Athlon Securitisation 2005 B.V.

(incorporated with limited liability in the Netherlands)

€ 241,000,000 Senior Class A Secured Floating Rate Notes due 2014, issue price 100 per cent.

€ 3,800,000 Junior Class B Secured Floating Rate Notes due 2014, issue price 100 per cent.

Athlon Securitisation 2005 B.V. (the "**Issuer**"), a company incorporated under the laws of the Netherlands, will issue € 241,000,000 Senior Class A Secured Floating Rate Notes due 2014 (the "**Class A Notes**"), € 3,800,000 Junior Class B Secured Floating Rate Notes due 2014 (the "**Class B Notes**") and € 12,600,000 Subordinated Class C Secured Floating Rate Notes due 2014 (the "**Class C Notes**", and together with the Class A Notes and the Class B Notes, the "**Notes**"). The Notes will be issued pursuant to the Issuer Trust Deed, entered into between the Issuer and the Issuer Security Trustee. The right to payment of interest and principal on the Class B Notes and the Class C Notes will be subordinated to the payment of interest and principal on the Class A Notes and may be limited as more fully described herein under section "*Terms and Conditions of the Notes*". The Notes will be secured in the manner as more fully described herein under sections "*Terms and Conditions of the Notes*" and "*Description of Security*".

Subject to and in accordance with the Conditions, payments of interest and principal on the Notes will be payable quarterly in arrear on each Notes Quarterly Payment Date. The rate of interest for the Class A Notes will be equal to three-months Euribor plus a margin of 0.12 per cent. per annum and the rate of interest for the Class B Notes will be equal to three-months Euribor plus a margin of 0.25 per cent. per annum. The Class C Notes will bear an interest equal to the balance standing to the credit of the Issuer Transaction Account on any Notes Quarterly Payment Date after payment of all prior ranking payments in accordance with the Issuer Pre-Enforcement Priority of Payments or the Issuer Post-Enforcement Priority of Payments, as the case may be.

The Notes will mature on the Notes Quarterly Payment Date falling in December 2014. Redemption of the Notes will be made sequentially. The Notes will be subject to mandatory partial redemption in the circumstances set out in, and subject to and in accordance with, the Conditions. Unless previously redeemed in full, the Issuer will have the option to redeem the Notes at their respective Principal Amount Outstanding subject to and in accordance with the Conditions, on any Optional Redemption Date.

It is a condition precedent to issuance that the Class A Notes, on issue, be assigned an "Aaa" rating by Moody's Investor Service Limited ("Moody's") and an "AAA" rating by Fitch Ratings Ltd. ("Fitch"), and the Class B Notes, on issue, be assigned at least an "Aa3" rating by Moody's and an "AA-" rating by Fitch. The Class C Notes, on issue, will not be assigned a rating. 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. For a discussion of some of the risks associated with an investment in the Notes, see under section "Special Considerations" herein.

The Notes will be solely the obligations of the Issuer. The Notes will not be obligations or responsibilities of, or be guaranteed by, any other entity or person, in whatever capacity acting, including, without limitation, the Sellers, Athlon, Athlon Beheer, the persons named herein as Joint Lead Manager, the Servicer, the Buyer, the Borrower, the Borrower Administrator, the Liquidity Facility Provider, the Floating Rate GIC Provider, the Interest Rate Swap Counterparty, the Return Swap Counterparty, the Paying Agents, the Reference Agent, the Borrower Security Trustee, the Issuer Security Trustee and the Clearing Institutions. Furthermore, none of the Sellers, Athlon, Athlon Beheer, the Joint Lead Managers, the Servicer, the Buyer, the Borrower, the Borrower Administrator, the Liquidity Facility Provider, the Floating Rate GIC Provider, the Interest Rate Swap Counterparty, the Return Swap Counterparty, the Paying Agents, the Reference Agent, the Borrower Security Trustee, the Issuer Security Trustee, the Clearing Institutions or any other person, in whatever capacity acting, will accept any liability whatsoever to the Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes.

Application has been made to list the Class A Notes and the Class B Notes on the Official Segment of the stock market of Euronext Amsterdam ("**Euronext Amsterdam**"). The Class C Notes will not be listed. The Notes are expected to be issued on 24 February 2005.

