated under the laws of the Grand-Duchy of Luxembourg, whose registered office is at 11 avenue Emile Reuter, L2420 Luxembourg.

Management Company means Eurotitrisation, acting in its capacity as management company of the Issuer pursuant to the FCT Regulations and any successor thereof.

Master Definitions Agreement means the master definitions agreement executed on or before the Signing Date between, *inter alia*, the Seller, the Management Company, the Custodian, the FCT Account Bank, the FCT Cash Manager and the Joint Lead Managers, as amended from time to time.

Monthly Amortisation Basis means on any Monthly Payment Date, the positive difference between:

- (a) the Notes Outstanding Amount on the preceding Calculation Date; and

- (b) the Discounted Balance of the Performing Receivables as of the Cut-off Date immediately preceding such Monthly Payment Date.

Monthly Payment Date means the 25th day of each calendar month falling after the Closing Date, provided that if any such day is not a Business Day, such Monthly Payment Date shall be postponed to the first following day that is a Business Day; any reference to a Monthly Payment Date relating to a given Reference Period or Cut-Off Date shall be a reference to the Monthly Payment Date falling within the calendar month following such Reference Period or Cut-Off Date.

Monthly Report means the report to be provided by the Servicer on each Information Date to the Management Company with respect to the relevant Reference Period containing the Loan by Loan File and the information referred to in the Servicing Agreement;

Moody's means Moody's Investors Service Limited.

New Car means any new car, being a private vehicle (VP or *véhicule particulier*) or a commercial vehicle (VU or *véhicule utilitaire*) which, on its date of purchase, has not been owned by anyone other than the relevant Car Dealer, sold by a Car Dealer and purchased by a Borrower under a sale agreement and financed under the relevant Auto Loan Agreement.

Nissan means Nissan West Europe, a *société par actions simplifiée*, with a registered office at Zone d'Activité de Pissaloup, 8 Avenue Jean d'Alembert, 78190 Trappes, France, registered with the Trade and Companies Register of Versailles (France) under number 699 809 174.

Non-Compliance Payment means, in relation to any Affected Receivable, an amount equal to the Discounted Balance of such Affected Receivables, as of the Cut-Off Date on which the relevant Transferred Receivable became an Affected Receivable.

Noteholder means a holder from time to time of any Note.

Notes means any Class A Notes or Class B Notes.

Notes Amortisation Amount means, on any Monthly Payment Date, the sum of the Class A Notes Amortisation Amount and the Class B Notes Amortisation Amount as at such Monthly Payment Date.

Notes Interest Amount means, on a given Monthly Payment Date, the sum of the Class A Notes Interest Amount and the Class B Notes Interest Amounts at such Monthly Payment Date.

Notes Outstanding Amount means the sum of the Class A Notes Outstanding Amount and the Class B Notes Outstanding Amount.

Other Receivable Income means in relation to any Reference Period, all fees, penalties, late-payment indemnities, amounts (other than the Principal Component of such amounts) received during such Reference Period from insurance companies under any Insurance Policies in respect of the Transferred Receivables, Recoveries and Non-Compliance Payments (other than the Principal Component thereof) to be paid on the following Monthly Payment Date, accounted for by the Seller and set out in the Monthly Report sent on the relevant Information Date.

Overpayment means:

- (a) any amount transferred from the Servicer Collection Account to the General Collection Account which is not owed to the Issuer (including, for the avoidance of doubt, any Insurance Premia); or

- (b) any collection received by the Issuer under any Re-transferred Receivable between (i) the day immediately following the Cut-Off Date preceding the Re-transfer Date of such Re-transferred Receivable and (ii) the Re-transfer Date of such Re-transferred Receivable.

Payable Costs means, on any Calculation Date preceding a Monthly Payment Date, the sum of:

- (a) the FCT Fees payable on the Monthly Payment Date immediately following such Calculation Date; and
- (b) the Class A Notes Interest Amount payable on the Monthly Payment Date immediately following such Calculation Date.

Payable Interest Amount means, in respect of a given Reference Period, the aggregate Interest Components of the Instalments scheduled to be paid by the Borrowers, according to the applicable contractual schedule, during that Reference Period under the Transferred Receivables that were Performing Receivables as of the relevant Cut-Off Date relating to that Reference Period.

Payable Principal Amount means, in respect of a given Reference Period, the sum of:

- (a) the aggregate Principal Components of the Instalments scheduled to be paid by the Borrowers, according to the applicable contractual schedule, during that Reference Period under the Transferred Receivables that were Performing Receivables as of the relevant Cut-Off Date relating to that Reference Period;
- (b) the aggregate Principal Component of the amounts relating to prepayments made by Borrowers under the Performing Receivables during such Reference Period;
- (c) the aggregate Principal Component of the Non-Compliance Payments made by the Seller to the Issuer during such Reference Period; and
- (d) the aggregate Principal Component of amounts received by the Issuer during such Reference Period from Insurance Companies under Insurance Policies as indemnification in respect of any Transferred Receivables.

Paying Agency Agreement means the paying agency agreement dated on or about the Signing Date between the Management Company, the Custodian, the FCT Account Bank and the Paying Agents.

Paying Agents means the Principal Paying Agent and the Luxembourg Paying Agent.

Performing Receivable means a Transferred Receivable that is neither a Defaulted Receivable nor a Receivable that has been fully repaid or fully written off.

Prepayment means any prepayment, in whole or in part, made by the Borrower in respect of any Transferred Receivable.

Principal Component means, with respect to any Receivable and any amount received from the Borrower thereunder, the portion of such amount which is deemed principal by the Management Company as determined in accordance with an actuarial calculation based on the methodology agreed between the Seller and the Management Company.

Principal Outstanding Balance means, in respect of each Receivable and at any date, the principal amount of such Receivable owing from the relevant Borrower on such date, in accordance with the provisions of the contractual amortisation schedule applicable to such Receivable.

Principal Paying Agent means Société Générale S.A., a *société anonyme* incorporated under the laws of France, whose registered office is at 29 boulevard Haussmann, 75008 Paris, France, registered with the Trade and Companies Register of Paris under number 552 120 222, licensed as a credit institution (*établissement de crédit*) in France by the *Autorité de Contrôle Prudentiel*, acting through its branch located in Nantes.

Priority of Payments means any of the orders of priority which shall be applied by the Management Company in the payment (or the provision for payment, where relevant) of all debts due and payable by the Issuer to any of its creditors, as set out in the FCT Regulations and as described in the Section entitled "OPERATION OF THE ISSUER – Priority of Payments" on page 61.

Professional Group means the group of Borrowers consisting of professionals and small businesses.

Prospectus means the present prospectus within the meaning of Article 5.4 of the Prospectus Directive.

Prospectus Directive means Directive 2003/71/EC of the European Parliament and Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (as amended from time to time).

Rating Agency means any of DBRS, Moody's and Standard & Poor's, as well as their successors and assigns.

RCI Banque Group has the meaning given to such term in the Section entitled "DESCRIPTION OF RCI BANQUE AND THE SELLER" on page 94.

Receivable means any and all amounts due by the relevant Borrower, in connection with any Auto Loan Agreement (excluding any Insurance Premium) and any related Ancillary Rights relating thereto.

Receivables Transfer Agreement means the receivables transfer agreement executed on or about the Signing Date between the Seller and the Management Company and the Custodian both representing the Issuer, pursuant to which the Seller has agreed to transfer to the Issuer all of its title to, and rights and interest in, the Eligible Receivables, as amended from time to time.

Receivables Transfer Price means €852,238,199.38 (corresponding to the aggregate Discounted Balance, as of the Cut-Off Date preceding the Closing Date, of the Eligible Receivables to be purchased on the Closing Date).

Recovery means any amount received by the Servicer in connection with any Defaulted Receivable.

Reference Period means a calendar month; any reference to a Calculation Date, Information Date or Monthly Payment Date relating to a given Reference Period shall be a reference to the calendar month preceding such Calculation Date, Information Date or Monthly Payment Date.

Regulated Market means the Luxembourg Stock Exchange's regulated market to which application has been made to admit the Class A Notes to trading, this market being a regulated market within the meaning of Article 36 of Directive 2004/39/EC of 24 April 2004 on Markets in Financial Instruments.

Relevant Implementation Date means the date on which the Prospectus Directive is implemented in a Relevant Member State.

Relevant Member State means each member state of the European Economic Area that has implemented the Prospectus Directive.

Renault means Renault S.A.S., a *société par actions simplifiée*, with a registered office at 13/15 Quai Le Gallo, 92100 Boulogne Billancourt, France, registered with the Trade and Companies Register of Nanterre (France) under number 780 129 987.

Renault Group means Renault S.A.S. and its subsidiaries.

Required Ratings means:

- (a) in respect of the FCT Account Bank and the Servicer Collection Account Bank:
 - (i) A-1 by Standard & Poor's with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity and A by Standard & Poor's with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations of the entity (or A+ by Standard & Poor's with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations of the entity, if the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity are not rated by Standard & Poor's); and
 - (ii) P-1 by Moody's with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity; and
 - (iii) a short-term rating of at least R-1L or a long-term rating of at least A from DBRS Ratings Limited, or, if there is no public DBRS Ratings Limited rating, then as determined by DBRS Ratings Limited through its private rating, provided that in the event of an entity which does not have a private rating nor a public rating from DBRS Ratings Limited, then for DBRS Ratings Limited the Required Ratings will mean the following ratings from at least two of the following rating agencies:
 - (A) a short-term rating of at least F1 and a long-term rating of at least A by Fitch Ratings;
 - (B) a short-term rating of at least A-1 and a long-term rating of at least A by Standard & Poor's, a division of Mc Graw-Hill Companies, Inc.;
 - (C) a short-term rating of at least P-1 and a long-term rating of at least A2 by Moody's;
- (b) in respect of the Data Escrow Agent:
 - (i) A-3 by Standard & Poor's with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity and BBB- by Standard & Poor's with respect to the long-term unsecured, unsubordinated and unguaranteed debt obligations of the entity; and
 - (ii) P-3 by Moody's with respect to the short-term unsecured, unsubordinated and unguaranteed debt obligations of such entity; and
 - (iii) a short-term rating of at least R-1L or a long-term rating of at least BBBL by DBRS Ratings Limited, or, if there is no public DBRS Ratings Limited rating, then as determined by DBRS Ratings Limited through its private rating, provided that in the event of an entity which does not have a private rating nor a public rating from DBRS Ratings Limited, then for DBRS Ratings Limited the Required Ratings will mean the following ratings from at least two of the following rating agencies:
 - (A) a short-term rating of at least F1 and a long-term rating of at least BBB- by Fitch Ratings;

- (B) a short-term rating of at least A-1 and a long-term rating of at least BBB- by Standard & Poor's, a division of Mc Graw-Hill Companies, Inc.;
 - (C) a short-term rating of at least P-1 and a long-term rating of at least Baa3 by Moody's;
- (c) with respect to Authorised Investments:
- (i) "Aa3" (long-term) or "P-1" (short-term) by Moody's;
 - (ii) "A-1" by Standard & Poor's (or "A+" or higher if it has no short-term rating); and
 - (iii) a short-term rating of at least R-1L and a long-term rating of at least A from DBRS Rating Limited, or, if there is no public DBRS Ratings Limited rating, then as determined by DBRS Ratings Limited through its private rating, provided that in the event of an entity which does not have a private rating nor a public rating from DBRS Ratings Limited, then for DBRS Ratings Limited the Required Ratings will mean the following ratings from at least two of the following rating agencies:
- (A) a short-term rating of at least F1 by Fitch Ratings;
 - (B) a short-term rating of at least A-1 by Standard & Poor's, a division of Mc Graw-Hill Companies, Inc.;
 - (C) a short-term rating of at least P-1 by Moody's.

Reserve Funds means at any time the funds standing to the credit of the General Reserve Account and the Commingling Reserve Account.

Residual Unit means each of the two residual subordinated units, with a nominal amount of €150 each, with an indeterminate interest rate, issued by the Issuer on the Closing Date, pursuant to the FCT Regulations.

Re-transfer Acceptance means the acceptance delivered by the Management Company to the Seller pursuant to the Receivables Transfer Agreement, whereby the Management Company accepts any Re-transfer Request of the Seller and confirms its consent to re-transfer to the Seller the Re-transferred Receivables identified as such in any Re-transfer Request, substantially in the form set out in the Receivables Transfer Agreement.

Re-transfer Date means the date of the re-transfer to the Seller of any Re-transferred Receivables by the Issuer, pursuant to the provisions of the Receivables Transfer Agreement, which shall occur no later than on the Monthly Payment Date immediately following the date of receipt of the Re-transfer Acceptance.

Re-transfer Price means, in relation to any Transferred Receivable referred to in a Re-transfer Request, the price to be paid by the Seller to the Issuer for the re-transfer of that Receivable, being:

- (a) its Discounted Balance, as of the Cut-Off Date preceding the corresponding Re-transfer Date; plus
- (b) any amounts of principal and interest in arrears in respect of such Transferred Receivable.

Re-transfer Request means the written request, substantially in the form set out in the Receivables Transfer Agreement, to be delivered by the Seller to the Management Company to request the Issuer to transfer back to the Seller any Transferred Receivables pursuant to the provisions of the Receivables Transfer Agreement.

Re-transferred Amount means, in relation to any Transferred Receivable referred to in a Re-transfer Request:

- (a) the corresponding Re-transfer Price; plus
- (b) an amount equal to the total of all additional, specific, direct and indirect, reasonable and justified costs and expenses incurred by the Issuer in relation to such Receivable and for which the Issuer has requested, in writing, the payment, provided that such expenses shall not include the administrative costs borne by the Issuer in connection with its holding of such Receivable.

Re-transferred Receivable means any Receivable re-transferred to the Seller by the Issuer pursuant to clause 15 of the Receivables Transfer Agreement.

Scheduled FCT Fees means the fees due and payable to the organs of the Issuer as set out in the FCT Regulations (see the Section entitled "THIRD PARTY EXPENSES" on page 131).

Securities Act means the United States Securities Act of 1933, as amended.

Seller means DIAC, a *société anonyme* incorporated under, and governed by, the laws of France, whose registered office is at 14 avenue du Pavé Neuf, 93160 Noisy-le-Grand, France, licensed as an *établissement de crédit* (credit institution) by the *Autorité de Contrôle Prudentiel*.

Servicer means the Seller (or, as the case may be, any entity substituted pursuant to the provisions of the Servicing Agreement), acting pursuant to the terms and conditions of the Servicing Agreement under which the Seller will agree to service the Transferred Receivables it has transferred to the Issuer.

Servicer Collection Account means any dedicated account of the Servicer opened with the Servicer Collection Account Bank for the purposes of receiving the Collections arising in relation to the Transferred Receivables and which has been designated as a dedicated account (*compte à affectation spéciale*) in accordance with the provisions of the Dedicated Account Agreement for the purposes of receiving Collections under the Transferred Receivables.

Servicer Collection Account Bank means Crédit Industriel et Commercial, a *société anonyme* incorporated under the laws of France, whose registered office is at 6 avenue de Provence, 75009 Paris, France, registered with the Trade and Companies Register of Paris under number 542 016 381, licensed as a credit institution (*établissement de crédit*) in France by the *Autorité de Contrôle Prudentiel*.

Servicer Event of Default means the occurrence of any of the following events:

- (a) any failure by the Servicer (acting in any capacity) to make any payment under any of the FCT Transaction Documents to which it is a party, when due, except if such failure is due to technical reasons and such default is remedied by the relevant Servicer within two Business Days;
- (b) any payment obligation of the Servicer (acting in any capacity) under any of the FCT Transaction Documents to which it is a party is or becomes, for any reason, ineffective or unenforceable, except if this is remedied by the Servicer within two Business Days;
- (c) the Servicer modifies, suspends or threatens to suspend a substantial part of its business or activities or any governmental authority threatens to expropriate all or part of its assets, and such event, in the Management Company's reasonable opinion;
 - (i) results in, or is likely to give rise to, a default of the Issuer's own obligations, undertakings, representations or warranties under any of the FCT Transaction Documents to which it is a party; or

- (ii) affects, or is likely to affect significantly, the ability of the Servicer (acting in any capacity) to perform its obligations under the terms of any of the FCT Transaction Documents to which it is a party; or
 - (iii) affects, or is likely to affect significantly, the recoverability of the Transferred Receivables; or
 - (iv) results, or is likely to result, in the downgrading of the then current rating of the Class A Notes;
- (d) the Servicer is Insolvent;
- (e) at the end of a consultation period relating to the relevant Servicer, a Servicer Potential Event of Default results or, in the Management Company's reasonable opinion, may likely result in the downgrading of the then current rating of the Classes A Notes;
- (f) the validity of the transfer of the Transferred Receivables between the Issuer and the Seller or of any legal consequences of the transfer, including the enforceability of the same against any third party (including the relevant Borrowers), is challenged by any person or entity (including the Seller, the Issuer or a Borrower), in the Management Company's reasonable opinion, on serious grounds;
- (g) the Servicer fails, after any rating of the Servicer Collection Account Bank falls below the Required Ratings, to appoint a substitute servicer collection account bank within the appropriate timeframe and in accordance with the Dedicated Account Agreement; and
- (h) the Servicer is subject to a withdrawal of its banking licence.

Servicer Potential Event of Default means any of the following:

- (a) any failure by the Servicer to comply with or perform any of its obligations or undertakings (other than those in respect of which a failure constitutes a Servicer Event of Default) under the terms of any of the FCT Transaction Documents to which it is a party;
- (b) any representation or warranty made by the Servicer under the terms of any of the FCT Transaction Documents to which it is a party proves to be inaccurate when made or repeated or ceases to be accurate at any later stage;
- (c) any provision of the FCT Transaction Documents to which the Servicer is a party is or becomes, for any reason, ineffective or unenforceable;
- (d) any event or a series of events (other than those referred to in paragraphs (a), (b) or (c) above), connected or unconnected attributable to the Servicer,

and which, in all cases and, in the Management Company's reasonable opinion:

- (i) results in, or may likely give rise to, a default of the Issuer's own obligations or undertakings under any of the FCT Transaction Documents to which it is a party; or
- (ii) affects, or is likely to affect significantly, the ability of the relevant Servicer to perform its obligations (and, in case of a breach as set out in Paragraph (i) above only, other than those obligations referred to in paragraph (i) above) under the terms of any of the FCT Transaction Documents to which it is a party; or
- (iii) affects, or is likely to affect significantly, the recoverability of the Transferred Receivables; or

(iv) results, or may likely result, in the downgrading of the then current rating of the Class A Notes.

Servicer Termination Date means the earlier of (a) the date on which the appointment of the Servicer is terminated in accordance with clause 15 (Termination of Appointment) of and schedule 5 (Servicer Events of Default) to the Servicing Agreement and (b) the FCT Liquidation Date.

Servicing Agreement means the servicing agreement executed on or before the Signing Date between the Management Company, the Custodian and the Servicer pursuant to which the Servicer has agreed to manage and service the Transferred Receivables, in the name and on behalf of the Issuer, as amended from time to time.

Servicing Procedures means, in respect of the Servicer, the procedures and guidelines, whether written or oral, used by the Servicer for the purposes of servicing the Transferred Receivables from time to time.

Société Générale CIB or Société Générale means Société Générale, a *société anonyme* incorporated under the laws of France, whose registered office is located at 29 boulevard Haussmann, 75009 Paris, France, registered with the Trade and Companies Register of Paris under number 552 120 222, licensed as a credit institution (*établissement de crédit*) in France by *Autorité de Contrôle Prudentiel*.

Signing Date means 22 June 2012.

Standard & Poor's means Standard & Poor's Market Services Europe Limited.

Substitute Data Escrow Agent shall have the meaning given to that term in the Section entitled "PURCHASE AND SERVICING OF THE RECEIVABLES – Data Escrow Agreement" on page 89.

Substitute Data Escrow Agreement shall have the meaning given to that term in the Section entitled "PURCHASE AND SERVICING OF THE RECEIVABLES – Data Escrow Agreement" on page 89.

Target Settlement Day means any day on which the Trans European Automated Real Time Gross Settlement Express Transfer (TARGET 2) System is open.

Transfer Document means any transfer document (*bordereau*) executed in accordance with the provisions of Articles L. 214-43 *et seq* and D. 214-102 of the French Monetary and Financial Code, in the form set out in the Receivables Transfer Agreement, pursuant to which the Seller transfers to the Issuer Eligible Receivables pursuant to the provisions of the Receivables Transfer Agreement.

Transfer Effective Date means the day following the Cut-Off Date preceding the Closing Date.

Transfer Offer means an offer by the Seller to transfer Eligible Receivables to the Issuer in accordance with the Receivables Transfer Agreement.

Transferred Receivable means any Receivable which:

- (a) has been transferred by the Seller to the Issuer;
- (b) remains outstanding; and
- (c) is neither a Re-transferred Receivable nor an Affected Receivable.

Unitholder means a holder from time to time of any Residual Unit.

Used Car means any car, being a private vehicle (VP or *véhicule particulier*) or a commercial vehicle (VU or *véhicule utilitaire*) which, on its date of purchase, has had at least one previous owner, sold by a Car

Dealer purchased by a Borrower under a sale agreement and financed under the relevant Auto Loan Agreement.

Vehicle means, as the case may be, a New Car or a Used Car.

ANNEX 2

RATING OF THE CLASS A NOTES

Eurotitrisation, in its capacity as Management Company, RCI Banque, in its capacity as Custodian, and DIAC, in its capacity as Seller, have agreed to request DBRS, Moody's and Standard & Poor's, in their capacity as Rating Agencies appearing on the list established by the *Arrêté* of 19 December 2006, to provide ratings for the Class A Notes and to prepare the rating documents as specified in Article L. 214-44 of the French Monetary and Financial Code.

The ratings assigned by the Rating Agencies to the Notes address the timely payment of interest to the Class A Noteholders on each Monthly Payment Date and the ultimate payment of principal at the latest on the Legal Maturity Date.

The ratings assigned by the Rating Agencies should not be considered as a recommendation or an invitation to subscribe to, to sell or to purchase any Class A Note. Such ratings may be, at any time, revised, suspended or otherwise withdrawn by the Rating Agencies.

This assessment of the Rating Agencies takes into account the capacity of the Issuer to reimburse in full the principal of the Class A Notes at the latest on the Legal Maturity Date. It also takes into account the nature and characteristics of the Receivables, the regularity and continuity of the cash flows from the transaction, the legal aspects relating to the Class A Notes and the nature and extent of the coverage of the credit risks related to Class A Notes. The rating of the Class A Notes does not involve any assessment of the yield that any Class A Noteholder may receive.

The preliminary ratings assigned to the Class A Notes, as well as any revision, suspension or withdrawal of such preliminary ratings that the Rating Agencies reserve the right to make subsequently, based on any information that comes to their attention:

- (a) are formulated by the Rating Agencies on the basis of information communicated to them and of which the Rating Agencies guarantee neither the accuracy nor the comprehensiveness; thus, the Rating Agencies cannot in any way be held responsible for said credit ratings, except in the event of deceit or serious error demonstrated on their part; and
- (b) do not constitute and, therefore, should not in any way be interpreted as constituting, with respect to any subscribers of Class A Notes, an invitation, recommendation or incentive to perform any operation involving Class A Notes, in particular in this respect, to purchase, hold, keep, pledge or sell said Class A Notes.

ANNEX 3

RATING DOCUMENT ISSUED BY DBRS

European - Structured Finance

ABS - France

Presale Report

1 June 2012



ABS

Cars Alliance Auto Loans France F 2012-1

Transaction Close Date
27 June 2012 (expected)

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Ratings

Debt	Par Amount (1)	% of Notes	Credit Enhancement (1)(2)	Coupon (p.a.)	CUSIP/ISIN	Step-up Provision	DBRS Rating	DBRS Rating Action
Class A Notes (3)	€ [•]	88.0%	13.0%	[•]%	-	n/a	AAA (sf)	Provisional
Class B Notes (4)	€ [•]	12.0%	1.0%	[•]%	-	n/a	-	-
General Reserve (5)	€ [•]							

Notes:

1. As of issue Date.
2. Credit enhancement is calculated as a percentage of total collateral, it includes subordination and the General Reserve account but does not include excess spread.
3. Class A credit enhancement consists of subordination of 12.0% Class B Notes and 1.0% General Reserve.
4. Class B credit enhancement consists of 1.0% General Reserve.
5. General Reserve is equal to 1.0% of aggregate Class A and Class B Notes outstanding.

Transaction Summary

DBRS Ratings Limited ("DBRS") assigned provisional ratings as listed above to the Class A Notes issued by Cars Alliance Auto Loans France F 2012-1, a French Fonds Commun de Titrisation. The transaction follows a standard structure under French law and is expected to close on June 27th 2012. The Notes are backed by French auto loans mainly granted to individuals ("the Portfolio") and originated in France by DIAC (the "Seller", Renault Nissan Alliance's Captive lender in France).

Initial Class A Notes credit support of 13.0% includes a General Reserve account (1.0% of Class A and Class B Notes outstanding balance) funded at inception, and the subordination of Class B Notes (12.0%). Initial Class B Notes credit support of 1.0% consists of the General Reserve account. Additionally, both classes are afforded credit protection by the approximate [•]% of excess spread expected in the transaction under stressed assumptions.

The receivables securitised consist of a static pool of auto loan receivables granted to French private and commercial customers secured by new and used vehicles. The collateral pool has a weighted average effective yield of 7.62%, a weighted average seasoning of over 16.6 months and a weighted average remaining term of 33.3 months. In addition, loans representing new vehicles initially account for approximately 67% of the portfolio balance.

Notable Features

- Receivables are transferred at a price equivalent to the sum of the remaining instalments to be received by the Seller, discounted at a Discount Rate set for each receivable as the higher between (i) the receivable nominal interest rate, and (ii) 7%.

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<p>Cars Alliance Auto Loans France F 2012-1</p> <p>Report Date 1 June 2012</p>	<p>Strengths</p> <ul style="list-style-type: none">• Static portfolio.• The collateral pool has over 16 months of seasoning.• Very granular pool (the initial portfolio includes nearly 178,000 loans) with the largest loan accounting for 0.02% of the portfolio.• Low proportion (1.11%) of corporate borrowers.• Highly experienced, financially strong originator and servicer. <p>Challenges and Mitigating Factors</p> <ul style="list-style-type: none">• DIAC is permitted to commingle collections on the receivables. This risk is mitigated by the use of a French dedicated account (<i>compte d'affectation spéciale</i>) whereby only the Issuer has the benefit of the sums credited to the Servicer Collection Account, daily sweeps of such account, and a commingling reserve to be funded by the Servicer if it fails to maintain certain rating thresholds, sized to cover prepayments, 1.25% of collections, and the last instalment of balloon loans due in the following period.• Set-off risk in the transaction could result from securitised borrowers if they were to have funds in account with DIAC. This risk is mitigated by the fact that retail deposit products are managed at the holding level (RCI Banque) with no direct link with DIAC, and the savings accounts agreements state clearly that the customer is unable to set-off any amount owed to DIAC with the deposits held with RCI Banque. Further to that, DIAC has undertaken to provide mitigants (including a reserve) in case it starts to take deposits.• Upon the insolvency of a corporate borrower, other borrower's creditors might be entitled to claw-back amounts pre-paid by the borrower to the Issuer. The risk is much mitigated by the fact that the 18 month claw-back period only applies to the 1.11% of corporate borrower receivables included in the portfolio.
<p>Rating Rationale</p> <hr/>	

The DBRS rating of the notes addresses the timely payment of interest and full payment of principal by the legal final maturity date in accordance with the terms and conditions of the notes. DBRS based the rating primarily on:

- The transaction's capital structure and the form and sufficiency of available credit enhancement.
- Relevant credit enhancement in the form of subordination and excess spread. Credit enhancement levels are sufficient to support DBRS projected expected cumulative net loss (CNL) assumption under various stressed cash flow assumptions for the rated Notes.
- The ability of the transaction to withstand stressed cash flow assumptions and repay investors according to the terms of the transaction documents.
- Originator/Servicer's capabilities with respect to originations, underwriting, servicing, and financial strength.
- The credit quality of the collateral and ability of the Servicer to perform collection activities on the collateral.
- The legal structure and presence of legal opinions addressing the assignment of the assets to the issuer and the consistency with the DBRS Legal Criteria for European Structured Finance Transactions.



Cars Alliance Auto
Loans France F 2012-1

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1 June 2012

Sovereign Assessment

DBRS has ratings at AAA on the Republic of France long-term and local currency debt. The trends on both ratings are Stable. The French economy has shown resilience to the global downturn, with a recession that was less severe than in other advanced economies. Furthermore, public sector support for the banking sector has been limited as it did not suffer large write-downs from securitisation activities or from other impaired assets. Nevertheless, there has been a marked deterioration in fiscal balances resulting in a significant rise in public debt that has yet to stabilise.

The ratings reflect the capacity of the public sector balance sheet to weather stress, which is underpinned by moderate growth prospects for a mature economy, a high level of productivity and high national savings. Furthermore, possible materialisation of contingent liabilities from support of the French banking sector appears limited. In a context of a high and rising public debt, the presence of medium term objectives for fiscal consolidation and the strong commitment to stabilising debt ratios shown by the French government supports the Stable trend. DBRS believes that this commitment will continue under the recently elected government of President François Hollande.

France's economy is large, well diversified, and highly productive, with output per hour worked at a similar level as Germany's and slightly below that of the United States. Despite these strengths, controlling the fiscal deterioration and the rapid rise in debt is a significant challenge. The sharp increase in expenditures in 2009, as France's automatic stabilizers and the stimulus package went into effect delivered large public deficits. As a result public debt rose from 67.5% of GDP in 2008 to 85.8% of GDP in 2011, and ambitious but realistic fiscal consolidation targets have been adopted to address this imbalance. These targets, which were part of President François Hollande's campaign program, aim to reduce the fiscal deficit to 4.5% of GDP in 2012, and 3% of GDP in 2013 and could stabilise public debt below 90% of GDP absent further shocks.

The severity of the 2009 downturn may have adversely affected France's already high structural unemployment rate. Over the past two decades the unemployment rate reached its lowest level, 7.5%, in early 2008, and it will take some time to fall back from its end of 2011 level of 9.8%, a common characteristic of rigid labour markets. There has also been a steady but modest deterioration in the current account balance driven by a worsening of the trade balance, as France's share of world exports has fallen more than some of its Euro area peers. However, external financing requirements will likely stay limited as the national savings rate remains high.

The capacity of the public sector balance sheet to weather stress has been weakened, and expected economic slowdown in 2012 and 2013 will make it harder to meet the 3% of GDP fiscal deficit target in 2013. However, with the return of modest growth of 1.6% in 2010 and 1.7% in 2011 fiscal consolidation has been on target, and the fiscal objectives going forward appear achievable. Furthermore, France's relatively high savings rate, no material external financing requirements, the limited support of the banking sector, and manageable levels of household and non-financial firm indebtedness provide important sources of strength.

Sector Overview

2011 has turned out to be a mixed year for the French automotive industry. The number of newly registered passenger cars in France decreased by 1.3% to 2.6 million vehicles. In France the Renault Group sold 769,000 new vehicles in 2011 with a 29.2% market share, while it reached a record level of 2.7 million vehicles sold worldwide (+3.6% vs. 2010). DIAC presented a 34.5% penetration rate on its carmakers vehicle sales (+2% vs. 2010) and €3.95bn of new financings (+5.6% vs. 2010) compared to €11bn for the whole of RCI Banque worldwide.



Cars Alliance Auto
Loans France F 2012-1

Transaction Parties and Relevant Dates

Main Transaction Parties

Type	Name	Rating
Issuer	Cars Alliance Auto Loans France F 2012-1	
FCT Management Company	Euroftrisation	
Originator/Seller	DIAC S.A.	DBRS Private Rating
Servicer	DIAC S.A.	DBRS Private Rating
Back-up Servicer	n/a	
Account Bank	Société Générale	DBRS Private Rating
Servicer Collections Account Bank	Crédit Industriel et Commercial de France	
Representative of Noteholders	Association de Représentation des Masse de Titulaires de Valeurs Mobilières	
Custodian	RCI Banque S.A.	DBRS Private Rating
Swap Counterparty	N/A	
Cash manager	Société Générale	DBRS Private Rating
Principal Paying Agent	Société Générale	DBRS Private Rating
Luxembourg Paying Agent	SG Bank & Trust	DBRS Private Rating
Arranger(s)	Crédit Agricole Corporate & Investment Bank (CA-CIB) Société Générale CIB	

Relevant Dates

Type	Date
Issue Date	27 June 2012 (expected)
First Interest Payment Date	25 July 2012
Payment Frequency	Monthly
Revolving Period	n/a
Call Date	n/a
Early Amortisation Date	n/a
Ramp-up Completion Date	n/a
Legal Final Maturity Date	25 September 2021

Origination and Servicing

DBRS conducted an operational review of DIAC SA's (the company) auto finance operations in March 2012 in Paris, France. DBRS considers DIAC's origination and servicing practices to be consistent with those observed among other auto finance companies.

Company Background

DIAC is a wholly-owned subsidiary of RCI Banque SA which in turn is owned by Renault SA. DIAC is the French originator and servicer of RCI Banque providing financing for the purchase or lease of vehicle manufactured by the "Alliance", which includes brands such as Renault, Dacia and Nissan. RCI Banque establishes subsidiary lending and servicing operations within each market; therefore, DIAC operates exclusively in France. The company has three offices including Paris and Lyon (southern French operations) as well as Bordeaux for collections, logistics and sales.

In 2011, DIAC has underwritten 231,454 customer loans. DBRS Financial Institutions Group (FIG) assigned private ratings to both RCI Banque and DIAC. The two entities meet DBRS criteria to act as servicer.



	1. Origination & Underwriting
Cars Alliance Auto Loans France F 2012-1	<p>Origination and sourcing: As DIAC is the financing arm of RCI Banque in France, it is the chief provider of auto financing for Renault and its Alliance brands including Nissan, Infinity, Samsung and Dacia. Approximately 34% (+2 points vs. 2010) of all new Renault and Nissan branded vehicles are financed through RCI in the countries where it operates. Within France, Alliance brands' market share over the last three years for new vehicles has collectively averaged 29%.</p> <p>Marketing activities are handled primarily through Renault and Nissan dealers network (Renault: 300 dealers in France; Nissan 145 dealers in France), and while there are no specific requirements for Renault or Alliance dealers to use DIAC, the lender does offer incentives to encourage financing opportunities. Internal ratings are assigned to dealers and regularly updated. The ratings determine the financing limit either set as a revolving credit limit or at the vehicle level.</p> <p>DIAC offers a variety of lending products including financing for new and used vehicles as well as lease options (lease financings are not part of the portfolio for the securitisation programme). Balloon loans are rarely originated and currently represent 20% of the pool balance. Pricing is set centrally at DIAC's headquarters and risk management is involved in developing all new products.</p> <p>Underwriting process: All underwriting activities at DIAC are appropriately segregated from marketing and sales. The underwriting department is split between front-office (analysis and agreement of credits) and back-office (documentation control and payment of credits). DIAC adheres to standard identify and income verification practices including collection of pay slips and tax returns while identity cards, proof of address and utility bills are reviewed.</p> <p>Financing inquiries are analysed through DIAC's internal credit scoring system which classifies such enquiries based on a standard 'traffic light' system. National credit bureau information (for over-indebtedness data) is also assessed and incorporated into the automated scoring models. 'Green' applications are generally approved immediately pending final review of identify and income documentation. 'Red' inquiries require more detailed, manual credit review and require higher level approval authority. The company has standard service level agreements (SLA) for the sales network which define the timeframes from inquiry to answer and from documentation receipt and disbursement. While the automatic acceptance rate plays a role in setting timeframes, it is not an SLA in itself, and approximately 38% of all enquiries require additional review prior to approval.</p> <p>The risk management department is responsible for scorecard development and maintenance and six staff within DIAC are responsible for 40 scorecards which cover underwriting, fraud and collections.</p> <p>Summary strengths</p> <ul style="list-style-type: none">• Strong manufacturing brands (Renault, Nissan, Dacia) as well as high and growing penetration rates.• Complete segregation of underwriting from marketing and sales.• Low percentage of balloon loans.• Use of credit scoring model with manageable automatic approval rate (62%) and dealer rating system.
Report Date 1 June 2012	<p>2. Servicing</p> <p>Servicing begins during the final stages of initial financing with the customer services department reviewing all borrower documents and credit terms including interest rates, loan maturity, insurance and prepayment terms. Nearly all payments are made via direct debit (approximately 99%) and all loans include default interest provisions helping ensure timely payments.</p>



Cars Alliance Auto Loans France F 2012-1	<p>The collections department is centralised in Bordeaux. Arrears handling activity starts after 15 days past due a written reminder is sent and the direct debit re-presented. DIAC uses dialler technology for outbound calling campaigns and initial telephone contact is generally started 20 days after the missed payment date and following the second direct debit failure. More personalised borrower contact is initiated after 30 days and the second missed payment although this level of attention is expedited for companies beginning after the first missed payment.</p> <p>Loans 90 days in arrears are defined as defaulted and a termination notice is served on the borrower. Telephone activity continues and face to face visits (direct cash collection) with External field collectors are engaged to collect past due amounts or to repossess the vehicle.</p> <p>Legal collections generally begin once a loan is six months delinquent although DIAC continues to work out the loan through extra-judicial means. DIAC maintains a high collection rate of 94% for non-legal collections.</p> <p>Summary strengths</p> <ul style="list-style-type: none">• Centralised collections and legal activities in Bordeaux.• Low default rate and stabilised recovery rates.• High level of payments set through direct debits (approximately 99%)• Active early arrears management processes including dialler technology for outbound calling, personalised phone contact after 2nd missed payment and process expedited for companies after 1st missed payment.• Strong collection rate.
Collateral Analysis Details	
<p>Data Quality</p> <p>DBRS received the set of data detailed below. DBRS received all relevant information and communication in relation to the relevant data from the Originator.</p> <p>DBRS received the following historical auto loan data:</p> <ul style="list-style-type: none">• Quarterly default vintage analysis covering the period from 2004-Q1 to 2011-Q4 and split by private borrowers new amortising loans, private borrowers used amortising loans, private borrowers new balloon loans, private borrowers used balloon loans, corporate borrowers new and used amortising loans;• Recovery analysis on quarterly vintages (grouped into vintages by default date) from 2004-Q1 to 2011-Q4 and split by private borrowers new amortising loans, private borrowers used amortising loans, private borrowers new balloon loans, private borrowers used balloon loans, corporate borrowers new and used amortising loans;• Dynamic monthly delinquency and prepayment analysis covering the period from January 2004 to December 2011. <p>DBRS understands from the originator that the above mentioned analysis was performed on the total portfolio originated by DIAC (including securitised sub pools) and that the default definition utilised to group the data is the same default definition applicable to the current transaction (90 days past due).</p> <p>DBRS received a set of stratification tables in relation to the transferred portfolio.</p>	

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Cars Alliance Auto Loans France F 2012-1	DBRS considers the information available to it for the purposes of providing this rating was of satisfactory quality.
Report Date 1 June 2012	<p>Collateral Analysis</p> <p>DBRS has analysed the portfolio selected by DIAC as at 30 April 2012 (the "Collateral Portfolio"). The Collateral consists of a pool of French auto loan receivables granted by DIAC mainly to French retail clients for the purpose of buying either new or used cars.</p> <p>The transfer price of the Collateral Portfolio is € [•] equivalent, for each transferred receivable, to the sum of the remaining instalments to be received by the Seller discounted at the Discount Rates applicable for each receivable. The main features identified in relation to the Collateral Portfolio are summarised below.</p> <ul style="list-style-type: none">• Most of the transferred receivables are secured by a retention of title over the relevant vehicles, although only in limited circumstances will they benefit from a pledge over the vehicle. Retention of title is generally enforceable under French law against third parties.• The contracts comprised in the portfolio are fixed rate contracts.• The receivables are transferred to the SPV at a transfer price equal to the net present value calculated by discounting the future instalments (comprising principal and interest) at a given fixed interest rate, the Discount Rate set, for each receivable defined as the higher between (i) the receivable nominal interest rate, and (ii) 7%.• From the collections perspective the entire portfolio pays one fixed interest rate equal to the weighted average Discount Rate, yet prepayments cannot generate a principal loss since the contractual interest rate cannot be higher than the Discount Rate.• The weighted average Discount Rate is higher than the weighted average nominal interest rate of the portfolio, so that the NPV is lower than the corresponding outstanding principal.• 1.11% of the borrowers can be corporate borrowers subject to 18 months of claw back risk in case of prepayment.• None of the borrowers are employees of the Renault Group or its commercial network.• No defaulted, delinquent, doubtful, subject to litigation or frozen receivables are to be included in the pool.• Receivables amortise on a monthly basis and give rise to constant monthly instalments, except for the last instalment in balloon loans.• All borrowers are French residents or French registered corporate entities.• Receivables are not the subject of a payment of an indemnity by any insurance company under a death insurance policy and/or an unemployment death insurance policy within the framework of a group insurance.• In respect of each receivable, the sum of the age of the relevant vehicle and the maturity of the auto loan agreement as of the loan effective date is less than ten years.• The principal outstanding balance of each receivable is less than the value of the corresponding vehicle as of the loan effective date.• Only balloon loans to individuals can be included in the pool, and the balloon payment must be less than 65% of the sale price of the vehicle.• Loans must have been the subject of at least one instalment paid, have a discounted balance higher than €100, and have a remaining term to maturity not exceeding 60 months. <p>Due or accelerated transferred receivables will be re-transferred further to a significant change agreed by the Seller to the terms and conditions of the auto loan agreement, such as any amendment that would render the transferred receivables non-compliant with the transaction's eligibility criteria or that would result in a decrease of any instalment applicable under the auto loan agreement or an increase of the number of monthly instalments remaining due.</p>
7 Presale Report - Structured Finance: ABS	

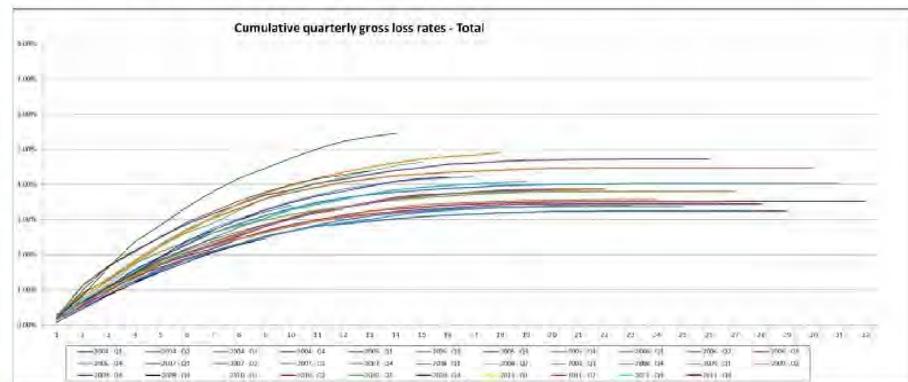


Cars Alliance Auto Loans France F 2012-1		Collateral summary (total available portfolio)					
		New - Amort.	Used - Amort.	New - Balloon	Used - Balloon	TOTAL	
Report Date		# Loans	86,397	75,493	15,833	181	177,904
	1 June 2012	# loans %	48.6%	42.4%	8.9%	0.1%	100.0%
		Original Balance (EUR)	774,131,444	554,046,782	256,513,107	2,655,063	1,587,346,397
		Original Balance %	48.8%	34.9%	16.2%	0.2%	100.0%
		Discounted Balance (EUR)	464,885,713	325,525,321	197,166,100	2,433,629	990,010,762
		Outstanding Balance %	47.0%	32.9%	19.9%	0.2%	100.0%
		WA Discount Rate %	7.29	7.59	8.40	8.81	7.62
		WA Seasoning (Months)	15.7	17.0	17.8	5.8	16.6
		WA Remaining Terms (Months)	33.9	36.0	27.1	39.6	33.3

Historical Performance

Defaults

DBRS has been provided with vintage gross default data on a quarterly basis going back to Q1 2004 through to Q4 2011 for private borrowers new autos amortising, private borrowers used autos amortising, private borrowers new autos balloon, private borrowers used autos balloon, corporate borrowers new and used autos.