Each Class of Notes will initially be represented by a Temporary Global Note in bearer form, without interest coupons, which is expected to be deposited with a common depository for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), on or about the issue date thereof. Interests in each Temporary Global Note will be exchangeable for interests in a Permanent Global Note of the relevant Class, without interest coupons, not earlier than forty (40) days after the Closing Date upon certification as to non-U.S. beneficial ownership. Interests in each Permanent Global Note will, in certain limited circumstances, be exchangeable for definitive notes in bearer form as described in the Conditions.

Capitalised terms used herein and not defined in any of the other sections of this Offering Circular shall have the meanings ascribed to them under section "*Index of Definitions*".

Arranger
ING Bank

Joint Lead Manager
ING Bank

Joint Lead Manager
ABN AMRO

The date of this Offering Circular is 22 February 2005

IMPORTANT NOTICE – O.C.

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

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

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your representation: In order to be eligible to view this offering circular or make an investment decision with respect to the securities, investors must not be a U.S. person (within the meaning of Regulation S under the Securities Act). By accepting the e-mail and accessing this offering circular, you shall be deemed to have represented to us that you are not a U.S. person; the electronic mail address that you have given to us and to which this e-mail has been delivered is not located in the U.S., its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States or the District of Columbia; and that you consent to delivery of such offering circular by electronic transmission.

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

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Joint Lead Managers or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the Joint Lead Managers or such affiliate on behalf of the Issuer in such jurisdiction.

Under no circumstances shall this offering circular constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. This offering circular may only be communicated to persons in the United Kingdom in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

This offering circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Borrower, any of the Joint Lead Managers nor any person who controls or is controlled by any of these entities nor any director, officer, employee nor agent of any of these entities or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the offering circular distributed to you in electronic format and the hard copy version available to you on request from any of the Joint Lead Managers.

The Issuer is responsible for the information contained in this Offering Circular other than the information referred to in the following two paragraphs. To the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case) the information, except for the information for which the Sellers, the Arranger or the Joint Lead Managers are responsible, contained in this document is in accordance with the facts in all material aspects and does not omit anything likely to materially affect the import of such information. The Issuer accepts responsibility accordingly.

The Sellers are responsible solely for the information contained in the following sections of this Offering Circular: "*Overview of the Dutch Auto Lease Market*", "*Athlon Holding N.V.*", "*Universele Lease Maatschappij Unilease B.V. and Special Lease Systems (SLS) B.V.*", "*Athlon Beheer Nederland B.V.*", "*Description of the Assets*", "*Asset Origination and Underwriting*", "*Administration of the Assets*", and "*Borrower*", and not for information contained in any other section, and consequently do not assume any liability in respect of the information contained in such other sections.

The Joint Lead Managers are not responsible for information contained in any section and consequently the Joint Lead Managers do not assume any liability in respect of the information contained in any section.

This Offering Circular is to be read in conjunction with the articles of association of the Issuer which are deemed to be incorporated herein by reference (see under section "*General Information*" below). This Offering Circular shall be read and construed on the basis that such document is incorporated in and forms part of this Offering Circular.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with the offering of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Joint Lead Managers or the Sellers.

This Offering Circular does not constitute an offer to sell or a solicitation of an offer to buy Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this document and the offering of the Notes in certain jurisdictions may be restricted by law.

Persons into whose possession this document (or any part thereof) comes are required to inform themselves about, and to observe, any such restrictions. A fuller description of the restrictions on offers, sales and deliveries of the Notes and on the distribution of this Offering Circular is set out in the section entitled "*Subscription and Sale*" below. No one is authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Offering Circular in accordance with applicable laws and regulations.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial conditions and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Offering Circular nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Issuer or any of the Joint Lead Managers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Offering Circular at any time nor any sale made in connection with the Offering of the Notes shall imply that the information contained herein is correct at any time subsequent to the date of this Offering Circular.

The Joint Lead Managers expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Notes. Investors should review, *inter alia*, the most recent financial statements of the Issuer, if any, when deciding whether or not to purchase any Notes.

The Notes have not been and will not be registered under the United States Securities Act of 1933 (the "**Securities Act**"), as amended, and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered, directly or indirectly, within the United States or to U.S. persons (see section "*Subscription and Sale*" below).

In connection with this issue, ING Bank N.V. (the "**Stabilising Manager**") (or any duly appointed person acting for the Stabilising Manager) may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period.