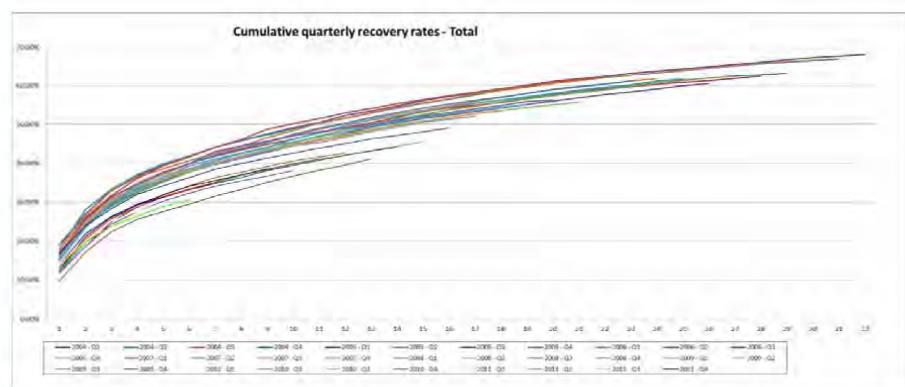
Cars Alliance Auto Loans France F 2012-1

All provided vintages have been projected to determine the base case default rate applicable to the securitised portfolio according to the relevant DBRS methodology. Seasoning effect and sovereign stress have also been taken into account.

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Recoveries

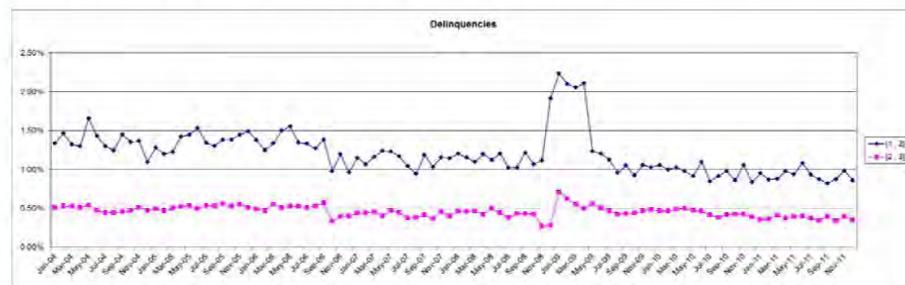
DBRS has been provided with vintage recovery data on quarterly basis going back to Q1 2004 through to Q4 2011 for private borrowers new autos amortising, private borrowers used autos amortising, private borrowers new autos balloon, private borrowers used autos balloon, corporate borrowers new and used autos.



Relevant data has been projected to determine the recovery rate applicable to the securitised portfolio in the relevant rating scenarios, according to the relevant DBRS methodology.

Arrears

The chart below shows delinquency history for the DIAC's portfolio since 2004. DIAC mentioned that the spike observed at the beginning of 2009 is due to the transition to a new administration system tool called FUSE, and to changes brought to the RAI system ("*Représentation Automatique des Impayés*", RCI Banque's internal tool to monitor unpaid invoices). Save for the above mentioned spike, delinquencies have remained at manageable levels despite the weak economic environment due to DIAC's adherence to established underwriting guidelines and robust servicing practices. The "Cash Flow Analysis" section below will discuss the historical loss performance for DIAC's portfolio.

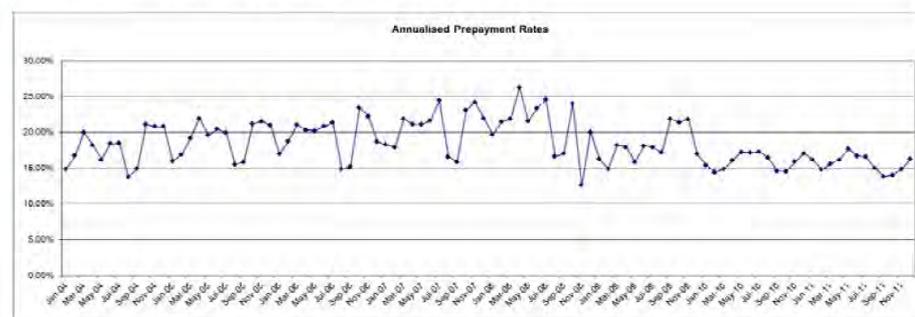


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Prepayments

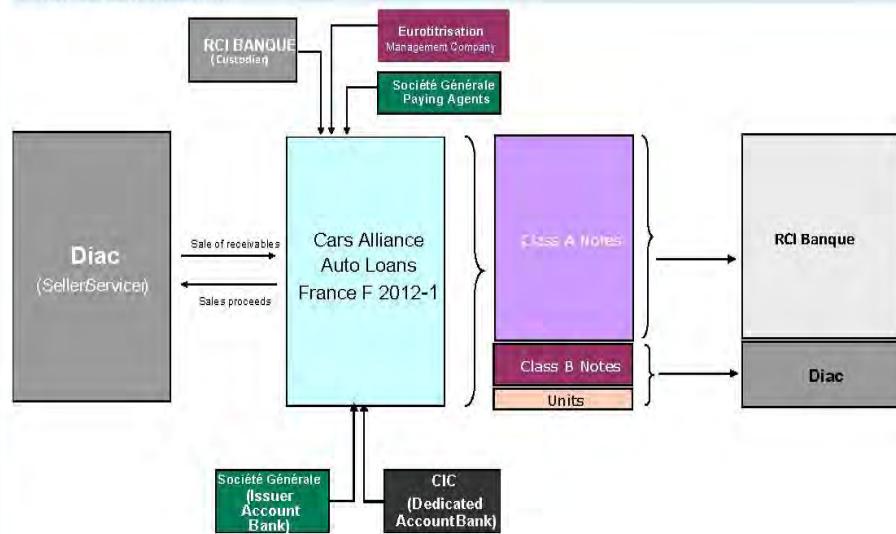
DBRS has received dynamic prepayment data on the entire portfolio originated by DIAC dating back to 2004. While prepayments have historically been hovering around the 20% CPR level, in 2010 and 2011 they seem to have stabilized around a 15% CPR level.



With reference to prepayments, because the Discount Rate set for each receivable is defined as the higher between (i) the receivable nominal interest rate, and (ii) 7%, no loan receivables are indexed to a contractual interest rate higher than the Discount Rate, hence there is no risk that a principal loss may arise in relation to such claims due to the difference between the outstanding principal and the NPV mechanics utilised for the collections.

Transaction Structure

Transaction Diagram





Cars Alliance Auto Loans France F 2012-1	Source of Funds/Available Funds Funds available to the Issuer are mainly determined by collections and a General Reserve equal to 1% of the outstanding aggregate Class A and Class B Notes amount. Other sources of funds: Commingling Reserve funded by the Servicer if it fails to maintain certain rating thresholds.
Report Date 1 June 2012	Accelerated Amortisation Events The following constitute an Accelerated Amortisation event, and the Issuer shall enter into the Accelerated Amortisation Period as described in the 'Priority of Payments' section below: <ul style="list-style-type: none">a) any amount of interest due and payable on the Class A Notes remaining unpaid after 5 business days following the relevant monthly payment date;b) cumulative defaults higher than 6% of the aggregate Discounted Balance of the receivables as of the Closing Date.
Liquidation Events The Management Company is entitled to initiate the liquidation of the Issuer upon the occurrence of any of the following events: <ul style="list-style-type: none">c) it is in the interest of the noteholders and of the residual unit holder(s) to liquidate the Issuer;d) the aggregate discounted balance of the underlying receivables falls below 10% of the aggregate discounted balance of such receivables as of the Closing Date and such liquidation is requested by the Seller (10% clean-up call); ore) all of the notes and the residual units issued by the Issuer are held by a single holder and the liquidation is requested by such holder.	
Priority of Payments	
Amortisation Period <ul style="list-style-type: none">1 Fees & Expenses;2 Interest on Class A Notes outstanding;3 Replenishment of the General Reserve;4 Class A Notes Amortisation Amount (lesser of Class A Outstanding amount, and total Notes outstanding minus discounted balance of performing receivables);5 Interest on Class B Notes outstanding;6 Principal to Class B Notes Amortisation Amount (Difference between total Notes outstanding minus discounted balance of performing receivables, and Class A Notes Amortisation Amount);7 Release of surplus General Reserve;8 Residual Units principal and surplus to Residual Unit holders.	
Accelerated Amortisation Period <ul style="list-style-type: none">1 Fees & Expenses;2 Interest on Class A Notes outstanding;3 Replenishment of the General reserve;4 Principal to Class A Notes outstanding;5 Interest on Class B Notes outstanding;6 Principal to Class B Notes outstanding, only if all Class A Notes have fully amortised;7 Release of surplus General Reserve;8 Residual Unit principal and surplus to Residual Unit holders.	



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General Reserve

The General Reserve will be funded on the Issue Date by the Seller for € [•], an amount equal to 1.0% of the aggregate initial amount of the Class A and Class B Notes. Such percentage of the aggregate value of Class A and B Notes will be the reserve required amount over the life of the transaction.

Hedging Agreement

No hedging agreement is required since both the FCT's assets and liabilities pay a fixed rate of interest.

Cash Flow Analysis

The DBRS cash flow model assumptions focused on the amount and timing of defaults and recoveries, prepayment speeds and interest rates. Based on a combination of these assumptions, a total of 12 cash flow scenarios were applied to test the performance of the rated Notes based on a combination of four prepayment speed scenarios and three loss distribution scenarios.

Excess Spread

A theoretical level of excess spread is guaranteed on the basis of the 7.62% weighted average discount rate applied to the transfer of the portfolio. The Class A Notes have a cost of [•]% and the Class B Notes a cost of [•]%. The assumed yield of the performing component of Collateral Portfolio is stable because the entire portfolio provides for an interest rate equal to 7.62% at closing and a floor of 7% for the life of the transaction, while the servicer fee has been stressed to 1% vs. its actual level of 0.5%, leaving a minimum expected excess spread of around [•]‰.

Base Case Default and Recoveries

The DBRS seasoning-adjusted gross cumulative loss expectation for the transaction is 4.38 % based upon the percentages of private borrowers new autos amortising, private borrowers used autos amortising, private borrowers new autos balloon, private borrowers used autos balloon, and corporate borrowers new and used autos receivables present in the securitised portfolio. Based upon the same portfolio composition, DBRS assumed a recovery rate of 42.26% for repossessed vehicles resulting in a cumulative net loss estimate of 2.53% including additional losses due to claw-back risk as described in the Set-Off and Claw-Back Risk' section below.

Default and Recoveries Timing

DBRS estimated the default timing patterns and created base, front and back-loaded default curves, and a recovery curve reflecting DIAC's observed time to recovery (up to 36 months on average to realise ultimate recoveries).

Prepayment Speeds

Prepayment speeds ranging from 5% to 25% were assumed on the basis of DIAC's prepayment history and DBRS projections and stresses.

Summary of Cash Flow Analysis

Based upon the results of the cash flow modelling, the loss protection afforded to the Class A Notes is consistent with the respective assigned rating of AAA (sf).

Sensitivity Analysis

The table below illustrates the sensitivity of the rating to various changes in the base case default rates and loss severity assumptions relative to the base case assumptions used by DBRS in assigning the rating.



Cars Alliance Auto
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Increase in LGD %	Class A			Increase in Default Rate %		
	0	25	50	AAA	AA	A
0	AAA	AAA	AA	AAA	AA	A
25	AAA	AA	AA	AA	AA	A
50	AA	AA	A	AA	A	A

Legal Structure

Law(s) Impacting Transaction

The notes and the transaction documents are governed by French law, and the receivables are assigned to the Issuer in a true sale transaction in accordance with the provisions of Article L. 214-43 of the French Monetary and Financial Code.

Set-Off and Claw-Back Risk

Set-Off Risk

Upon an insolvency of the originator, borrowers may invoke the right to set-off the amount they owe the originator at any given time, by any amounts due and payable to them from the originator. The potential set-off amount is limited to amounts due and payable in both directions at the time the set-off occurs. Set-off risk in the transaction could result from securitised borrowers who have funds in account with DIAC. This risk is mitigated by the fact that retail deposit products are managed at the holding level (RCI Banque) with no direct link with DIAC, and the savings accounts agreements state clearly that the customer is unable to set-off any amount owed to DIAC with the deposits held with RCI Banque. Further to that, DIAC has undertaken to provide mitigants (including a reserve) in case it starts to take deposits.

Claw-back Risk

In some circumstances, upon the insolvency of a borrower, other borrower's creditors might be entitled to claw-back amounts pre-paid by the borrower to the Issuer. The risk is much mitigated by the fact that the claw-back period only applies to corporate borrowers accounting for 1.11% of the securitised portfolio, for which it amounts to 18 months.

Transaction Counterparty Risk

Originator/Servicer

DIAC is the Originator and Servicer for the transaction. DBRS, in accordance with DBRS criteria, has conducted a review of DIAC on March 30th 2012 and concluded that DIAC meets DBRS criteria to act as Originator and Servicer. The Management Company is entitled to terminate the appointment of the Servicer within 30 days if a Servicer Event of Default has occurred until a substitute servicer, approved by the Management Company, assumes the terminated Servicer's responsibilities and obligations.

A Servicer Event of Default includes:

- (a) any failure by DIAC to make payments when due under any FCT Transaction Document to which it is a party (except if the failure is due to technical reasons and such default is remedied by the Servicer within two Business Days);
- (b) insolvency of DIAC; and
- (c) a Servicer Potential Event of Default which, at the end of a 30-day consultation period is not cured in the reasonable opinion of the Management Company.



Cars Alliance Auto
Loans France F 2012-1

Report Date
1 June 2012

Transaction Accounts

Servicer Collection Account

Borrowers pay by direct debit into a French dedicated account (*compte d'affectation spéciale*) held with Crédit Industriel et Commercial de France (CIC). The transaction contains downgrade provisions relating to the Servicer Collection Account bank which are consistent with DBRS criteria.

Issuer Accounts

Other bank accounts are held with the FCT Account Bank, Société Générale: the General Collection Account, the Revolving Account, the General Reserve Account, and the Commingling Reserve Account. DBRS has conducted a private rating on the FCT Account Bank and concluded that it meets DBRS criteria to act as an account bank. The transaction contains downgrade provisions relating to the Account Bank consistent with DBRS criteria.

Commingling Risk

DIAC is permitted to commingle collections on the receivables. However the Servicer has an obligation to transfer any funds collected from the borrowers on its other collections accounts into the Servicer Collection Account daily and most of the borrowers pay by direct debit directly into the Servicer Collection Account. The risk is further mitigated by the use of a French dedicated account (*compte d'affectation spéciale*) whereby only the Issuer has the benefit of the sums credited to the Servicer Collection Account, and by a commingling reserve be funded by the Servicer if it fails to maintain an investment grade rating. The commingling reserve is sized to cover prepayments, all collections not credited directly on the *compte d'affectation spéciale*, 1.25% of monthly collections, and the sum of last balloon loan instalments due during the month.

Methodologies Applied

The following are the primary methodologies DBRS applied to assign a rating to the above referenced transaction, which can be found on www.dbrs.com under the heading Methodologies. Alternatively, please contact info@dbrs.com, or contact the primary analysts whose information is listed in this report:

- Rating European Consumer and Commercial Asset-Backed Securitisations
- Operational Risk Assessment for European ABS and SME CLO Servicers
- Legal Criteria for European Structured Finance Transactions
- Unified Interest Rate Model for U.S. and European Structured Credit

Monitoring and Surveillance

Please refer to DBRS Master European Structured Finance Surveillance Methodology.



Cars Alliance Auto
Loans France F 2012-1

Report Date
1 June 2012

Note:
All figures are in Euro unless otherwise noted.

This report is based on information as of May 2012, unless otherwise noted. Subsequent information may result in material changes to the rating assigned herein and/or the contents of this report.

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ANNEX 4

RATING DOCUMENT ISSUED BY STANDARD & POOR'S

June 1, 2012

Presale:
Cars Alliance Auto Loans France F
2012-1

Primary Credit Analyst:

Williams Rivera-Montalban, Paris (33) 1-4420-7340; williams_rivera-montalban@standardandpoors.com

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Standard & Poor's 17g-7 Disclosure Report

Related Criteria And Research

www.standardandpoors.com/ratingsdirect

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Presale:**Cars Alliance Auto Loans France F 2012-1****Asset-Backed Fixed-Rate Notes**

This presale report is based on information as of June 1, 2012. The ratings shown are preliminary. This report does not constitute a recommendation to buy, hold, or sell securities. Subsequent information may result in the assignment of final ratings that differ from the preliminary ratings.

Class	Prelim. rating*	Prelim. amount (mil. €)	Available credit supports (%)	Interest (%)	Legal final maturity
A	AAA [sf]	TBD	13.00	Fixed-rate	Sept. 25, 2021
B	NR	TBD	1.00	Fixed-rate	Sept. 25, 2021

*Our rating is preliminary as of June 1, 2012, and subject to change at any time. We expect to assign initial credit ratings on the closing date, subject to a satisfactory review of the transaction documents and legal opinions, and to completion of a corporate overview. Standard & Poor's rating in this transaction addresses timely interest and ultimate principal. \$Includes subordination and the 1% amortizing cash reserve fund. EURIBOR-Euro interbank offered rate. NR-Not rated. TBD-To be determined.

Transaction Participants

Originator	DIAC S.A.
Joint arrangers	Crédit Agricole Corporate and Investment Bank and Société Générale S.A. Corporate and Investment Bank
Seller	DIAC S.A.
Servicer	DIAC S.A.
Management company	Eurofritisation
Custodian	RCI Banque
Data escrow agent	RCI Banque
Issuer account bank	Société Générale S.A.
Cash manager	Société Générale S.A.
Servicer specially Dedicated account bank	Crédit Industriel et Commercial
Principal paying agent	Société Générale
Luxembourg paying agent	Société Générale Bank & Trust

Supporting Ratings

Institution/role	Ratings
Société Générale S.A. as issuer account bank	A/Stable/A-1
Crédit Industriel et Commercial as servicer specially dedicated account bank	A+/Stable/A-1
DIAC S.A. as servicer	BBB/Stable/A-2

Transaction Key Features*

Expected closing date	June 27, 2012
Expected first interest payment date	July 25, 2012
Notes payment frequency	Monthly
Collateral	Auto loan receivables
Discounted principal balance outstanding (mil. €)	TBD
Country of origination	France
Transaction structure	Static true sale

Transaction Key Features* (cont.)	
Replenishment period (years)	0
Redemption profile	Purely sequential
Credit enhancement for the class A notes (% of asset volume)	Subordination 12.0, overcollateralization 0.0, cash reserve 1.0, and excess spread
Cash reserve	1% of the notes outstanding; available to cover liquidity shortfalls during the life of the transaction and redeem notes at the end of the life of the transaction, amortizing in line with the notes since first interest payment date.
Commingling reserve	Will be posted by the servicer if its rating falls below investment-grade; calibrated to cover one-month of collections not paid by direct debit.

* As of the provisional pool cut-off date on April 30, 2012. TBD—To be determined.

Transaction Summary

Standard & Poor's Ratings Services has assigned its preliminary credit rating to the asset-backed fixed-rate class A notes to be issued by Cars Alliance Auto Loans France F 2012-1 (CAAL France F1).

The issuer is a French securitization mutual fund ("Fonds Commun de Titrisation," or FCT), which is bankruptcy-remote by law. This FCT will have no compartment. On the closing date, to fund the purchase of the receivables portfolio backing the notes, the FCT will issue senior notes (class A notes), subordinated notes (class B notes), and residual units. The subordinated notes and residual units will not be rated, and will be fully retained by the seller, DIAC S.A. (BBB/Stable/A-2).

CAAL France F1's notes will be backed by a portfolio of fixed-rate auto-loan receivables originated by DIAC, a French subsidiary of RCI Banque (BBB/Stable/A-2), the captive finance company of the French car manufacturer Renault. The receivables have been originated in the ordinary course of its business, to French private individuals and small businesses.

The transaction will be static (i.e., it will not have any replenishment period), and the notes will start to amortize immediately after closing. Amortization will be purely sequential at all times (i.e., with one tranche repaying at a time, starting with the most senior).

The class A rated notes will be credit-enhanced through a combination of subordination, a cash reserve, and excess spread.

Notable Features

- The previous French auto-loan transaction of DIAC, Cars Alliance Auto Loans France FCC, closed in 2006 and fully amortized in May 2012. It had the ability to issue both short-term notes and medium-term notes.
- In this transaction, the issuer will buy the auto loans directly from DIAC at a discount (i.e., below or at par) with a minimum discount rate of 7%. Notes are issued against the aggregate discounted loan balance of the transferred receivables.
- Both the pool and the notes pay a fixed rate, and therefore there is no interest rate swap.
- The reserve fund will start to amortize in line with the notes immediately after closing. It is an inherent source of liquidity for the transaction.

Rating Rationale

Economic outlook. We are expecting a mild recession in Europe through to the end of Q3 2013, and a mild pick-up thereafter. While the south is expecting a genuine recession, we expect France and other northern core Eurozone countries to experience only sluggish GDP growth throughout 2012. We forecast French unemployment to increase to 10.0% in 2012 and 2013 (see "Economic Research: No Fast Lane Out Of Europe's Recession," published on April 4, 2012). In our view, unemployment is one of the key performance drivers of consumer assets, and we have adjusted our credit assumptions to reflect this outlook.

Operational risk. DIAC has, in our view, a history of stable, quality asset origination, with tested underwriting and servicing procedures. Our ratings reflect our assessment of the company's origination policies, and our evaluation of its ability to fulfill its role as servicer of the transaction pool.

Credit risk. Our gross loss base-case assumption for the securitized pool is 4.6%, which reflects our forecast of the performance of the French economy. We have analyzed credit risk based on the application of our European consumer finance criteria (using historical default and recovery data from DIAC's whole portfolio see "European Consumer Finance Criteria," published on March 10, 2000). The portfolio is static and comprises standard fixed-rate amortizing loans and balloon loans. For balloon loans that have not defaulted or prepaid, we have applied to the balloon payments at maturity an additional residual value loss on top of the borrower credit loss.

Cash flow analysis. Our rating reflects our assessment of the transaction's payment structure (implemented as per the transaction documents), which will switch from normal to accelerated redemption, if the performance trigger is breached. Our analysis indicates that the credit enhancement available to the rated notes is sufficient to withstand the credit and cash flow stresses we apply at a 'AAA' rating level.

Rating stability. We have analyzed the effect of a moderate stress on the credit variables, and their ultimate effect on our rating on the notes (see "Scenario Analysis: Gross Default Rates And Excess Spread Hold The Answer To Future European Auto ABS Performance," published on May 12, 2009). We have run two scenarios, the results of which are in line with our credit stability criteria (see "Methodology: Credit Stability Criteria," published on May 3, 2010).

Counterparty risk. Our rating on the class A notes also considers that the replacement mechanisms implemented in the transaction documents adequately mitigate the counterparty risks in this transaction. We have analyzed these counterparty risks using our 2010 counterparty criteria (see "Counterparty And Supporting Obligations Methodology And Assumptions," published on Dec. 6, 2010).

Legal risk. We consider the issuer to be a bankruptcy-remote entity, in line with our European legal criteria, and we have received legal comfort that the sale of the assets would survive the insolvency of the seller (see "European Legal Criteria For Structured Finance Transactions," published on Aug. 28, 2008).

Strengths, Concerns, And Mitigating Factors

Strengths

- In our view, DIAC , which has a leading market position in France for auto financing, is an experienced originator and servicer. Its parent company, RCI Banque, has significant experience in securitization in several auto asset classes and several countries.
- The preliminary portfolio is granular and geographically diversified. It comprises approximately 178,000 loan contracts, with an average discounted balance of €5,565, as of April 30, 2012.

- All receivables will be current as of the last day of the month preceding closing.
- The pool is not revolving, so a shift in pool quality due to asset substitution cannot occur.
- The FCT buys the loans at a discount, which results in a yield above 7%. Prepayments will also generate additional excess spread, as they upfront the benefit of the discount.
- The amortization of the class A and B notes is fully sequential at all times. Note redemption can accelerate to protect the senior noteholders if the cumulated defaults since closing exceed 50% of the outstanding amount of the class B notes.

Concerns and mitigating factors

- We consider that defaults under transactions backed by loans to private and small commercial customers are sensitive to the performance of the economy. France's economy is relatively subdued, with an unemployment level expected to increase to 10% in 2012, through to 2013. We have considered these in our base case assumptions.
- With regard to the balloon loans included in the portfolio, payment shocks and higher defaults could occur when a large installment comes due at the end of these loan contracts. We have analyzed the payment shock which may result from a drop in the cars' values (see "Balloon loans" in "Credit And Cash Flow Analysis").
- The cash reserve will amortize in line with the notes immediately after closing. This results in diminishing protection for noteholders, as the transaction nears maturity. We have incorporated the amortizing features in our cash flow model to account for their effect on available credit enhancement.
- The use of a specially-dedicated servicer account and a daily sweep from the servicer account to the issuer account mitigates the commingling risk linked to the servicer. The commingling reserve, funded by the seller if it were to lose its 'BBB/A-2' rating, mitigates the residual commingling risk arising from borrowers' payments made by cheques (recoveries, balloon installments, or prepayments).
- There is no back-up servicer at closing. The cash reserve in the transaction limits the risk of cash flow disruption linked to the time it would take for the issuer to appoint a substitute servicer. We have also modeled stressed servicer fees that we consider sufficient to attract a replacement servicer.

Transaction Structure

At closing, the issuer will buy a pool of auto loan receivables at a discount from DIAC on a true sale basis. The receivables will be discounted at a rate at least equal to the highest of the nominal contract rate and 7%. To fund the purchase of the receivables, the FCT will issue the class A and B notes.

Interest under the notes is paid monthly in arrears, starting in July 2012. The senior class A notes and the subordinated class B notes will pay a fixed-rate coupon.

The legal final maturity of the notes will fall at the interest payment date (IPD) of September 2021. The management company can exercise a clean-up call option to repay the entire outstanding principal under the notes if the discounted outstanding principal on the underlying loans is lower than 10% of the original amount, or if all the notes are held by the same party and that party requests the liquidation of the issuer.

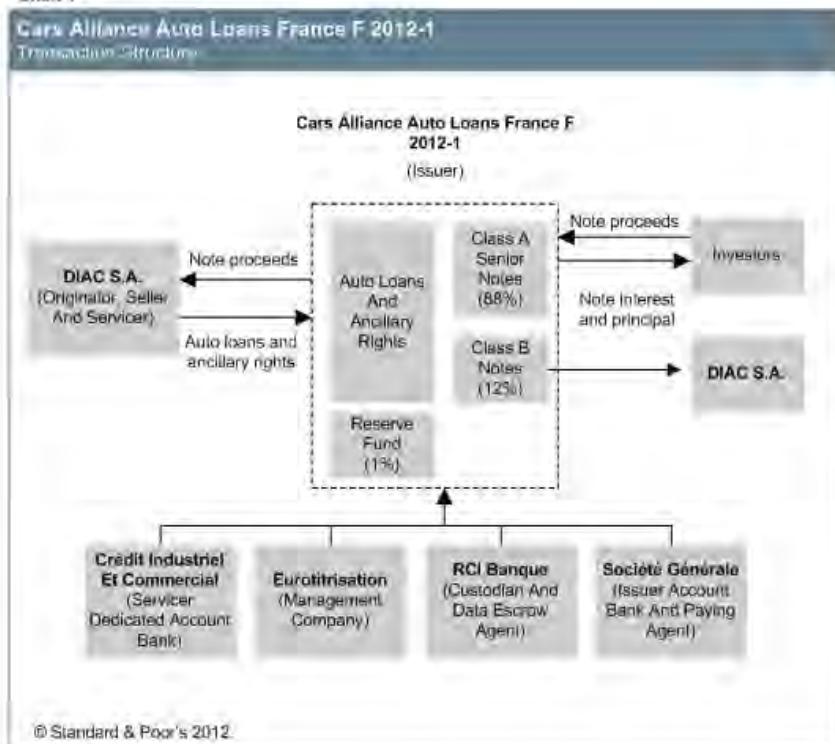
Structure-wise, the transaction exhibits combined interest and principal waterfalls with a default-provisioning mechanism. Excess spread can be used to cure incoming defaults on an ongoing basis.

Under adverse circumstances, the waterfall would switch to an accelerated redemption mode, to protect the senior noteholders. In this case, the interests of the subordinated notes would not be paid, and the senior notes would

accelerate, trapping any available excess spread.

Credit enhancement for the senior notes comes from the subordination of the class B notes, the amortizing cash reserve, and any available excess spread.

Chart 1



Transaction periods

The transaction comprises the amortization period (normal redemption period) and, following the occurrence of an accelerated amortization event, the accelerated amortization period (which is designed to protect the interests of the class A noteholders).

During the normal redemption period, the notes are subject to mandatory redemption in part, whereas during the accelerated redemption period, the notes are subject to mandatory redemption in full, subject to available funds.

The redemption of the class B notes is strictly subordinated at all times. During the accelerated redemption period, the class B notes receive no interest as any available excess spread is trapped to turbo-redem the senior notes.

As both waterfalls are combined, in each redemption mode, received principal amounts can be diverted to pay the class A notes' interest, providing additional liquidity to ensure timely payment of interests.

Accelerated amortization events

Any of the following events will accelerate the waterfall:

- Any arrears on the class A notes' interest (with a five-day grace period).
- If the aggregate of the defaulted amounts since the closing is higher than 50% of the class B notes outstanding.

This second trigger definition gives no benefit to any previous curing of the defaults. The switch to acceleration is irreversible.

Priority of payments

On each monthly IPD during the amortization period, the issuer applies to the priority of payments any asset collections, the cash reserve and any amount drawn from the commingling reserve, in the following order:

Priority Of Payments	
During the amortization period	
1	Senior fees, including payment to the servicer and management company
2	Interest on the class A notes
3	Top-up of the cash reserve up to its required amount
4	Class A notes' principal
5	Interest on the class B notes
6	Class B notes' principal
7	Payment to the seller of any cash reserve release
8	Any leftover to the residual units

During the normal redemption period, the principal due on the class A notes is equal to the difference between the notes and the discounted balance of the performing receivables (i.e., excluding defaulted loans). This amortization basis corresponds to actual principal payments received from the pool, plus any defaults from the period plus any defaults previously uncured.

The principal due on the class B notes is equal to zero, while the class A notes are not fully redeemed and only thereafter to the difference between the notes and the discounted balance of the performing pool (i.e., excluding defaulted loans).

Priority Of Payments	
During the accelerated period	
1	Senior fees, including payment to the servicer and management company
2	Interest on the class A notes
3	Top-up of the cash reserve up to its required amount
4	Class A note principal
5	Interest on the class B note
6	Class B note principal
7	Payment to the seller of any cash reserve release
8	Any leftover to the residual units

The waterfall during the accelerated amortization period is strictly identical. Only the definition of the principal due on the notes changes.

The principal due on the notes is now equal to their outstanding principal balance to the extent of available funds.

The main differences introduced by this accelerated waterfall are:

- Any excess spread is now fully trapped to accelerate the redemption of the class A notes.
- Nothing is paid on the class B notes (neither interest nor principal), while the class A notes is not fully redeemed.

Cash reserve

The structure will benefit from a cash reserve fund representing 1% of the initial principal amount of the class A and B notes at closing. The required level of this cash reserve is 1% of the outstanding principal notes balance, which means it will start to amortize from month one, in line with the notes. Its ongoing releases will generate additional excess spread.

This reserve is the main source of the transaction's inherent liquidity, and is available in the priority of payments to pay senior fees, the interest amount on the class A series, and ultimately to repay the notes once the performing asset balance has fallen to zero or once reaching the legal final maturity.

Cash collection arrangements

Borrowers pay most of the collections by direct debit directly to a dedicated account for the exclusive benefit of the FCT. Under the French Monetary and Financial Code, neither the servicer nor its creditors or liquidators would have access to the amount in this account if the servicer becomes insolvent.

Amounts credited to the dedicated account are transferred to the FCT account daily.

Recoveries, prepayments, and balloon settlement payments may be paid by cheque, and are credited to another servicer account, rather than the dedicated account. Amounts credited to the dedicated account and the servicer account are transferred to the FCT account daily.

Commingling reserve

If the servicer becomes insolvent, the collections paid by cheque over the notification period could be lost (credit loss). This residual risk is covered through a commingling reserve constituted within two business days by the seller upon the loss of its required rating ('BBB/A-2', or 'BBB+' if there is no short-term rating).

In a scenario where the servicer becomes insolvent, we have assumed that for one month (the period required to notify the borrowers to redirect their payments to the issuer or to the substitute servicer account), the transaction will be exposed to:

- A liquidity loss (temporary loss) of one month of collections related to the borrowers' payments made by direct debit directly into the servicer collection account (a dedicated account, where as per French law, neither the servicer nor its creditors would have access to the monies deposited there in a servicer insolvency), covered by the cash reserve; and
- A credit loss of one month of collections related to the borrowers' payments made by cheque, which are not paid directly into the servicer collection account, and will be covered by the commingling reserve.

Collateral Description

We have reviewed a provisional portfolio with a cut-off date of April 30, 2012. Table 1 summarizes the main characteristics of this portfolio.

Table 1

Preliminary Portfolio Breakdowns*

Pool Characteristics

Outstanding discounted balance(€)	990,010,762
Number of loans	177,904
Loan discounted balance range (€)	105 to 59,188
Average discounted outstanding balance(€)	5,565
Weighted-average nominal interest rate	6.28
Weighted-average effective yield	7.62
Seasoning range	0.4 to 87.2
Weighted-average seasoning (months)	16.6
Residual maturity range	1.2 to 60
Weighted-average residual maturity (months)	33.3

Distribution by loan, vehicles and borrowers (% of discounted balance)

New vehicle, individual borrowers, and amortizing	46.3
Used vehicle, individual borrowers, and amortizing	32.5
New vehicle, individual borrowers, with balloon payments	19.9
Used vehicle, individual borrowers, with balloon payments	0.2
New vehicle, company, and amortizing	0.7
Used vehicle, company, and amortizing	0.4

Distribution by car manufacturer (% of discounted balance)

Renault	78.1
Dacia	14.3
Nissan	4.4
Other	3.2

Main geographical concentrations (% of discounted balance)

Île-de-France (including Paris)	13.9
Provence-Alpes Côte d'Azur	10.4
Nord-Pas-de-Calais	9.8
Rhône-Alpes	8.5

*As of the provisional portfolio cut-off date on April 30, 2012.

The geographical distribution shows a diversified pool, reflecting the residential distribution in France.

Originator, underwriting policy, and servicing standards

Renault S.A. has 100% ownership of RCI Banque, which is an independent business unit that specializes in car financing and related services. The seller, DIAC, is a French subsidiary of the RCI Group (RCI Banque and its subsidiaries). It originates some retail auto loans and leasing, as well as wholesale dealer financing. The origination of retail financing is done exclusively through dealerships.

The dealer is responsible for collecting the information and transmitting it to the approval department (electronically, in most cases). The underwriting relies on a scoring system, which considers a number of factors and then assigns a green, orange, or red light score. The underwriter then reconsiders the available information using a decision tree, and may lower the score.

If the score remains green and within certain size limits, RCI Banque automatically accepts the application. If not, the bank's analysts review the loan application manually.

About 99% of payments are made by direct debit.

The collection process remains fully automated until the borrower misses three monthly installments. After 90 days in arrears, the contract is terminated and the legal collection phase starts. The legal collections phase last until 48 months. Repossessed vehicles are sold, and on average, these sales occur through Web-based auctions when borrowers have missed five or six payments.

The remaining balance after the sale is transferred to recovery agencies.

Main eligibility criteria

As per the transaction documents, the seller has represented and warranted that each auto loan contract will comply with the following eligibility criteria (among others):

- The loan has not been granted to a person identified as an employee of the Renault group.
- The interest rate applicable to the receivable is fixed.
- The receivable is not defaulted, not delinquent, not doubtful, not subject to litigation, nor frozen.
- The receivable is amortized on a monthly basis and gives rise to constant monthly installments (except for the last installment in the case of balloon loans).
- The borrower, either an individual or a firm, is resident or registered in metropolitan France.
- The relevant discount rate is at least 7%.
- The receivable has a remaining maturity of at least one month, and does not exceed 60 months.
- The balloon installment is less than 65% of the vehicle sale price.
- When the receivable results from a balloon loan, it has been granted to an individual.
- At least one installment will have been paid.
- The payment is made by direct debit at contract inception.
- The borrower does not hold any deposit with the seller.

Under the transaction documents, any breach of these criteria shall be remedied by the seller, either by:

- Correction of the non-compliance, if possible.
- Repurchase of the affected receivable at its discounted balance.

Ancillary rights

The receivables and their related ancillary rights have been allocated to the issuer. These ancillary rights may include:

- Any retention-of-title clause (benefits to the bulk of the pool).
- Any French law automobile pledge taken by the seller over the vehicle.
- The benefit of any insurance policy (securing payments in the event, among others, of borrower death, disability

- or unemployment).
- Any additional security taken by the servicer.

Nature of the balloon loans

At maturity, balloon loans offer the obligor the option to pay the balloon and keep the car, refinance with DIAC, or return the car to the dealer. In this case, the latter is only obliged to pay the agreed resale value (balloon payment). In all cases, the obligor is liable for the balloon payment to the issuer.

Credit And Cash Flow Analysis

Our analysis includes an assessment of the credit risk inherent in the transaction. We analyze various stress scenarios and their effects on the cash flows under the notes on the basis of our European Consumer Finance Criteria (see "European Consumer Finance Criteria," published on March 10, 2000).

We have received quarterly static cumulated default and cumulated recovery data for the five sub-pools presented below. The data range to Q4 2011 from Q1 2004 and are of good quality, in our view.

Default

For each loan/product type, we analyzed historical gross loss data to our form base-case assumptions. The charts below show the historical yearly cumulated default data for each product.