However, there may be no obligation on the Stabilising Manager (or any agent of the Stabilising Manager) to do this. Such stabilising shall be in compliance with all applicable laws and regulations. In accordance with the rules of Euronext Amsterdam, such stabilising will in any event be discontinued thirty (30) days after the issue date of the Notes. Stabilisation transactions conducted on Euronext Amsterdam must be conducted on behalf of the Stabilising Manager by a member of Euronext Amsterdam and must be conducted in accordance with all applicable laws and regulations of Euronext Amsterdam and Section 32 (and Annex 6) of the Further Regulations on Market Conduct Supervision of the Securities Trade 2002 (*Nadere Regeling gedragstoezicht effectenverkeer 2002*).

References in this Offering Circular to each of "€" and "Euro" means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community (as amended by the Treaty on European Union).

CONTENTS

SUMMARY

The following is a summary of the principal features of the issue of the Notes. It does not purport to be complete. This summary should be read in conjunction with and is qualified in its entirety by reference to the detailed information presented elsewhere in this Offering Circular.

PARTIES:

Issuer:	Athlon Securitisation 2005 B.V., incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) on 19 January 2005 and registered with the Commercial Register of the Chamber of Commerce of Amsterdam, under number 34219957 (the "**Issuer**"). Stichting Holding (as defined below) holds the entire issued share capital of Issuer. The Issuer was incorporated for the purpose of issuing the Notes, entering into the Issuer Facility Agreement (as defined in the "*Index of Definitions*") and the other transactions and agreements described in this Offering Circular to which it is a party. The Issuer will not have any assets other than the rights under and in connection with the Issuer Facility Agreement and payments which are or will be due and payable thereunder and the rights under the other Transaction Documents (as defined in the terms and conditions of the Notes (the "**Conditions**")) to which it is a party, including, without limitation, the Borrower Trust Deed, the Interest Rate Swap Agreement, the Return Swap Agreement, the Issuer Floating Rate GIC, the Issuer Trust Deed and the Liquidity Facility Agreement (all as defined in the "*Index of Definitions*").
Borrower/Buyer:	Athlon Car Lease Finance II B.V., incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) on 25 January 2005 and registered with the Commercial Register of the Chamber of Commerce of Amsterdam, under number 34220239 (the "**Buyer**" or the "**Borrower**"). Athlon (as defined below) is jointly and severally liable for all obligations of the Borrower pursuant to a statement issued in accordance with section 2:403 DCC, save that the Issuer, the Borrower Security Trustee, Stichting Defeasance and the Issuer Security Trustee (all as defined below) have waived any rights they might have against Athlon under section 2:403 DCC. Stichting Administratiekantoor (as defined below) holds the entire issued share capital of the Borrower. The Borrower was incorporated for the purpose of acquiring the Vehicles and Lease Receivables (both as defined in the "*Index of Definitions*") under the associated Leases pursuant to the terms and conditions of the Master Hire Purchase Agreement (as defined in the "*Index of Definitions*"), and entering into the other transactions and agreements described in this Offering Circular to which it is a party. The Borrower will not have any assets other than the rights under and in connection with the Master Hire Purchase Agreement and the Vehicles and Lease Receivables purchased by it thereunder, the proceeds and payments to be received with respect to the Vehicles and the Leases (as defined in the "*Index of Definitions*") and the rights under the Transaction Documents to which it is a party, including, without limitation, the Payment Undertaking Agreement, the Athlon Facility Agreement, the Issuer Facility Agreement, the Borrower Trust Deed and the Borrower Floating Rate GIC (all as defined in the "*Index of Definitions*").