Chart 2

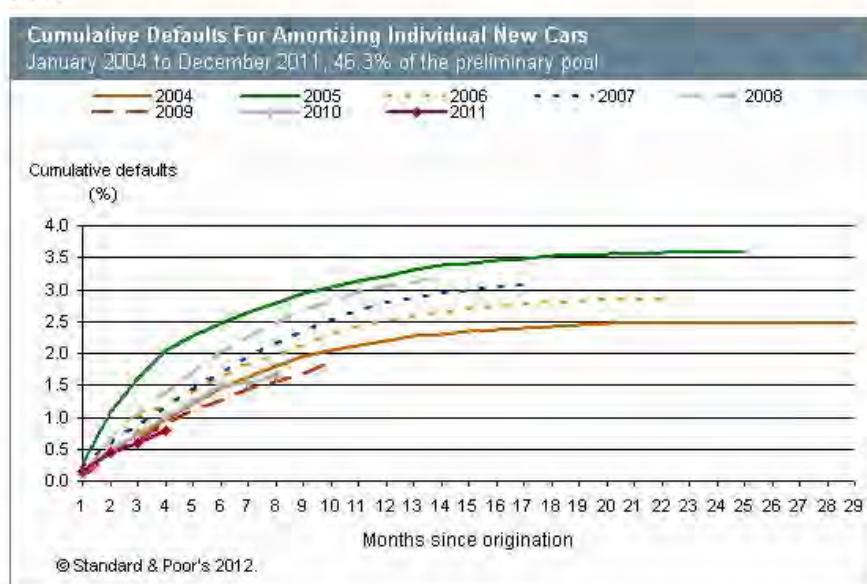


Chart 3

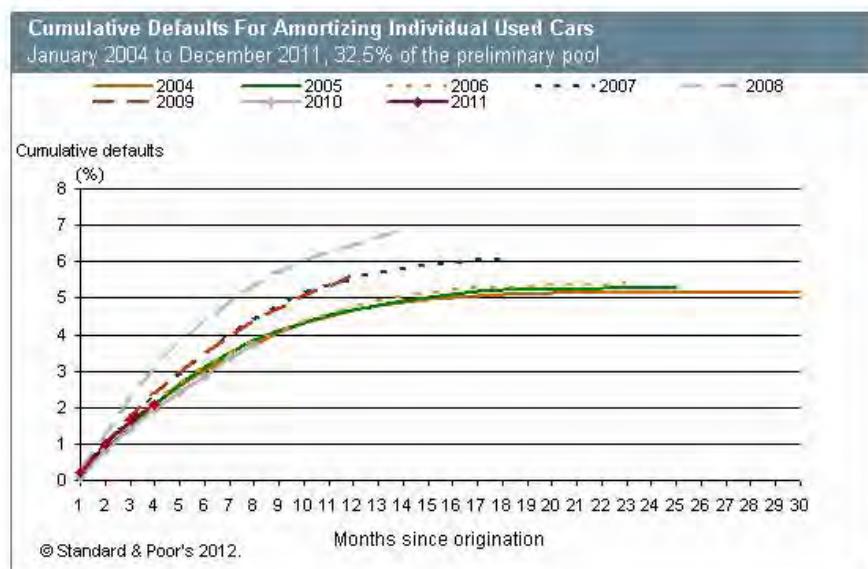


Chart 4

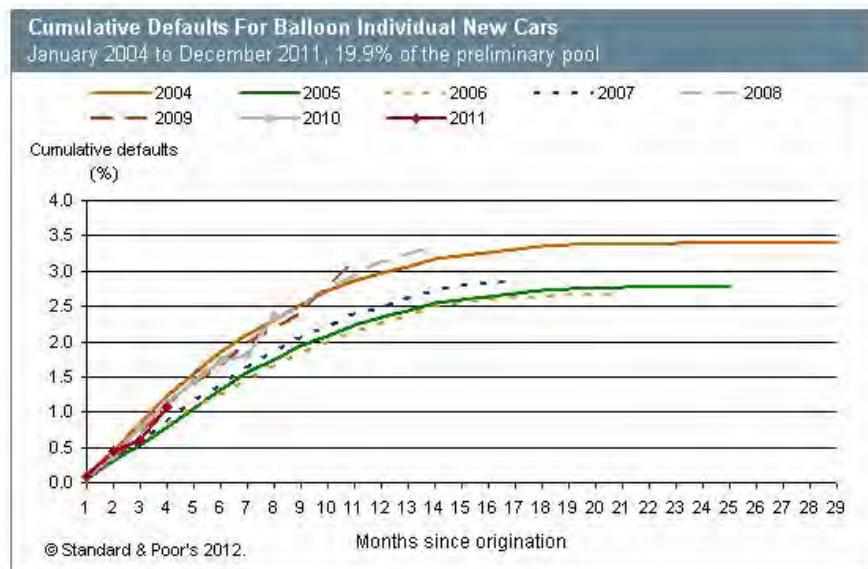


Chart5

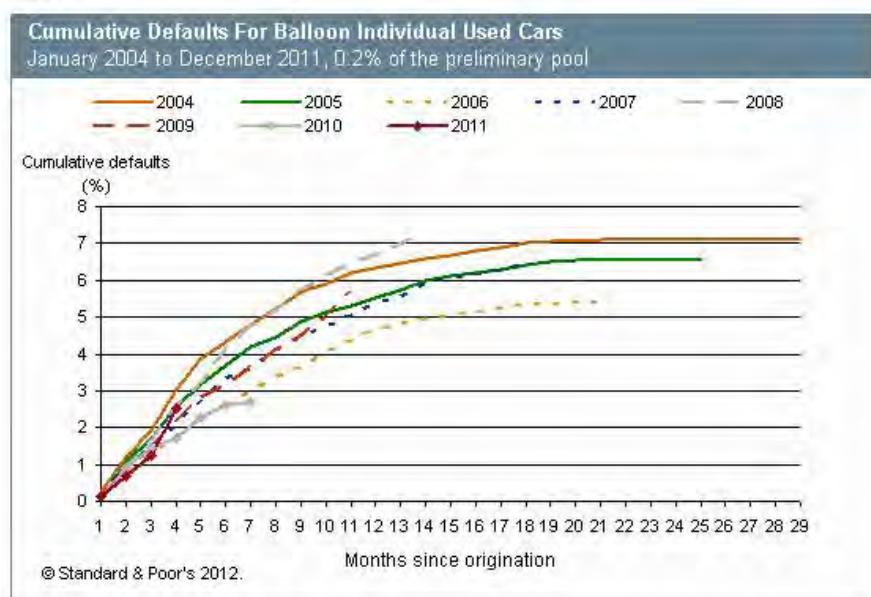
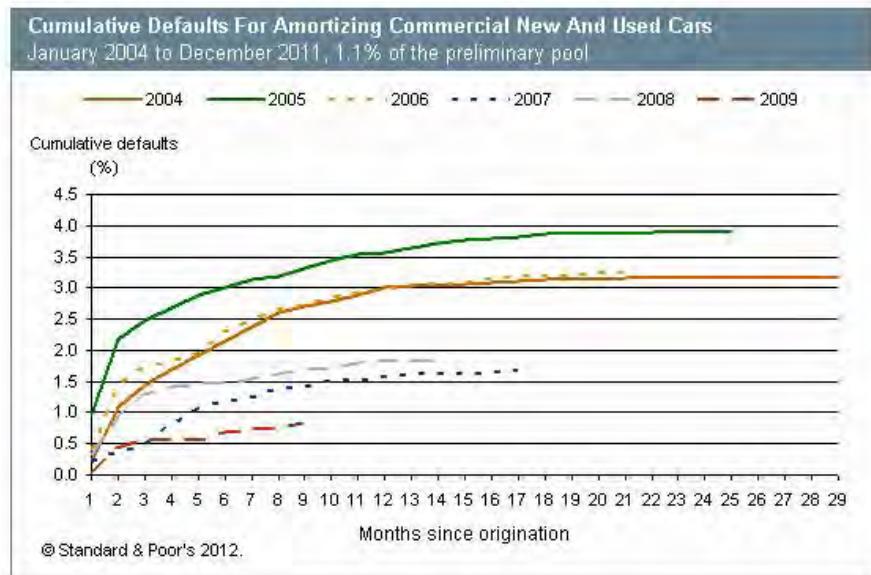


Chart6



Our base-case default assumptions for each product are summarized in table 2.

Table 2

Default Assumptions

(%)	
Amortizing individual new	3.8
Amortizing individual used	6.5
Balloon individual new	4.0
Balloon individual used	7.0
Amortizing commercial used and new	3.5

Recoveries

For each loan/product type, we analyzed historical recovery data to form base-case assumptions. The charts below show the historical yearly cumulated recovery data for each product.

Chart 7

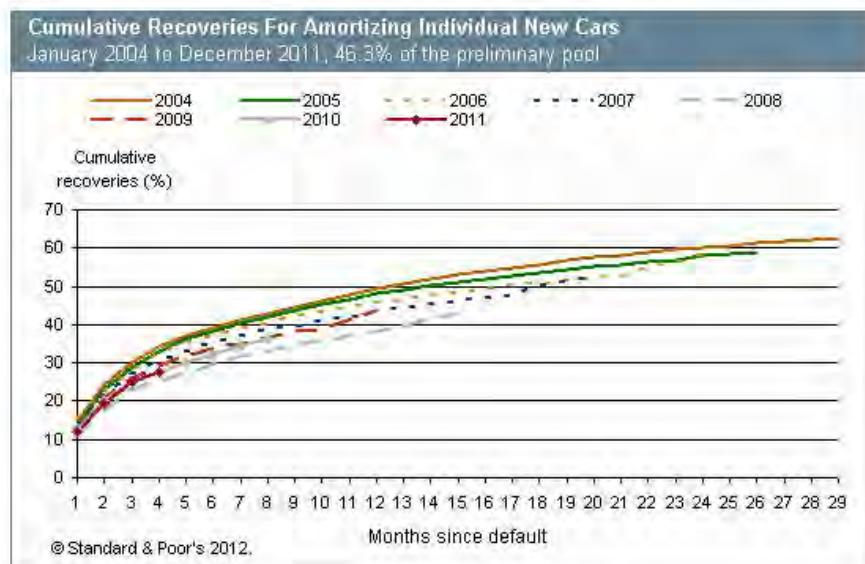


Chart8

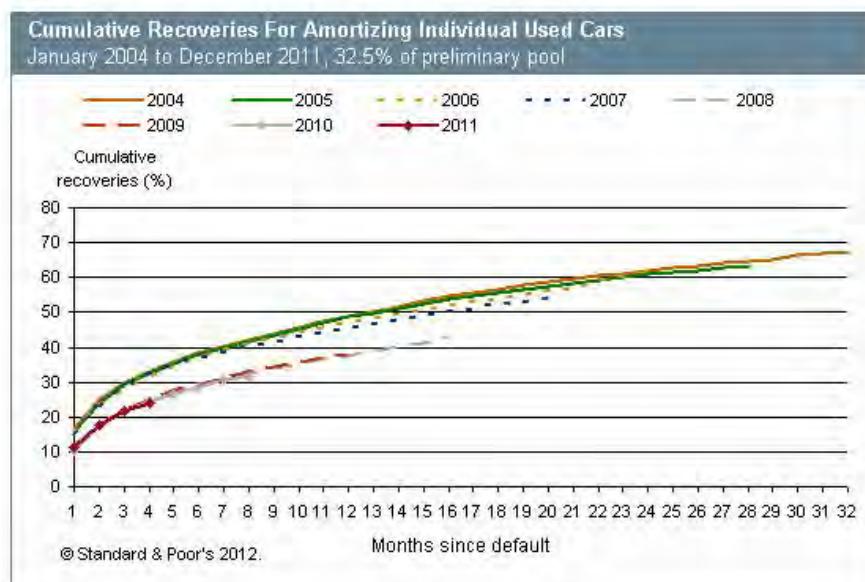


Chart9

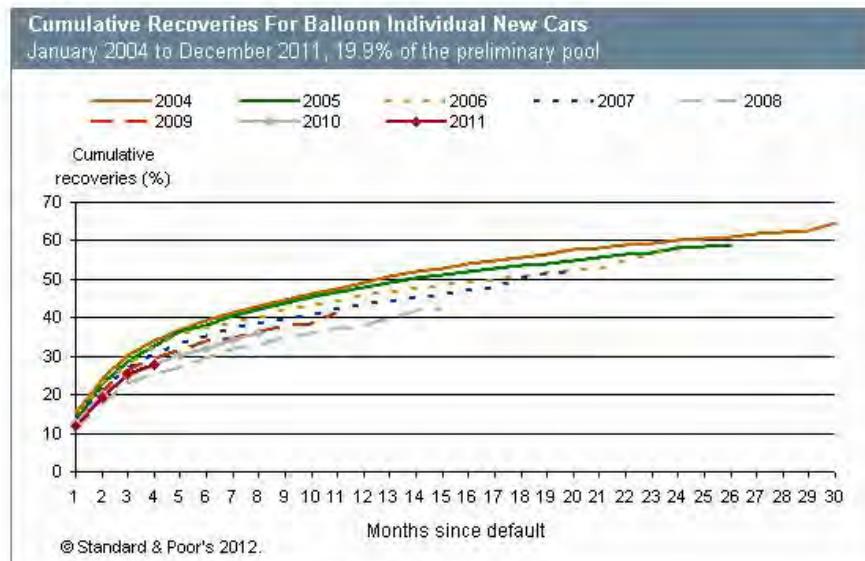


Chart 10

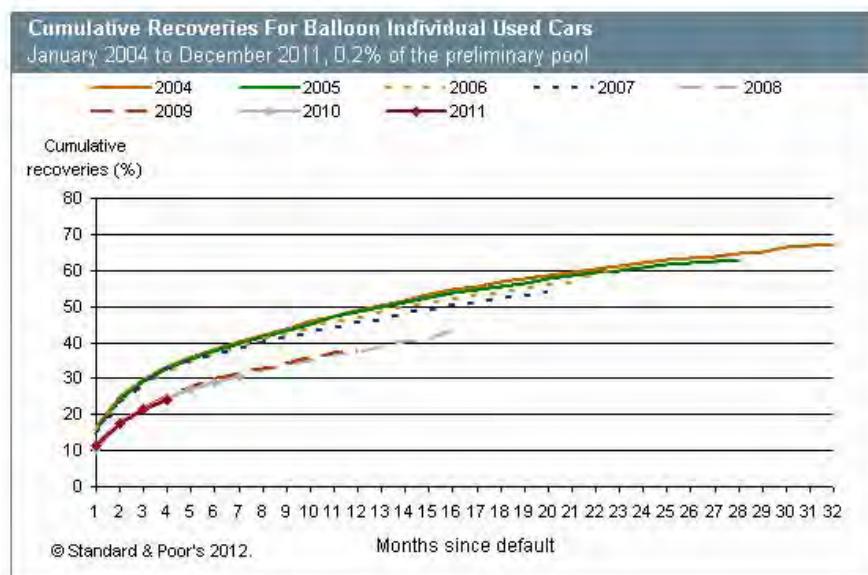
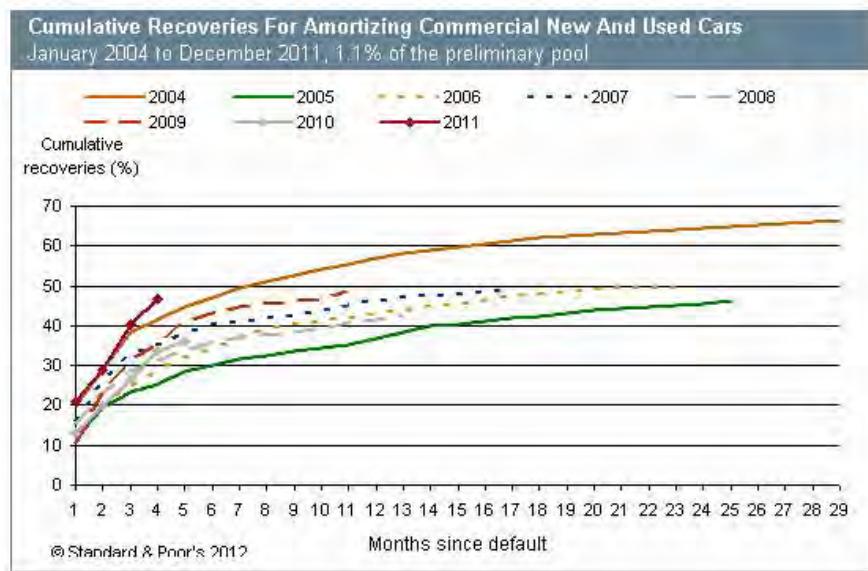


Chart 11



Our recovery assumptions for each product and at base case level are summarized in table 3.

Table 3

Recovery Assumptions	
(%)	
Amortizing, individual borrowers, new vehicles	40.0
Amortizing, individual borrowers, used vehicles	40.0
Balloon payment, individual borrowers, new vehicles	50.0
Balloon payment, individual borrowers, used vehicles	45.0
Amortizing, commercial, used and new vehicles	40.0

Stress test summary**Table 4**

Cumulative Default Rate Stress Test*				
Vehicle type	% of the portfolio	Cumulative default rate base case (%)	'AAA' multiple '	'AAA' cumulative default rate assumption (%)
Whole portfolio	100	4.6	4.5	20.8

*Applied linearly over 24 months.

Table 5

Recovery Rate Stress Test*				
Vehicle type	% of the portfolio	Recovery rate base case (%)	'AAA' haircut (%)	'AAA' recovery rate assumption input (%)
Whole portfolio	100	42	45	23.1

*75% recovered bullet at month 12 and the remaining 25% at month 48.

Table 6

Stress Test Recap			
	Cumulative default rate (%)	Recovery rate (%)	Terminal cumulative loss rate (%)
'AAA' scenario	20.8	23.1	16.0

Senior fees

We have considered stressed servicing fees of 1% of the discounted loan balance.

Prepayment and yield compression

The prepayment has been stressed up to 33.0% and down to 0.5%, considering historical prepayment rates.

We have assumed that 50% of the prepayments correspond to the highest effective yield loans, which resulted in the compression of the portfolio's weighted-average effective yield (62 basis point over two years, as floored by the minimum effective yield of 7%).

Balloon loans

Balloon contracts introduce an element of market-value risk to the transaction, in cases where: (i) the dealer is insolvent and therefore cannot honor its obligation to buyback the car at the agreed resale value; and (ii) the borrower defaults on its obligation to make the balloon installment because the sale of the car in the open market did not result in a price high enough to fully cover the balloon payment.

The table below shows our stress assumptions about the residual-value risk.

Table 7

Stress Assumptions For Balloon Loans			
Rating	Risk frequency (%)	Loss severity (%)	Resulting losses on balloon payments(%)
AAA	16	25.4	4.05

Scenario Analysis

As part of a broad series of measures that we announced in 2008 to enhance our analytics and dissemination of information, we have committed to provide a "what-if" scenario analysis in rating reports to explain key rating assumptions and the potential impact of positive or negative events on the ratings (see "A Listing Of S&P's New Actions Aimed At Strengthening The Ratings Process," published Feb. 7, 2008).

This scenario analysis section incorporates:

- A description of our methodology and scenario stresses;
- Results of the effects of the stresses on ratings; and
- Results of the effects of the stresses on our cash flow analysis.

Methodology

When rating European auto and consumer asset-backed securities (ABS) transactions, we have developed a scenario analysis and sensitivity-testing model framework. This demonstrates the likely effect of scenario stresses on the ratings in a transaction over a one-year outlook horizon. For this asset class, we consider scenario stresses over a one-year horizon to be appropriate, given the relatively short weighted-average life of the assets backing the notes. For these types of securities, there are many factors that could cause the downgrade and default of a rated note, including asset performance and structural features. However, for the purposes of this analysis, we focused on the three fundamental drivers of collateral performance, namely:

- Gross loss rate;
- Recovery rate; and
- Prepayment rate.

Given current economic conditions, the stress scenarios proposed reflect negative events for each of these variables.

Increases in gross default rates could arise from a number of factors, including rises in unemployment and company insolvencies and a reduction in the availability of credit. In addition, these effects would most likely cause collateral recovery rates to fall as the structural imbalance between supply and demand leads to reductions in asset prices. In this environment, we also expect prepayment rates to fall as fewer refinancing options leave obligors unable to prepay finance agreements and demand for replacement vehicles falls.

For this analysis, we have included two stress scenarios to demonstrate the rating transition of a bond (see table 5).

Table 8

Scenario Stresses		
Rating variable (%)	Scenario 1 (relative stress to base case)	Scenario 2 (relative stress to base case)
Gross loss rate	30.0	50.0
Recovery rate	(30.0)	(50.0)
Constant prepayment rate	(20.0)	(33.3)

Our base-case assumptions for each transaction are intended to be best estimates of future performance for the asset portfolio. Our approach in determining these base cases would take account of historically observed performance and an expectation of potential changes in these variables over the life of the transaction. The sensitivity of rated bonds in each transaction will differ depending on these factors, in addition to structural features of the transaction, including its reliance on excess spread, payment waterfalls, and levels of credit enhancement at closing.

For each proposed scenario stress, we separate the applied methodology into three distinct stages. In the first stage, we stress our expected base case assumptions over a one-year period to replicate deviations away from our expected performance over the stress horizon. We assume that the stresses that we apply occur at closing, with gross losses applied based on our expectation of a cumulative default curve for the portfolio.

The second stage applies our usual rating methodology, including revising our base case assumptions at the one-year horizon to reflect the assumed deviations as a result of the stressed environment.

In the final stage of the analysis, we re-rate the transaction at the one-year horizon, after revising our base case assumptions and applying our standard credit and cash flow stresses at each rating level. The output of the analysis shows the likely rating transition of the rated notes given the applied stresses and the value and timing of any forecasted principal and interest shortfalls under the most stressful scenario.

Scenario stress and sensitivity analysis

When applying scenario stresses as described above, the results of this modeling are intended to be a simulation of what could happen to the ratings on the notes for the given transaction. For the purposes of our analysis for this transaction, we applied the two scenarios described above in our cash flow modeling. Tables 6–8 show the implied base case stresses and scenario stress results.

Table 9

Scenario Stresses			
Stress horizon—12 months			
Rating variable (%)	Base case	Scenario 1	Scenario 2
Gross loss rate	4.63	6.02	6.95
Recovery rate	42.00	29.40	21.00
Constant prepayment rate	18.45	14.76	12.30

Table 10

Scenario Stress Analysis—Rating Transition Results

Scenario stress	Class	Initial rating	Scenario stress rating
Scenario 1	A	AAA (sf)	AAA (sf)
Scenario 2	A	AAA (sf)	AA (sf)

Table 11

Cash Flow Impact

Class A

Scenario stress	Principal shortfall			Cumulative interest shortfall		
	Worst-case run	Amount (mil. €)	Expected loss (% of class A size)	Month	Amount (mil. €)	Month
Scenario 1	N/A	0	0	N/A	0	N/A
Scenario 2	High prepayment, falling interest rate	TBD	2.8	60	0	N/A

Table 11**Cash Flow Impact (cont.)**

N/A-Not applicable. TBD-To be determined.

Given the structure of the transaction, the more stressful scenario for our cash flow analysis is a high collateral prepayment rate in a falling interest rate environment. Given the stresses we applied under scenario 2, we would most likely lower the rating on the class A notes to 'AA'.

A number of features of this transaction, including the initial subordination levels, the redemption acceleration mechanism, the excess spread, and the cash reserve, enhance the stability of the rating under each scenario.

Where interest shortfalls for more than five days occur under the most senior notes, the management company can call an event of default or an accelerated amortization event, which could lead to multiple events affecting the transaction cash flows. For the purposes of the analysis above, we make a simplified assumption that no event of default or accelerated amortization event will be called.

Key Performance Indicators

We regularly assess the following as part of our ongoing surveillance of this transaction:

- The performance of the underlying portfolio, including defaults and delinquencies;
- The supporting ratings in the transaction; and
- The servicer's operations and its ability to maintain minimum servicing standards.

Standard & Poor's 17g-7 Disclosure Report

SEC Rule 17g-7 requires an NRSRO, for any report accompanying a credit rating relating to an asset-backed security as defined in the Rule, to include a description of the representations, warranties and enforcement mechanisms available to investors and a description of how they differ from the representations, warranties and enforcement mechanisms in issuances of similar securities.

The Standard & Poor's 17g-7 Disclosure Report included in this credit rating report is available at <http://standardandpoorsdisclosure-17g7.com/1111646.pdf>.

Related Criteria And Research

- Economic Research: No Fast Lane Out Of Europe's Recession, April 4, 2012
- European Structured Finance Scenario And Sensitivity Analysis: The Effects Of The Top Five Macroeconomic Factors, March 14, 2012
- Global Structured Finance Scenario And Sensitivity Analysis: The Effects Of The Top Five Macroeconomic Factors, Nov. 4, 2011
- Principles Of Credit Ratings, Feb. 16, 2011
- Counterparty And Supporting Obligations Update, Jan. 13, 2011
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- New Issue: Cars Alliance Auto Loans Germany FCT (Series 2010-1), July 30, 2010

- Methodology: Credit Stability Criteria, May 3, 2010
- Scenario Analysis: Gross Default Rates And Excess Spread Hold The Answer To Future European Auto ABS Performance, May 12, 2009
- European Legal Criteria For Structured Finance Transactions, Aug. 28, 2008
- A Listing Of S&P's New Actions Aimed At Strengthening The Ratings Process, Feb. 7, 2008
- Eligible Investment Criteria For 'AAA' Rated Structured Transactions, June 25, 2001
- European Consumer Finance Criteria, March 10, 2000
- European Auto ABS Index Report, published quarterly

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The McGraw-Hill Companies

ANNEX 5

RATING DOCUMENT ISSUED BY MOODY'S



PRE SALE REPORT

Cars Alliance Auto Loans France F 2012-1

ABS/ Auto Loans / France

Closing Date

6 June 2012

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Provisional Ratings

Series	Rating	Amount (million)	% of Assets	Legal Final Maturity	Coupon	Subordination*	Reserve Fund**	Total Credit Enhancement***
Class A Notes	Aaa (sf)	[TBD]	88%	25 September 2021	[x]%	12%	1%	13%
Class B Notes	NR	[TBD]	12%	25 September 2021	[y]%	0%	NA	NA
Total								100.0%

The ratings address the expected loss posed to investors by the legal final maturity. In Moody's opinion, the structure allows for timely payment of interest and ultimate payment of principal at par on or before the rated final legal maturity date. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

The final notes issue amounts will only be finalised for closing depending on the final portfolio securitised. However, this aspect should not fundamentally impact the analysis as credit enhancement (12% Class B) and portfolio credit features are expected to be consistent with that of the provisional portfolio. The maximum issuance amount is based on a total eligible portfolio of EUR 990 million.

* At close.

** As a % of total notes outstanding

*** No benefit attributed to excess spread.

V Score for the sector (French Auto ABS): *Low Medium*V Score for the subject transaction: *Low Medium*

The subject transaction is a static cash securitisation of auto loans extended to obligors located in France.

Asset Summary (Cut off date as of 30 April 2012)

Seller(s)/Originator(s):	DIAC (P) Baa2/P-2 (100% owned by RCI Banque)
Servicer(s):	DIAC (P) Baa2/P-2 (100% owned by RCI Banque)
Receivables:	Loans granted to individuals and small businesses resident in France to finance the purchase of new and used vehicles
Methodologies Used:	<ul style="list-style-type: none"> * Moody's Approach to Rating European Auto ABS, November 2002 (SF17579) * The Lognormal Method Applied to ABS Analysis, July 2000 (SF8827) * V Scores and Parameter Sensitivities in the non-U.S. Vehicle ABS Sector, January 2009 (SF151508) * Historical Default Data Analysis for ABS Transactions in EMEA, December 2005 (SF64042)

This pre-sale report addresses the structure and characteristics of the proposed transaction based on the information provided to Moody's as of June 5, 2012. Investors should be aware that certain issues concerning this transaction have yet to be finalised. Upon conclusive review of all documents and legal information as well as any subsequent changes in information, Moody's will endeavour to assign definitive ratings to this transaction. The definitive ratings may differ from the provisional ratings set forth in this report. Moody's will disseminate the assignment of definitive ratings through its Client Service Desk. This report does not constitute an offer to sell or a solicitation of an offer to buy any securities, and it may not be used or circulated in connection with any such offer or solicitation.

Asset Summary (Continued)

Total Amount:	Discounted Balance: [990,010,762] (Provisional pool, as of 30 April 2012)
Length of Revolving Period:	None
Number of Loans:	[177,904] (Provisional pool)
Borrower Concentration:	Top debtor: 0.02%, Top 5: 0.06%, Top 10: 0.08%, Top 20: 0.12%
Type of Obligors (as% of total pool):	99% Private Individuals, 1% Companies
Type of Vehicles:	78% Renault, 14% Dacia, 4% Nissan, Other 4% (by Discounted Balance)
Status of Vehicles:	67% New, 33% Used (by Discounted Balance)
Sum of Instalments / Vehicle Sale Price:	N.A.
WA Remaining Term:	33 months
WA Seasoning:	16.6 months
Interest Basis:	100% fixed rate
Delinquency Status:	Delinquent loans not eligible at closing
Historical Portfolio Performance Data	
Default Rate Observed:	4.50%
Delinquencies Observed:	1.21%
Coefficient of Variation Observed:	45%
Recovery Rate Observed:	40%

Liabilities, Credit Enhancement and Liquidity

Excess Spread at Closing:	[4.6] % excess spread based on discounted portfolio yield of 7.62% at closing minus ((i) stressed senior fees and interest on the notes
Credit Enhancement/Reserves:	[4.6] % stressed excess spread 1% amortizing reserve fund Subordination of class B notes
Form of Liquidity:	The deal benefits from the general reserve funded day one
Number of Interest Payments Covered by Liquidity:	General reserve covers an estimated app. six months worth of payments to be made for fees and coupon under the Class A Notes. Commingling reserve (funded at loss of P-2 by DIAC S.A.)
Interest Payments:	Monthly in arrears on each payment date
Principal Payments:	Pass-through on each payment date
Payment Date:	25 of the Month
Hedging Arrangements:	N.A.

Counterparties

Issuer:	Cars Alliance Auto Loans France F 2012-1 – a French Fonds Commun de Titrisation ("FCT")
Sellers/Originators:	DIAC S.A.
Servicer:	DIAC S.A.
Management Company:	Eurotitrisation S.A. (NR)
Back-up Servicer(s):	N.A.
FCT Cash Manager:	Société Générale (A1/P-1)
Back-up Cash Manager:	NA
Calculation Agent/Computational Agent:	Eurotitrisation S.A. (NR)
Back-up Calculation/Computational Agent:	N.A.
Swap Counterparty:	N.A.
FCT Account Bank:	Société Générale (A1/P-1)
Collection Account Bank:	CIC (Specially dedicated Accounts) (Aa3/P-1)
Class A Notes Principal Paying Agent:	Société Générale (A1/P-1)
Class A Notes Luxemburg Paying Agent:	Société Générale Bank & Trust (A1/P-1)
Issuer Administrator/Corporate Service Provider:	N.A.
Arrangers:	CA-CIB (Aa3/P-1) & Société Générale (A1/P-1)
Auditor of the Issuer:	Mazars S.A.
Custodian:	RCI Banque S.A. (Baa2/P-2)

Moody's View

Rating (France)	Aaa, negative outlook
Outlook for the Sector:	None available (German Auto ABS outlook is stable)
Unique Feature:	Static transaction
Degree of Linkage to Originator:	The originator acts as servicer, therefore the performance of the pool will be linked to the quality of servicing for the loans, collecting on delinquencies as well as conducting recoveries upon default. There is no back-up servicer appointed at closing and there is no trigger in the structure requiring the identification of a back-up servicer before insolvency of the servicer to reach some de-linkage of the structure from RCI Banque.
Originator's Securitization History:	
# of Precedent Transactions in Sector:	10
% of Book Securitized:	42.4% (at RCI Banque level – As at 31/12/2011), 48.2% (at DIAC level – As at 31/12/2011)
Behavior of Precedent Transactions:	See Performance paragraph below
Key Differences Between Subject and Precedent Transactions:	Receivables transferred at a discounted price. Notes are fixed rate Notes. This transaction is a separate stand-alone securitisation and it is not part of the Cars Alliance Auto Loans France Master programme which issued Notes on 25 May 2012. Unlike previous Cars Alliance transactions, this transaction does not allow for the issuance of short term notes and is a static structure.
Portfolio Relative Performance:	
Default Rate Assumed/Ranking:	4.50% slightly higher than peer group
Coefficient of Variation Assumed on Default Rate/Ranking:	45% (standard)
Recovery Rate Assumed/Ranking:	40% (standard)

Parameter Sensitivities for Class A Notes

Table Interpretation:	At the time the rating was assigned, the model output indicated that Class A achieved a Aa3 if the cumulative mean default rate had been as high as 5% and the recovery rate as low as 30% (all other factors being equal incl. constant standard deviation).
Factors Which Could Lead to a Downgrade:	Substantial deterioration of RCI Banque S.A. credit standing could lead to a downgrade of the notes in respect of the operational risks attached to the servicer function performed by RCI Banque S.A.

TABLE 1*:
Class A

Mean Default	Recovery rate		
	40%	35%	30%
4.50%	Aaa*	Aa1 (-1)	Aa2 (-2)
4.75%	Aa1 (-1)	Aa1 (-1)	Aa2 (-2)
5.00%	Aa1 (-1)	Aa2 (-2)	Aa3 (-3)

- Results under base case assumptions indicated by asterisk '*'.
- Change in model output (# of notches) is noted in parentheses.
- Results are model outputs, which are one of the many inputs considered by rating committees, which take quantitative and qualitative factors into account in determining actual ratings. The analysis assumes that the deal has not aged. The model output does not intend to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might have differed if key rating input parameters were varied.

Composite V Score

Breakdown of the V Scores Assigned to		Sector	Trans-action	Remarks
Composite Score: LOW / MEDIUM		L/M	L/M	
1	Sector Historical Data Adequacy and Performance Variability	L/M	L/M	
1.1	Quality of Historical Data for the Sector	L/M	L/M	Same as sector score
1.2	Sector's Historical Performance Variability	L	L	As above
1.3	Sector's Historical Downgrade Rate	L	L	As above
2	Issuer/Sponsor/Originator Historical Data Adequacy, Performance Variability and Quality of Disclosure	L/M	L/M	
2.1	Quality of Historical Data for the Issuer/Sponsor/ Originator	L/M	L/M	The originator provided historical information from Q2 2004 on net losses and gross defaults separate for new and used vehicles; Delinquency information was provided based on outstanding transaction
2.2	Issuer/Sponsor/Originator's Historical Performance Variability	L	L	In line with French Auto ABS market index
2.3	Disclosure of Securitization Collateral Pool Characteristics	L/M	L/M	Relative to the complexity of the assets the degree of disclosure is deemed adequate In line with market standard data provided as stratification table
2.4	Disclosure of Securitization Performance	L	L/M	In line with a typical transaction in the sector
3	Complexity and Market Value Sensitivity	L/M	L/M	
3.1	Transaction Complexity	L/M	L	Simple transaction without any revolving period
3.2	Analytic Complexity	L/M	L/M	In line with a typical auto loan receivables transaction in the sector
3.3	Market Value Sensitivity	L	L	In line with a typical transaction in the auto loan receivables sector
4	Governance	L/M	L/M	
4.1	Experience of, Arrangements Among and Oversight of Transaction Parties	L	L	Originator and servicer has good amount of securitisation experience since RCI Banque issues not only auto loan transactions in the French market but across all of their European core markets
4.2	Back-up Servicer Arrangement	L	L/M	Baa2 rated servicer. No rating trigger in place to appoint a back-up servicer sufficiently early before a potential insolvency of the servicer French management company would act as back-up servicer facilitator
4.3	Alignment of Interests	L	L	In line with a typical transaction in the sector
4.4	Legal, Regulatory, or Other Uncertainty	L/M	L/M	In line with a typical transaction in the sector

Strengths and Concerns

Strengths:

- » **Experienced originator and positive performance of past French transactions:** Stable performance has been observed for the portfolio of securitized French auto loan receivables originated and serviced by DIAC S.A., even through the difficult economic period since 2008.
- » **Granular and diversified portfolio:** Top 1 borrower account for 0.02% of the portfolio at cut off date and borrowers are well spread across France.
- » **Significant excess spread with minimum auto loans discount interest:** The eligibility criteria foresee that the securitized portfolio needs to ensure a minimum interest of 7% by a discounting mechanism (and hence will not be subject to interest rate compression due to prepayments for example). Hence, an estimated stressed excess spread calculation of [4.6]% p.a. is available in the structure at the closing date.
- » **Simple structure:** At closing, 100% of the pool balance is comprised of fixed rate loans. Given that the notes bear fixed coupon, the issuer is neither subject to base rate mismatch risk or fixed-floating mismatch and hence no exposure to swap counterparties. There is also no revolving period in the structure.

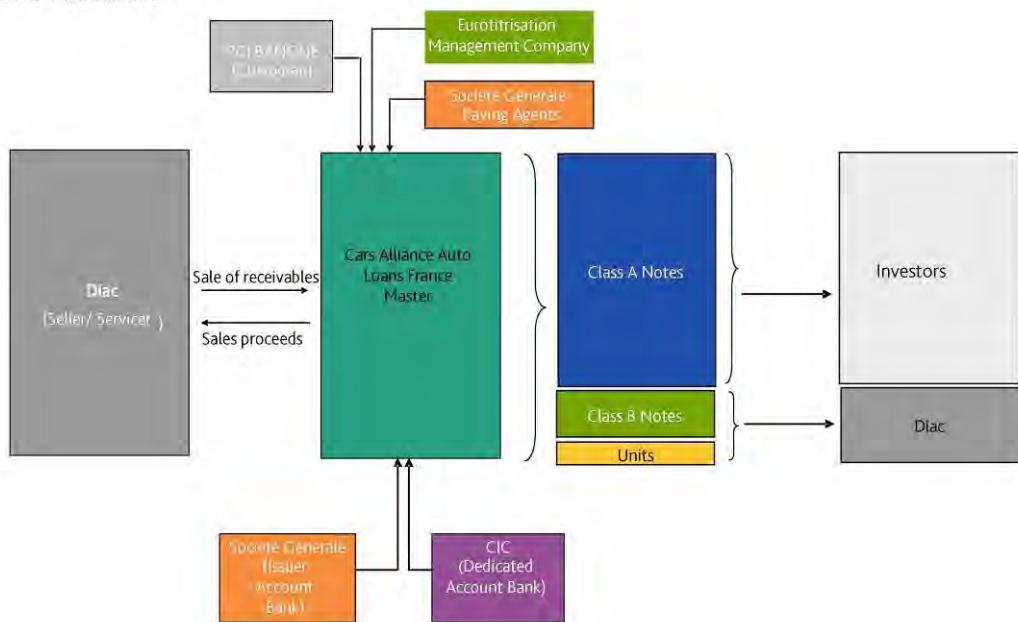
Concerns and Mitigants:

Moody's committees particularly focused on the following factors, listed in order of those most likely to affect the ratings:

- » **No back-up servicer and high reliance on RCI Banque:** RCI Banque assumes vital roles in the transaction including, but not limited to, the servicing of the portfolio. As of the closing date, there is no back-up servicer in place and no trigger to identify a back-up servicer prior to a servicer termination event such as actual servicer insolvency. Nevertheless, in Moody's opinion the likelihood of severe disruptions in the servicing process is greatly reduced and commensurate with the assigned ratings for the following reasons:
 1. RCI Banque (including the French activities) is highly integrated in the Renault S.A. (Ba1 / NP) group and considered to be strategically important for the Renault group to support the sale of vehicles across Europe even in times of deteriorating credit standing of the manufacturer itself;
 2. The likelihood that a default on any of Renault group's financial obligations would result in the immediate liquidation of the Renault group (including RCI Banque operations) is low; rather in Moody's opinion, an eventual re-structuring scenario for the entire group is more likely; and
 3. The structure envisions the management company, Eurotritisation, to take the role as back-up servicer facilitator, i.e. finding a potential back-up servicer, if needed.
 4. Nonetheless, in case of significant deterioration of RCI Banque's credit standing or importance, some rating volatility on the assigned ratings on the notes could occur.
- » **Balloon loans:** About 20% of the total outstanding loans are balloon loans in the portfolio at closing. The proportion of balloon loans related to used cars is 0.25% at closing. Moody's has treated this in its quantitative analysis.
- » **Commingling risk:** Potential commingling risk is strongly mitigated by various structural features, namely (i) a specially dedicated servicer collection account under French law, (ii) daily sweep of collections and (iii) funding of a commingling reserve upon rating trigger. For more information, see Moody's section on commingling risk.

Structure, Legal Aspects and Associated Risks

CHART 1
Structure Chart
F 2012-1 Transaction



Liabilities

Description of transaction structure: the FCT will issue at closing the Class A notes in addition to fully subordinated Class B notes. The Class A notes will start amortising on the first payment date on a pass-through mode.

Cars Alliance Auto Loans France F 2012-1 is a static cash securitisation of a portfolio of auto loan receivables originated by RCI Banque through its French subsidiary DIAC. The pool results from amortising loans as well as balloon loans granted to DIAC retail clients in order to finance the purchase of new and used vehicles branded mainly Renault, Nissan and Dacia. Investors should note that this transaction is a separate stand-alone securitisation and it is not part of the Cars Alliance Auto Loans France Master programme which issued Notes on 25 May 2012.

Allocation of payments/pre accelerated combined interest and principal waterfall: On each monthly payment date, the issuer's total available funds is the total amount credited to the general collection account after the transfer of the credit balance of the General Reserve Account into the General Collection Account up to the sum of (i) Available Collections and (ii) the credit balance of the General Reserve

Account. The following payments are made by debiting the General Collection Account:

1. Senior fees to each relevant creditor;
2. Interest on Class A Notes;
3. Transfer of required amount to general reserve account;
4. Principal on Class A Notes;
5. Interest on Class B Notes;
6. Principal on Class B Notes;
7. Reimbursements of the General Reserve deposit to the Seller
8. Remaining amount to the Residual Units holders.

Allocation of payments/PDL-like mechanism: The structure benefits from a combined interest and principal waterfall. This means that a PDL-like mechanism is implicitly included since excess spread (if any) is "automatically" transferred down the priority of payments (and hence, covering for defaults) in case the more senior ranking items in the priority of payment are paid. The PDL like mechanism will trap excess spread based on a default definition of 90 day past due.

Performance Triggers:

Trigger	Conditions	Remedies/Cure
Accelerated Amortization	Missed payment of interest on the Class A Notes remaining unpaid after 5 Business Days and cumulative defaults amounts equal or greater than 6% of the initial portfolio discounted balance	Full capture of excess spread

Reserve fund:

- » At close: 1% of original notes balance
- » Amortizing to: 1% of current notes balance

The reserve fund will be replenished after the interest payment of the Class A notes. Through this mechanism, the liquidity covers approximately 6 months of senior fees and Class A notes interest.

Liquidity:

- » Principal to pay interest mechanism
- » The Liquidity reserve account is a further source of liquidity.

Assets:

Excess spread: All assigned receivables will be purchased at a minimum discount rate of 7%. Having deducted the stressed structural costs from the average yield (7.6%) of the portfolio at closing, the transaction benefits from an estimated [4.6)% of excess spread, which represents the first layer of credit enhancement as well as a limited liquidity cushion to the transaction. Such excess spread will however vary depending on actual portfolio amortization, prepayment and default level.

Interest rate mismatch: At closing, 100% of the pool balance is comprised of fixed rate loans. Given that the notes bear fixed coupon, the issuer is neither subject to base rate mismatch risk or fixed-floating mismatch.