Originators/Sellers:	(i) Universele Lease Maatschappij Unilease B.V. ("**Unilease**"), incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) on 14 November 1969 and registered with the Commercial Register of the Chamber of Commerce for Haaglanden under number 27077366, and upon consummation of the Unilease Merger (as defined in the "*Index of Definitions*"), Athlon Car Lease Nederland B.V., and (ii) Special Lease Systems (SLS) B.V. ("**SLS**"), incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) on 16 December 1985 and registered with the Commercial Register of the Chamber of Commerce for Haaglanden, under number 27120385 (each a "**Seller**" and collectively, the "**Sellers**"). Unilease holds the entire issued share capital of SLS. Athlon is jointly and severally liable for all obligations of the Sellers pursuant to statements issued in accordance with section 2:403 DCC, save that (i) the Issuer, the Borrower Security Trustee, Stichting Defeasance and the Issuer Security Trustee have waived any rights they might have against Athlon under section 2:403 DCC and (ii) the Borrower has waived the rights it might have against Athlon under section 2:403 DCC, other than the rights it might have against Athlon in respect of amounts payable by any of the Sellers to the Borrower pursuant to the Servicing Agreement and the Residual Value Warranty (both as defined in the "*Index of Definitions*") under the Master Hire Purchase Agreement. Athlon holds the entire issued share capital of Unilease.
Athlon:	Athlon Holding N.V., acting as ultimate parent of the Athlon group of companies, incorporated under the laws of the Netherlands as a public company (*naamloze vennootschap*) on 19 May 1916 and registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34066011 ("**Athlon**").
Stichting Defeasance:	Stichting Defeasance Athlon Securitisation 2005, established under the laws of the Netherlands as a foundation (*stichting*) on 19 January 2005 and registered with the Commercial Register of the Chamber of Commerce of Amsterdam, under number 34219959 ("**Stichting Defeasance**").
Stichting Holding:	Stichting Athlon Securitisation 2005 Holding, established under the laws of the Netherlands as a foundation (*stichting*) on 14 December 2004 and registered with the Commercial Register of the Chamber of Commerce of Amsterdam, under number 34217291 ("**Stichting Holding**").
Stichting Administratiekantoor:	Stichting Administratiekantoor Athlon Car Lease Finance II, established under the laws of the Netherlands as a foundation (*stichting*) on 25 January 2005 and registered with the Commercial Register of the Chamber of Commerce of Amsterdam, under number 34220266 ("**Stichting Administratiekantoor**"). Stichting Administratiekantoor has issued 180 (non-voting) depository receipts (*certificaten*) for all of the 180 shares held by it in the capital of the Borrower. Athlon Beheer (as defined below) holds 179 of such depository receipts and Stichting Holding holds 1 such depository receipt.
Athlon Beheer:	Athlon Beheer Nederland B.V., incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) on 23 April 1990 and

	registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34071478. Athlon Beheer is a wholly owned subsidiary of Athlon (''**Athlon Beheer**'').
Servicer:	Unilease and, upon consummation of the Unilease Merger, Athlon Car Lease Nederland B.V. (the ''**Servicer**'').
Substitute Servicer:	A designated subsidiary of ING Lease Holding N.V., a wholly owned indirect subsidiary of ING Bank N.V., and that is currently carrying on a business as lessor under operational vehicle leases to Dutch corporate lessees (the ''**Substitute Servicer**'').
Issuer Security Trustee:	Stichting Security Trustee Athlon Securitisation 2005, established under the laws of the Netherlands as a foundation (*stichting*) on 19 January 2005 and registered with the Commercial Register of the Chamber of Commerce of Amsterdam, under number 34219992 (the ''**Issuer Security Trustee**'').
Borrower Security Trustee:	Stichting Security Trustee Athlon Car Lease Finance II, established under the laws of the Netherlands as a foundation (*stichting*) on 19 January 2005 and registered with the Commercial Register of the Chamber of Commerce of Amsterdam, under number 34219960 (the ''**Borrower Security Trustee**'').
Borrower Administrator:	Unilease (the ''**Borrower Administrator**'').
Directors:	Mr. Blink and Mr. Rutgers acting as directors of the Borrower, ING Management (Nederland) B.V. acting as sole director of the Borrower Security Trustee, Mr. Bierstee, Mr. Slootweg and ING Management (Nederland) B.V. acting as directors of Stichting Administratiekantoor and ING Management (Nederland) B.V. acting as sole director of Stichting Defeasance (each a ''**Borrower Director**'' and collectively, the ''**Borrower Directors**''). ATC Management B.V. acting as sole director of the Issuer, Amsterdamsch Trustee's Kantoor B.V. acting as sole director of the Issuer Security Trustee, and ATC Management B.V. acting as sole director of Stichting Holding (each an ''**Issuer Director**'' and collectively, the ''**Issuer Directors**'' and each of the Issuer Directors and the Borrower Directors, a ''**Director**'' and collectively, the ''**Directors**''). ATC Management B.V. and Amsterdamsch Trustee's Kantoor B.V. belong to the same group of companies.
Interest Rate Swap Counterparty:	ING Bank N.V. (''**ING**''), incorporated under the laws of the Netherlands as a public company (*naamloze vennootschap)* (the ''**Interest Rate Swap Counterparty**'').
Floating Rate GIC Provider:	ING (the ''**Floating Rate GIC Provider**'').
Liquidity Facility Provider:	ING (Dublin Branch) (the ''**Liquidity Facility Provider**'').
Residual Value Warranty Providers:	Unilease and SLS (each a ''**Residual Value Warranty Provider**'' and collectively, the ''**Residual Value Warranty Providers**'').
Return Swap Counterparty:	ING Lease (Nederland) B.V. (the ''**Return Swap Counterparty**'').
Account Banks:	ING, Fortis Bank (Nederland) N.V., incorporated under the laws of the Netherlands as a public company (*naamloze vennootschap*) and ABN AMRO Bank N.V., incorporated under the laws of the Netherlands as a public company (*naamloze vennootschap*) (each an ''**Account Bank**'' and collectively, the ''**Account Banks**'').
Principal Paying Agent:	The Bank of New York, a New York banking corporation acting through its London branch (''**The Bank of New York**'') (the ''**Principal Paying Agent**'').
Paying Agent:	ING (the ''**Paying Agent**'' and together with the Principal Paying Agent, the ''**Paying Agents**'').