Cash commingling: Almost all payments under the loans in this pool are collected under a direct debit scheme into DIAC's collection account.

Mitigant:

- » Payments are transferred daily to the issuer account in the name of the FCT.
- » If DIAC is downgraded below P-2, it will fund the commingling reserve. Upon a Servicer Termination Event, the management company shall notify borrowers of the transfer of the loans to the issuer. In addition, it will inform the borrower to redirect their payments to the issuer account. This provision further mitigates commingling risk in the transaction.
- » The reserve is intended to cover the collections not paid directly by direct debit into the dedicated account and is calculated as the sum of 1.25% of expected monthly instalments, stressed monthly prepayments and balloon loan last instalments due within the month.

Set-off: No obligors have deposit account with the seller.

Originator Profile, Servicer Profile and Operating Risks

Date of Operations Review: 7 March 2012

Originator Background: DIAC

Rating:	» (P) Baa2/P-2
Financial Institution Group Outlook for Sector:	» Negative
Ownership Structure:	» DIAC owned in whole by RCI Banque.
Asset Size:	» Eur 8.6 bn
% of Total Book Securitized:	» 48.2% (At DIAC Group level – As at 31/12/2011)
Transaction as % of Total Book (i.e. Asset Size):	» 31.7% (At DIAC Group level – As at 31/12/2011)
% of Transaction Retained:	» 19.2% (As of % of total book)

Originator Assessment

Main Strengths (+) and Challenges(-)

- Average quality in terms of origination
- (+) Stable origination volumes for auto loans since 2004 indicating that no "aggressive" expansion strategy is applied for underwriting loans, rather manufacturer itself provides interest subsidies in case vehicle sales volume shall be supported
- (+) Average down payment in the portfolio is at around 30%
- (-) Financing of insurance premiums or additional services provided causing potentially LTVs slightly above 100%

Servicer Background: DIAC

Rating:	» (P) Baa2/P-2
Regulated by:	» Autorité de Contrôle Prudentiel (ACP)
Total Number of Receivables Serviced:	» 338 000 (in number of contracts)
Number of Staff:	» 1 200 (as at 31/12/2011)

Servicer Assessment:

Main Strengths and Challenges

- (+) Integrated servicing platform
- (+) Quick repossession of vehicle
- (+) Regulated by French banking sector regulator

Back-up Servicer Background: N.A.

Rating:	None appointed
Ownership Structure:	N.A.
Regulated by:	N.A.
Total Number of Receivables Serviced:	N.A.
Number of Staff:	N.A.
Strength and Weaknesses of Back-up Servicer Arrangement:	N.A.

Receivables Administration

Method of Payment of Borrowers in the Pool:	99% by direct debit, the remaining by cheques
% of Obligors with Account at Originator:	None
Distribution of Payment Dates:	N.A.

Cash Manager Background: Eurotitrisation

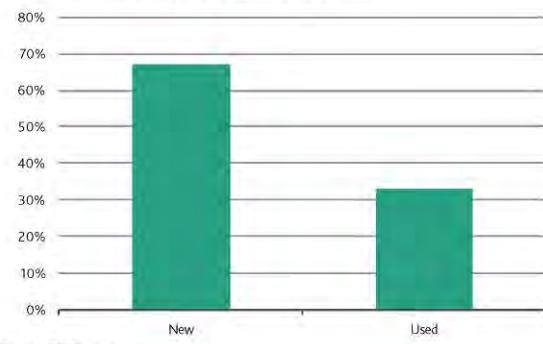
Rating:	NR
Main Responsibilities:	Preparation of investor report Allocating and distributing the sums received by the FCT Obligation to make payments according to waterfall (give payment instructions to the account bank) Draw on liquidity reserve fund
Calculation Timeline:	Monthly collection period

Back-up Cash Manager Background: N.A.

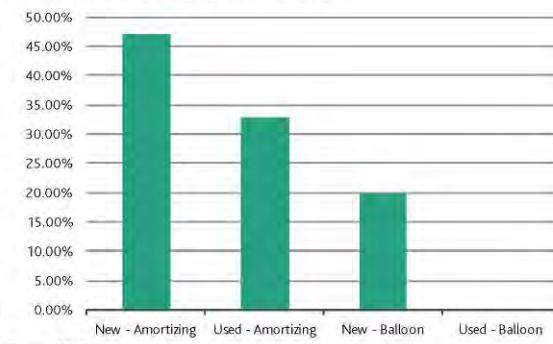
Back-up Cash Manager and Its Rating:	
Main Responsibilities of Back-up Cash Manager:	N.A.

Originator/Servicer/Cash Manager Related Triggers

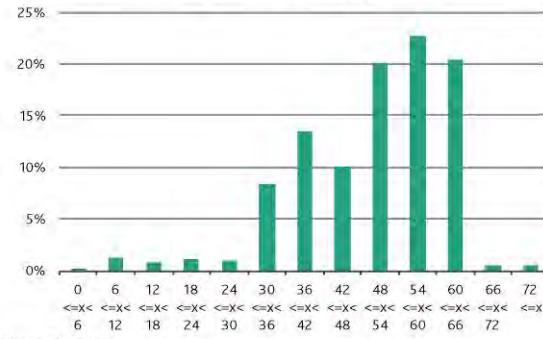
Key Servicer Termination Events:	Insolvency, Payment Default
Appointment of Back-up Servicer Upon:	Non-payment, Change of Business, Insolvency, Service Collection Account Bank falls below P-1
Key Cash Manager Termination Events:	Loss of P-1
Notification of Obligors of True Sale:	Servicer Event of Default
Conversion to Daily Sweep (If original sweep is not daily):	Daily from the beginning
Notification of Redirection of Payments to SPV's Account:	Servicer Event of Default
Accumulation of Set Off Reserve:	N.A.
Accumulation of Liquidity Reserve :	N.A.
Set up Liquidity Facility:	Reserve Account (1% of notes outstanding amount)

Collateral Description**CHART A1
Portfolio Breakdown by Status of Vehicle**

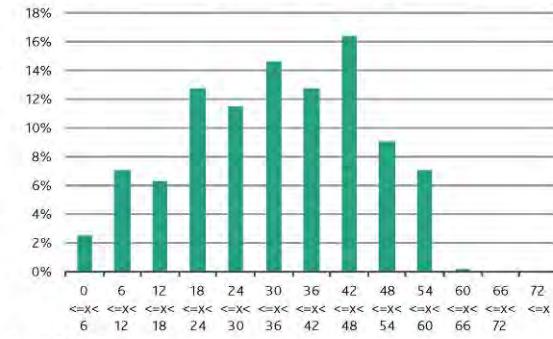
Source: RCI Banque

**CHART A2
Portfolio Breakdown by Product Type**

Source: RCI Banque

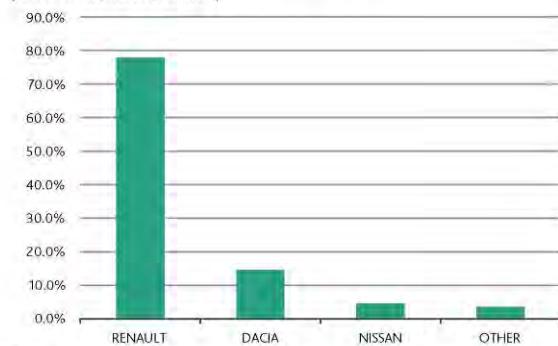
**CHART A3
Portfolio Breakdown by Initial Maturity (months)**

Source: RCI Banque

**CHART A4
Portfolio Breakdown by Residual Maturity (months)**

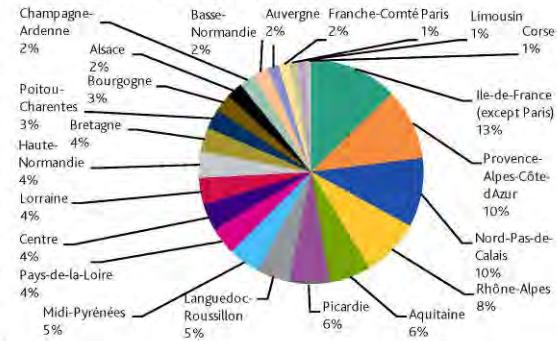
Source: RCI Banque

CHART A5
Portfolio Breakdown by Type of Vehicle
(based on Discounted Balance)



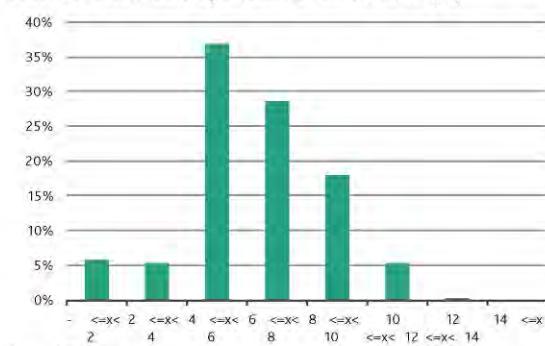
Source: RCI Banque

CHART A6
Regional Distribution by Discounted Balance



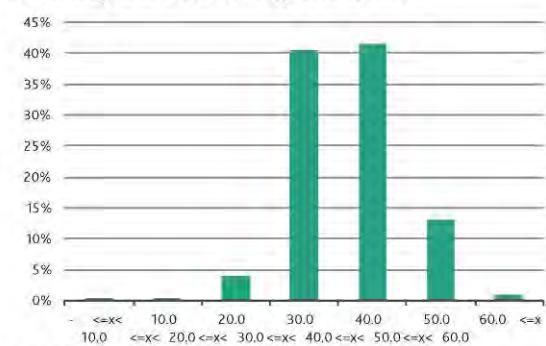
Source: RCI Banque

CHART A7
Portfolio Breakdown by Nominal Interest Rate (%)



Source: RCI Banque

CHART AB
Balloon Payment Breakdown by % of Car Price



Source: RCI Banque

Product description: The portfolio consists of standardized loans granted by DIAC S.A. through its French dealer network - to mainly private individuals or to companies in France.

Data and information on the portfolio set out in this report is based on the Portfolio (as described in the prospectus).

Provisional Portfolio balance (discounted present value) as of 30/04/2012 is approximately €990 million, for a total number of 177,904 loans. The portfolio is collateralized by 67% new cars, and 33% used cars, whereby the vast majority of vehicles relate to the Renault, Dacia and Nissan brands.

As is common for French auto loan contracts, the vehicle is registered in the name of the obligor but retention of title clause is usually available.

Eligibility criteria:

The key eligibility criteria are as follows:

- » the Receivable results from an auto loan agreement with a borrower being identified neither as an employee of the

Renault Group, nor a member of the Renault Group commercial network;

- » The interest rate applicable on the Receivable is fixed
- » The Receivable is neither a Defaulted Receivable, nor Delinquent Receivable and more generally is not doubtful, subject to litigation or frozen
- » The Receivable is amortized on a monthly basis and gives rise to constant monthly Instalments (except for the last instalment in the case of balloon loans)
- » The Receivable is not the subject of a payment of an indemnity by any insurance company
- » The borrower, if it is a legal entity, is registered (*immatriculé*) in Metropolitan France, or if it is an individual, is a Metropolitan France resident
- » The Receivable has a remaining term to maturity not exceeding 60 months and not less than one month
- » The Receivable is payable in Euro

- » In respect of each Receivable, the sum of the age of the relevant vehicle and the maturity of the auto loan agreement is less than 10 years
- » When the Receivable results from an auto loan agreement with balloon payments, the amount of the balloon payment is smaller than 65% of the sale price of the corresponding Vehicle
- » When the Receivable results from an auto loan agreement with balloon payments, it has been granted to an individual
- » The Receivable shall have been the subject of at least one installment paid
- » The Discounted Balance of the Receivable is higher than €100
- » The Receivable does not relate to a Vehicle that uses an electric motor for propulsion
- » The Discount Rate must be at least 7%.

New collateral guidelines

Additional information on Borrowers:

Top Debtor Concentration	0.02%
Top 5 Debtors	0.06%
Top 10 Debtors	0.08%
Top 20 Debtors	0.12%

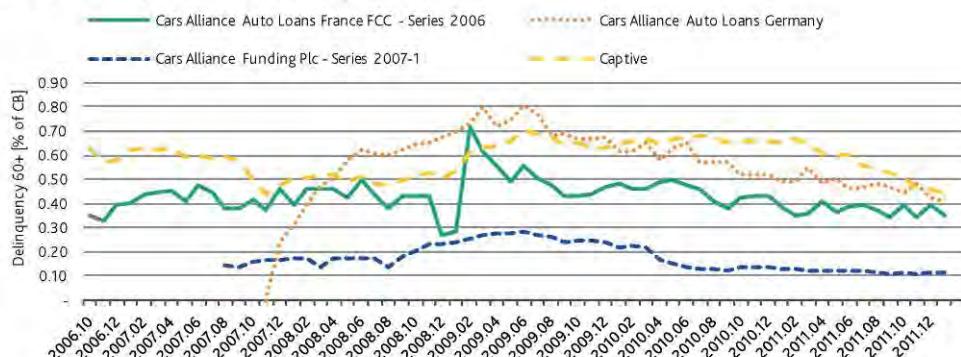
Additional information on provisional Portfolio:

Number of Contracts	[177,904]
Number of Borrowers	N.A.
Contract Amortization Type	Amortizing
WA initial yield	7.62%
WA Internal PD Estimate	N.A.
Origination Channel	Dealer network
Geographic Diversification	France

Credit Analysis

The performance of the outstanding transactions RCI Banque's subsidiaries or branches service has been stable during the economic crisis, in line with that of auto loans transactions that other major captive finance companies in France and Germany service, as Charts 2 and 3 show.

CHART 2
Delinquencies RCI Banque Transactions vs. Captives



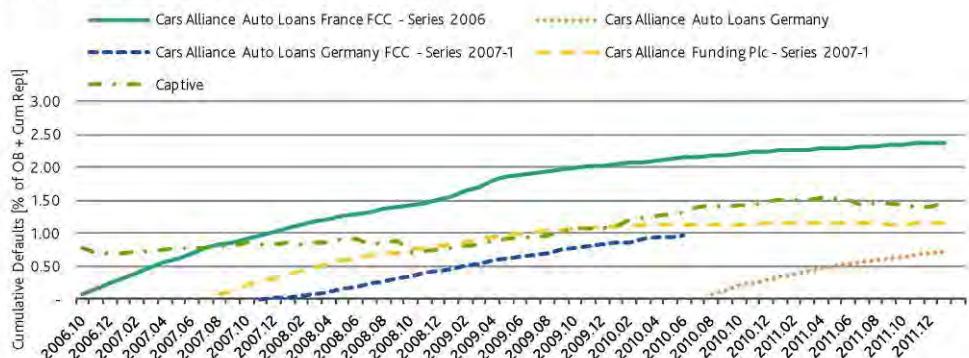
Source: Credit Insight

Data quantity and content

- » Moody's has received data from 2004 through 2011 reflecting cumulative gross defaults and recoveries.
- » The data received do cover a full economic cycle, specifically the recession years France underwent in the period (2008-2009) are covered by the data.

- » In Moody's view, the quantity and quality of data received is appropriate compared to transactions which have achieved high investment grade ratings in this sector.

CHART 3
Cumulative Default: RCI Banque Transactions vs. Captives



Source: Credit Insight

Default/loss definition: The definition of a defaulted asset in this transaction is inter alia one which (i) is more than 90 days in arrears or (ii) has been written off by the servicer (whichever occurs earlier).

Assumptions: Note that other values within a range of the notional amount listed below may result in achieving the same ratings.

Assumptions

Default /Loss Distribution	Log Normal
Cumulative Default	4.5%
Default/Loss Definition	90 calendar days in arrears or – if earlier– has been written off by the servicer (whichever occurs earlier)
Standard Deviation	45% CoV
Timing of Default/Loss	Sine Curve
Recovery	40%
Recovery Lag	2 years
Conditional Prepayment Rate (CPR)	20%
Amortization Profile	N.A.
Portfolio Yield	7.6%
PDL Definition	Based on defaults defined as 90 days past due

Modelling approach:

Default/loss distribution: The first step in the analysis is to define a default/loss distribution of the pool of loans to be securitised. Due to the large number of loans, Moody's uses a continuous distribution to approximate the default distribution: the lognormal distribution.

In fact, in order to determine the shape of the curve, two parameters are needed: the mean default and the volatility around this value. These parameters are generally derived from the historical data; adjustments may be made based on further analytical elements such as originator internal scores.

Derivation of default rate assumption: Moody's has mainly based its analysis on the historical cohort performance data provided by the originator for a portfolio that is representative of the one being securitised. The historical analysis has been then complemented with the evaluation of 1) the general French market trend, 2) the performance of the previous originator deals, and 3) other qualitative considerations. Specifically, vintages prior to 2007 reflect positive economic conditions, whereas new vintages show higher default rates due to the deterioration in performance driven by the current stressed economic conditions. However the more recent vintages are still too young to allow a meaningful extrapolation analysis. Therefore Moody's has stressed the results obtained from the historical data analysis to account for 1) the fact that the historical data do not cover a full economic cycle, 2) the French weak economic environment and 3) the below average performance of previous originator deals.

The standard deviation of the default/loss distribution has been defined following analysis of the historical data, as well as by benchmarking this portfolio with past and similar transactions.

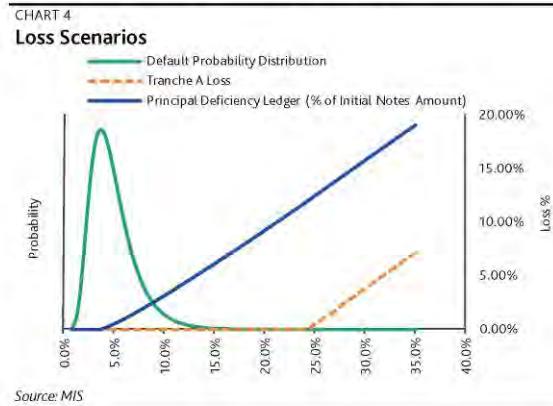
Timing of default: Moody's has tested different timings for the default/loss curve to assess the robustness of the ratings. In the base case scenario, the timing of defaults/losses curve assumed is sinus, with first default occurring with a 3-month lag (according to transaction definition), a peak at month 20 and last default at month 39.

Derivation of recovery rate assumption: Moody's has considered that the recovery data provided was compiled during good economic cycles; therefore observed data might overestimate recovery rates during a stressed economic environment. Assumptions for recoveries have hence been made on the basis of (i) historical information received for this deal; (ii) statistical information on the (country) consumer loan market; (iii) other qualitative and pool-derived

aspects. All in all, recovery rate modeled approximates the average historical recovery value minus one standard deviation.

Tranching of the notes: Moody's has used a lognormal distribution to describe the default distribution of the portfolio. This distribution has hence been applied to numerous default scenarios on the asset side to derive the level of losses on the Notes.

The chart below represents the default distribution (red line) Moody's has used in its modeling of the deal.



Moody's has considered how the cash flows generated by the collateral are allocated to the parties within the transaction, and the extent to which various structural features of the transaction might themselves provide additional protection to investors, or act as a source of risk.

To determine the rating assigned to the Notes, Moody's has used an expected loss methodology that reflects the probability of default for each series of Notes times the severity of the loss expected for the Notes. In order to allocate losses to the Notes in accordance with their priority of payment and relative size, Moody's has used a cash-flow model (ABSROM) that reproduces many deal-specific characteristics: the main input parameters of the model have been described above. Weighting each default scenario's severity result on the Notes with its probability of occurrence, Moody's has calculated the expected loss level for each series of Notes as well as the expected average life. Moody's has then compared the quantitative values to the Moody's Idealized Expected Loss table for each series of Notes.

The blue line in Chart 4 represents each default scenario on the default distribution curve for the loss suffered by the Class A notes (in Moody's modeling). For default scenarios up to 24%, the line is flat at zero, hence the Class A notes are not suffering any loss. 25% is the first default scenario under which the Class A notes suffer a loss. The steepness of the curve then indicates the speed of the increase of losses suffered by the Class A.

The rating of the notes has therefore been based on an analysis of:

- » The characteristics of the securitized pool;
- » Macroeconomic environment;
- » Sector-wide and originator specific performance data;
- » Protection provided by credit enhancement and liquidity support against defaults and arrears in the mortgage pool;
- » The roles of the swap and hedging providers; and
- » The legal and structural integrity of the issue.

Treatment of Concerns:

- » Historical vintage data do not cover maximum original contract maturity in the portfolio: Moody's addressed this aspect by extending the historical vintage data curves provided.
- » Balloon loan exposure: Moody's has applied different stress scenarios on the balloon payment portion of the securitized pool to address the higher default likelihood of such loans and the additional risks in case of a dealership default.

Benchmark Table (refers to info only as of closing of each transaction-please see moody's.com for more info)

Deal Name	Cars Alliance Auto Loans France F 2012-1	Cars Alliance Auto Loans France Master	FCT Autonoria Compartment Autonoria 2012-1	Titriforam 2012-1	Cars Alliance Auto Loans Germany Series 2010-1	Cars Alliance UK Ltd	Cars Alliance Funding Plc-Series 2007-1
Country	France	France	France	France	Germany	UK	Italy
Closing Date or Rating Review Date (dd/mm/yyyy)	[] 25/05/2012	25/05/2012	18/05/2012	22/02/2012	18/07/2010	07/12/2009	02/07/2007
Currency of Rated Issuance	Euro	Euro	Euro	Euro	EUR	GBP	Euro
Rated Notes Volume (excluding NR and Equity)	[] 596,000,000	596,000,000	437,000,000	407,000,000	1,613,434,440	397,500,000	874,000,000
Originator	DIAC S.A.	DIAC S.A.	BNPP PF	Socram Banque	RCI Banque S.A., German branch	RCI Financial Services	RCI Banque Italian Branch
Captive finance company?	Yes	Yes	No	No	Yes	Yes	Yes
Long-term Rating	Baa2	Baa2	NR	NR	Baa2	Baa2	A3
Short-term Rating	P-2	P-2	NR	NR	P-2	P-2	P-1
Name of Servicer	DIAC S.A.	DIAC S.A.	BNPP PF	Socram Banque	RCI Banque S.A., German branch	RCI Financial Services	RCI Banque Italian Branch
Long-term Rating	Baa2	Baa2	NR	NR	Baa2	Baa2	A3
Short-term Rating	P-2	P-2	NR	NR	P-2	P-2	P-1
Name of separate Cash Administrator	Eurotitrisation	Eurotitrisation	France Titrisation	France Titrisation	Eurotitrisation	BNP2S	ABN Amro Trustees Limited
Long-term Rating	NR	NR	NR	NR	NR	Aa1	
Short-term Rating	NR	NR	NR	NR	NR	P-1	
Currency of securitized pool balance	Euro	Euro	Euro	Euro	EUR	GBP	Euro
Securitized Pool Balance ("Total Pool")	[990,010,762]	701,995,098	560,000,000	460,002,051	1,790,715,249	524,342,768	1,240,000,000
Maximum securitized pool balance	990,010,762	5,000,000,000	560,000,000	460,002,051	2,000,000,000	524,342,768	1,240,000,000
Auto loan receivables %	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Portion of (fully) amortizing contracts %	79.80%	79.90%	100.00%	100.00%	53.32%	57.00%	97.60%
Portion of bullet / balloon contracts %	20.20%	20.10%	0.00%	0.00%	46.68%	43.00%	2.40%
Monthly paying contracts %	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Method of payment - Direct Debit (minimum payment)	99%	99%	100%	100%	100%	100%	80%
Fixed rate contracts %	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
WA initial yield (Total Pool)	7.62%	7.62%	5.60%	5.39%	7.89%	7.00%	7.76%
Minimum yield for additional portfolios p.a.	NA	7.00%	4.50%		3% + swaprate	7.00%	3% min margin
WAL of Total Pool initially (in years)	1.6	1.6	2.4	2.1	1.9	1.2	
WA original term (in years)	NA	NA	NA	NA	4.5	3.7	4.2
WA seasoning (in years)	1.4	1.4	0.7	0.6	1.6	1.0	1.6
WA remaining term (in years)	2.8	2.8	4.5	3.8	2.9	2.6	2.6
Portfolio share in arrears > 30 days %	0.00%	0.00%	0.00%	0.00%	1.47%	0.00%	0.00%
Portfolio share in arrears > 90 days %	0.00%	0.00%	0.00%		0.23%		
No. of contracts	177,904	129,910	54,069	53,706	250,145	77,059	219,139
Single obligor (group) concentration %	0.02%	0.03%	0.02%	0.02%	n.a.	0.01%	0.00%
Top 10 obligor (group) concentration %	0.08%	0.10%	0.18%	0.12%	n.a.		
Top 20 obligor (group) concentration %	0.12%	0.16%	0.34%				
Private obligors %	99.00%	99.00%	100.00%	100.00%	100.00%	91.00%	90.72%
Name 1st largest manufacturer / brand	Renault	Renault		NA	Renault	Renault	Renault
2nd largest manufacturer / brand	Nissan	Nissan			Nissan	Nissan	Nissan
3rd largest manufacturer / brand	Dacia	Dacia			Dacia	Vauxhall	
Size % 1st largest manufacturer / brand	78.09%	78.01%			71.30%	62.00%	
2nd largest manufacturer / brand	14.35%	14.37%			15.01%	33.00%	

Deal Name	Cars Alliance Auto Loans France F 2012-1	Cars Alliance Auto Loans France Master	FCT Autonoria Compartiment Autonoria 2012-1	Titrisoram 2012-1	Cars Alliance Auto Loans Germany Series 2010-1	Cars Alliance UK Ltd	Cars Alliance Funding Plc-Series 2007-1
3rd largest manufacturer / brand	4.39%	4.37%			11.60%	5.00%	
New vehicles %	66.90%	67.00%	50.25%	41.18%	68.20%	53.00%	93.70%
Demo vehicles%					n.a.	0.00%	
Used vehicles %	33.10%	33.00%	49.75%	58.82%	31.80%	47.00%	6.30%
Name 1st largest region	Île-de-France (except Paris)	Île-de-France (except Paris)	Île de France	Île de France	North Rhine Westphalia	England	Lombardia
2nd largest region	Provence-Alpes-Côte-d'Azur	Provence-Alpes-Côte-d'Azur	Rhône-Alpes	Rhône-Alpes	Baden-Württemberg	Scotland	Lazio
3rd largest region	Nord-Pas-de-Calais	Nord-Pas-de-Calais	Provence-Alpes-Côte-d'Azur	Nord-Pas-de-Calais	Bavaria	Northern Ireland	Toscana
4th largest region	Rhône-Alpes	Rhône-Alpes	Midi-Pyrénées	Provence-Alpes-Côte-d'Azur	Lower Saxony		
5th largest region	Aquitaine	Aquitaine	Languedoc-Roussillon	Pays de Loire	Saxony		
6th largest region	Picardie	Picardie	Aquitaine	Aquitaine	Hesse		
7th largest region	Languedoc-Roussillon	Languedoc-Roussillon	Picardie	Centre	Thuringia		
Size % 1st largest region	12.90%	12.74%	13.68%	15.37%	21.71%	86.00%	23.31%
2nd largest region	10.39%	10.29%	11.45%	10.43%	14.03%	9.00%	12.97%
3rd largest region	9.80%	9.96%	8.56%	8.03%	10.64%	5.00%	10.37%
4th largest region	8.49%	8.40%	6.92%	7.25%	8.79%		
5th largest region	5.98%	5.97%	6.79%	6.06%	7.84%		
6th largest region	5.81%	5.89%	5.97%	4.54%	6.22%		
7th largest region	4.75%	4.71%	5.68%	4.37%	5.11%		
Gross default / Net loss definition in this deal	90 day	90 day	6 months past due	Gross default	several incl. vehicle repossession, contract termination	120 Days	0.024
Default Definition captured by data?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Data available for each subpool?	Yes	Yes	No	Yes	Yes	Yes	Yes
Period Covered by Vintage data (in years)	8	8	7	six	5.45	2004 Q1 to present	6
Period Covered by Transition Matrices (in years)					0		
Type of default / loss distribution	Lognormal	Lognormal	Lognormal	Lognormal	Lognormal	Lognormal	Lognormal
Model running on defaults / losses?	Defaults	Defaults	Defaults	Defaults	Defaults	Defaults	Defaults
Mean gross default rate - initial pool	4.5%	4.75%	4.00%	3.50%	3.35%	2.5% New Std, 6% New PCP, 6% Used Std, 7% Used PCP	2.40%
Stdev.	2.03%	2.14%	1.10%	1.75%	1.68%	1.75% New Std, 3.3% New PCP, 3.3% Used Std, 3.85% Used PCP	0.96%
CoV	45.00%	45.00%	50.00%	50.00%	50.00%	70% New Std, 55% New PCP, 55% Used Std, 55% Used PCP	40.00%
Type of Default timing curve	Sine	Sine	Sine	Sine	Vector	Sine	Vector
Sinus default curve in periods, if applicable	3, 20, 40	3, 20, 40	6, 35, 100	3-18-60	N/A	4, 20, 36	
Mean recovery rate	40.00%	40.00%	25.00%	40.00%	34.00%	30% for Std, 40% for PCP	40.00%
Recovery lag (in months)	25% every 6 months	25% every 6 months	Spread over 3 years	25% every 6 months	11.00	25% per month for months 2-5	linear over 4.8 years
Prepayment Rate(s)	20%	20%	15%	15%	12% (5 months) / 12%	10% (5 months) / 10%	
Fees	Servicer fee + few bps for the other senior expenses	1% (Servicer fee) + few bps for the other senior expenses)	1.00% outstanding balance	1.00% outstanding balance	1.03% outstanding balance / 200,000 floor	1.25% outstanding balance / 50,000 floor	1.00%

Deal Name	Cars Alliance Auto Loans France F 2012-1	Cars Alliance Auto Loans France Master	FCT Autonoria Compartment Autonoria 2012-1	Titrisorcam 2012-1	Cars Alliance Auto Loans Germany Series 2010-1	Cars Alliance UK Ltd	Cars Alliance Funding Plc-Series 2007-1
Structural features							
Which information was audited?	Pool	Pool	Pool	Pool		Pool	Pool
Revolving Period (in years)	NA	4.0	1.3	1.0	1.3	5.0	3.0
Priority of principal payments from closing date onwards	Sequential	Sequential	Sequential	Sequential	Sequential	Sequential	Sequential
PDL mechanism in place?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Size of credit RF up front (as % of Total Pool)	1.00%	1.00%	1.50%	1.00%	1.00%	2.10%	
Commingling Risk?	Yes	Yes	Yes	Yes	Yes	No	Yes
Commingling mitigant	Dedicated collection account pledged to SPV	Dedicated collection account pledged to SPV	Dedicated collection account pledged to SPV	Dedicated collection account pledged to SPV	Dedicated collection account pledged to SPV		Reserve upon rating trigger
Back-up servicer (BUS)	No BUS	No BUS	BUS appointed upon servicer loosing a certain rating	BUS appointed upon servicer loosing a certain rating	No BUS	BUS appointed upon loss of certain rating	No BUS
Note interest payments	Fixed	Fixed	Floating	Floating	Floating	Floating	Floating
Swap in place?	No	No	Yes	Yes	Yes	Yes	Yes
Size of Aaa rated class	88.00%	84.90%	78.00%	88.50%	87.30%	73.80%	94.25%
Aa1 rated class							
Aa2 rated class				2.80%			
Aa3 rated class							
A1 rated class							
A2 rated class						4.00%	
A3 rated class							
Baa1 rated class							
Baa2 rated class							
Baa3 rated class							
Ba1 rated class							
Ba2 rated class							
Ba3 rated class							
B1 rated class							
B2 rated class							
B3 rated class							
Caa1 and below rated class							
NR class	12.00%	15.10%		11.50%	9.90%		1.75%
Equity			22.00%			26.20%	

Parameter Sensitivities

Parameter Sensitivities provide a quantitative, model-indicated calculation of the number of notches that a Moody's-rated structured finance security may vary if certain input parameters used in the initial rating process differed. The analysis assumes that the deal has not aged. It is not intended to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might differ as certain key parameters vary. For more information on V Score and Parameter sensitivity methodology for Non-U.S. Vehicle ABS Sector, please refer to '[V Scores and Parameter Sensitivities in the Non-U.S. Vehicle ABS Sector](#)', published in January 2009.

Parameter sensitivities for this transaction have been calculated in the following manner: Moody's tested 9 scenarios derived from the combination of mean default: 4.50% (base case), 4.75% (base case +0.25%), 5.00% (base case +0.50%) and recovery rate: 40% (base case), 35% (base case -5%), 30% (base case -10%). The 4.50% / 40% scenario would represent the base case assumptions used in the initial rating process.

The charts below show the parameter sensitivities for this transaction with respect to all Moody's rated classes.

TABLE 2*
Class A Notes

	Recovery rate			
	40%	35%	30%	
Mean default	4.50%	Aaa*	Aa1 (-1)	Aa2 (-2)
	4.75%	Aa1 (-1)	Aa1 (-1)	Aa2 (-2)
	5.00%	Aa1 (-1)	Aa2 (-2)	Aa3 (-3)

* Results under base case assumptions indicated by asterisk * *. Change in model output (# of notches) is noted in parentheses.

Worse case scenarios: At the time the rating was assigned, the model output indicated that Class A Notes would have achieved Aa3 even if mean default was as high as 5.00% with a recovery as low as 30% (all other factors unchanged).

Monitoring

Moody's will monitor the transaction on an ongoing basis to ensure that it continues to perform in the manner expected, including checking all supporting ratings and reviewing periodic servicing reports. Any subsequent changes in the rating will be publicly announced and disseminated through Moody's Client Service Desk.

Originator linkage: DIAC acts both as seller and servicer in the transaction. Consequently, the structure relies to a great extend on RCI Banque's capabilities to perform the associated tasks, especially as servicer, until the legal maturity date. There is no back-up servicer appointed on the closing date and there is no trigger in place to appoint a potential

substitute servicer prior to a servicer termination event. Moody's expresses the higher uncertainty (and hence, the potentially higher rating volatility) compared to other French auto securitzations via its V-Score analysis on page 4, especially the grade assigned in section 4.2 of the V-score.

Significant influences: In addition to the counterparty issues noted, the following factors may have a significant impact on the subject transaction's ratings:

- » An increase in the unemployment rate in France as a result of a deterioration of the economy beyond stresses already applied.
- » A decrease in the vehicle values as a result of a deterioration of the French economy beyond stresses already applied.

Counterparty Rating Triggers	Condition	Remedies
FCT Account Bank	Loss of P-1	Replace
Collection Account Bank	Loss of P-1	Replace
RCI Banque S.A. as servicer	Loss of P-2	Commingling reserve

* See [Framework for De-Linking Hedge Counterparty Risks from Global Structured Finance Transactions Moody's Methodology](#), October 2010

Monitoring report:

Data Quality:

- » Investor report format finalized and discussed with Moody's analyst.
- » The report does include all necessary information for Moody's to monitor the transaction.
- » Undertaking to provide Moody's with updated pool cut on a periodical basis

Data Availability:

- » Report provided by: Eurotitrisation
- » The timeline for Investor report is provided in the transaction documentation. The priority of payment section is published on the Interest Payment Date.
- » The frequency of the publication of the investor report is monthly and the frequency of the IPD is monthly.

Representations and Warranties

The Rule 17g-7 Report of Representations and Warranties is hereby incorporated by reference and can be found at http://www.moodys.com/viewresearchdoc.aspx?docid=PBS_SF286586

Moody's Related Research

For a more detailed explanation of Moody's approach to this type of transaction as well as similar transactions please refer to the following reports:

Methodologies Used:

- » [Moody's Approach to Rating European Auto ABS: More Rubber Set to Hit European Roads, November 2002 \(SF17579\)](#)
- » [The Lognormal Method Applied to ABS Analysis, July 2000 \(SF8827\)](#)
- » [Historical Default Data Analysis for ABS Transactions in EMEA, December 2005 \(SF64042\)](#)
- » [V Scores and Parameter Sensitivities in the Non-U.S. Vehicle ABS Sector, January 2009 \(SF151508\)](#)

Special Report:

- » [Credit Insight, April 2012 \(SF281712\)](#)

Pre-Sale Reports:

- » [Cars Alliance Auto Loans France FCC Series 2006-1, September 2006 \(SF83041\)](#)
- » [Cars Alliance Auto Loans Germany FCC – Series 2007-1, April 2009 \(SF162897\)](#)
- » [CARS ALLIANCE Auto Loans Germany Series 2010-1, June 2010 \(SF208892\)](#)
- » [Cars Alliance Auto Loans France Master, May 2012 \(SF286388\)](#)

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

Appendix 1: Summary of Originator's Underwriting Policies and Procedures

Originator Ability	At closing
Sales and Marketing Practices	
Origination Channels:	Renault and Nissan dealers network (Renault : 300 dealers in France ; Nissan 145 dealers in France)
Underwriting Procedures	
% of Loans Automatically Underwritten:	62% are automatically underwritten, then control on identity and income documentation are performed by DIAC
% of Loans Manually Underwritten:	0% by branch, 100% by lender's centralised office, 0% by third parties
Ratio of Loans Underwritten per FTE* per Day:	231 455 Loans (consumer activity) underwritten in France in 2011 ; 140 FTE dedicated to underwriting → Ratio : 4.6 Contract per FTE per Day
Average Experience in Underwriting or Tenure with Company:	Approximately 5% 0-5 years, approximately 10% 5-10 and approximately 85% with 10+ years of tenure
Approval Rate:	(Ratio includes "Accepted" and "Accepted under condition" loan inquiries) ; New Vehicle 97.1% ; Used vehicles 91.8%
Percentage of Exceptions to Underwriting Policies:	(Ratio includes only "Accepted under condition" loan inquiries) ; New Vehicle 19.6% ; Used vehicles 24.5%
Underwriting Policies	
Source of Credit History Checks:	Internal database and external database (Experian)
Methods Used to Assess Borrowers' Repayment Capabilities:	<ul style="list-style-type: none"> » DTI: not used » Income multiples: not used » Affordability calculation: yes » Score calculation » Calculation of indebtedness rate » Fraud information » Credit history
Income Taken into Account in Affordability Calculations:	Net income (past three month average) including 100% base salary, 100% bonus, 100% overtime, 100% rent, 100% state benefit, 100% of guarantor's income on the basis of statements of the customer and information from documents provided (pay-slips, tax returns)
Other Borrower's Exposures (i.e. other debts) Taken into Account in Affordability Calculations:	Yes
Method Used for Income Verification:	Tax returns; pay-slips; personal telephone call to the customer's employer
Maximum Loan Size:	€ 75000
Closing Policies and Procedures	
Quality Check Before Releasing Funds:	Not available
Credit Risk Management	
Reporting Line of Chief Risk Officer:	Customer Operation / Customer Financing department
Ability to Track Loan Performance for Specific Loan Characteristics:	Vehicle brand, vehicle type (new/used), amortisation profile (i.e.: balloon /non balloon), score

* FTE: Full Time Employee

Originator Stability	At Closing
Quality Controls and Audits	
Responsibility of Quality Assurance:	RCI internal audit team and risk management team ; team leaders and department managers of customer service main department; Renault group audit
Number of Files per Underwriter per Month Being Monitored:	In approximately 97% of the portfolio : 1 file per underwriter In approximately 3% of the portfolio : Several files per underwriter, maximum observed : 5 files
Management Strength and Staff Quality	
Average Turnover of Underwriters:	Non significant
Training of New Hires and Existing Staff:	On-the-job training and personnel coaching, communication training, special training for commercial customers
Technology	
Frequency of Disaster Recovery Plan Test:	Annual

Appendix 2: Summary of Servicer's Collection Procedures

Servicer Ability	At Closing
Loan Administration	
Entities Involved in Loan Administration:	RCI and various collection agencies (telephone collection, face to face visit, very late stage administration)
Early Stage Arrears Practices:	Telephone, letters, field contact. 90 days before starting the legal process
Entities Involved in Early Stage Arrears:	RCI
Definition of Arrears:	
Arrears Strategy for 1-15 Days Delinquent	Activity start after 15 days past due a written reminder is sent and the direct debit re-presented. Telephone activity start at 20 days past due
Arrears Strategy for 15 to 60 Days Delinquent	Telephone collection, "standard" then personalized letters, contact for field visit
Arrears Strategy for 60 to 90 Days Delinquent	Face to face visit organized, field collection, letter threatening termination At 90 days past due, a termination notice is served on the borrower. Telephone activity continues and face to face visit (direct) cash collection) until 89 days past due, where the contract will be terminated automatically Negotiation: promise to pay, arrangement, loan modification.
Data Enhancement in Case Borrower is Not Contactable:	Use of special servicer / Renault Nissan Network information to obtain correct contact details
Loss Mitigation and Asset Management Practices:	
Transfer of a Loan to the Late Stage Arrears Team:	At 90 days, the default notice is served on the borrower. The account is passed to the litigation department in order to proceed to the repossession of the vehicle.
Entities Involved in Late Stage Arrears:	RCI Legal collection department, ushers & lawyers (mandated in case of legal procedure).
Ratio of Loans per Collector (FTE):	Approximately 30 000 Loans concerned ; 70 FTE dedicated to collection / litigation ➔ Ratio : 1.2 Contract per FTE per Day
Time from First Default to Litigation:	110 days from first default to litigation
Average Recovery Rate:	Average recovery rate (after 63 months) : 60%
Servicer Stability	
Management and Staff	
Average Experience in Servicing or Tenure with Company:	Approximately 5% 0-5 years, approximately 10% 5-10 and approximately 85% with 10+ years of tenure
Training of New Hires Specific to the Servicing Function:	Training on the job
Quality Control and Audit	
Responsibility of Quality Assurance:	RCI internal audit team and risk management team ; team leaders and department managers of customer service main department; Renault group audit
IT and Reporting	
Frequency of Disaster Recovery Plan Test: Delete this line if same as originator	Annual

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