Reference Agent:	The Bank of New York (the "**Reference Agent**").
Joint Lead Managers:	ING and ABN AMRO Bank N.V., incorporated under the laws of the Netherlands as a public company (*naamloze vennootschap)*, acting through its London branch (each a "**Manager**" and collectively, the "**Joint Lead Managers**").
Clearing:	Euroclear and Clearstream, Luxembourg (the "**Clearing Institutions**").
Listing Agent:	ING (the "**Listing Agent**").
Rating Agencies:	Moody's Investors Service Limited ("**Moody's**") and Fitch Ratings Ltd. ("**Fitch**", and together with Moody's, the "**Rating Agencies**").
THE NOTES:	
Notes:	The Issuer will issue € 241,000,000 in aggregate principal amount of Senior Class A Secured Floating Rate Notes due 2014 (the "**Class A Notes**"), € 3,800,000 in aggregate principal amount of Junior Class B Secured Floating Rate Notes due 2014 (the "**Class B Notes**") and € 12,600,000 in aggregate principal amount of Subordinated Class C Secured Floating Rate Notes due 2014 (the "**Class C Notes**", and together with the Class A Notes and the Class B Notes, the "**Notes**"). The Notes are expected to be issued on 24 February 2005 (or such later date as may be agreed between the Issuer and the Joint Lead Managers (the "**Closing Date**"). Each of the Class A Notes, the Class B Notes and the Class C Notes are herein referred to as a "**Class**" of Notes. The entire principal amount of each Class of Notes will be issued on or about the Closing Date.
Issue Price:	The Issue Price of the Notes will be as follows: (a) the Class A Notes: 100 per cent.; (b) the Class B Notes: 100 per cent..
Denomination:	The Class A Notes, the Class B Notes and the Class C Notes will be issued in denominations of € 100,000 each.
Status:	The Notes will be constituted by the Issuer Trust Deed, to be governed by the laws of the Netherlands, and will be limited recourse debt obligations of the Issuer. Payments of principal and interest on the Notes and payments of other costs and expenses of the Issuer will be secured, through the Issuer Security Trustee, by the security granted by the Issuer to the Issuer Security Trustee pursuant to the Issuer Trust Deed and the Issuer Pledge Agreements (as defined in the "*Index of Definitions*"). The obligations of the Issuer in respect of the Notes will rank in point and security and as to payment of interest and principal behind the obligations of the Issuer in respect of certain items as set forth in the Issuer Pre-Enforcement Priority of Payments or the Issuer Post-Enforcement Priority of Payments (both as defined below), as the case may be. Payments of interest on the Class A Notes will be made before payments of principal thereon. Payments of interest on the Class A Notes will be made in priority to payments of interest on the Class B Notes and, prior to the Issuer Pledges (as defined in the "*Index of Definitions*") being enforced, payments of principal on the Class A Notes will be made after payment of interest on the Class B Notes but in priority to payments of principal under the Class B Notes. Payments of interest and principal on the Class C Notes will be

	made after payment of interest and principal on the Class A Notes and payment of interest and principal on the Class B Notes, subject to and in accordance with the applicable priority of payments. The Issuer Trust Deed contains provisions requiring the Issuer Security Trustee (a) to consider the interests of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders, but not have regard to the consequences of such exercise for individual Noteholders, and (b) to have to regard to the interests of the other secured parties under the Issuer Trust Deed, provided that the priority of payments set forth in the Issuer Trust Deed shall determine the interest of which Issuer Security Beneficiary (as defined in the "*Index of Definitions*") prevails. The Notes will be solely the obligations of the Issuer. The Notes will not be obligations or responsibilities of, or be guaranteed by, any other entity or person, in whatever capacity acting, including, without limitation, the Sellers, Athlon, Athlon Beheer, the Joint Lead Managers, the Servicer, the Buyer, the Borrower, the Borrower Administrator, the Liquidity Facility Provider, the Floating Rate GIC Provider, the Interest Rate Swap Counterparty, the Return Swap Counterparty, the Paying Agents, the Reference Agent, the Borrower Security Trustee, and the Issuer Security Trustee. Furthermore, none of the Sellers, Athlon, Athlon Beheer, the Joint Lead Managers, the Servicer, the Buyer, the Borrower, the Borrower Administrator, the Liquidity Facility Provider, the Floating Rate GIC Provider, the Interest Rate Swap Counterparty, the Return Swap Counterparty, the Paying Agents, the Reference Agent, the Borrower Security Trustee, the Issuer Security Trustee or any other person will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes.
Form:	Each Class of Notes will be initially represented by a temporary global note in bearer form (each a "**Temporary Global Note**"), without interest coupons. Interests in each Temporary Global Note will be exchangeable for interests in a permanent global note of the relevant Class (each a "**Permanent Global Note**"), without interest coupons (the expression "**Global Notes**" means the Temporary Global Note of each Class and the Permanent Global Note of each Class and the expression "**Global Note**" means each Temporary Global Note or each Permanent Global Note, as the context may require) not earlier than forty (40) days after the Closing Date upon certification as to non-U.S. beneficial ownership. Interests in each Permanent Global Note will, in certain limited circumstances, be exchangeable for definitive notes in bearer form as described in the Conditions.
Interest:	Interest on the Class A Notes and the Class B Notes will be payable by reference to successive interest periods (each a "**Notes Quarterly Interest Period**") and will be payable quarterly in arrear in Euros in respect of their Principal Amount Outstanding (as defined in the Conditions) on the 26th day of March, June, September and December of each calendar year provided that such day is a Business Day. A "**Business Day**" means a day on which the banks in Amsterdam, Dublin and London are open for general business (including dealing in foreign exchange and foreign currency deposits), provided that such day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System or any successor thereof is open for the settlement of payments in Euro. Any payment due on a day which is not a Business Day shall be due on the next succeeding

	Business Day, unless such Business Day falls in the next succeeding calendar month in which event the immediately preceding Business Day shall apply (each such day being a "**Notes Quarterly Payment Date**"). Each successive Notes Quarterly Interest Period will commence on (and include) a Notes Quarterly Payment Date and end on (but exclude) the next succeeding Notes Quarterly Payment Date, except for the first Notes Quarterly Interest Period which will commence on (and include) the Closing Date and end on (but exclude) the Notes Quarterly Payment Date falling in June 2005. Interest on the Class A Notes for the first Notes Quarterly Interest Period will accrue from the Closing Date at an annual rate equal to the linear interpolation between the Euro Interbank Offered Rate ("**Euribor**") for four-months deposits in Euros and the Euribor for five-months deposits in Euros (determined in accordance with Condition 4) plus a margin which will be equal to 0.12 per cent. per annum. Interest on the Class A Notes for each successive Notes Quarterly Interest Period will accrue at an annual rate equal to the sum of the Euribor for three-months deposits in Euros (determined in accordance with Condition 4) plus a margin which will be equal to 0.12 per cent. per annum. Interest on the Class B Notes for the first Notes Quarterly Interest Period will accrue from the Closing Date at an annual rate equal to the linear interpolation between the Euribor for four-months deposits in Euros and the Euribor for five-months deposits in Euros (determined in accordance with Condition 4) plus a margin which will be equal to 0.25 per cent. per annum. Interest on the Class B Notes for each successive Notes Quarterly Interest Period will accrue at an annual rate equal to the sum of the Euribor for three-months deposits in Euros (determined in accordance with Condition 4) plus a margin which will be equal to 0.25 per cent. per annum. The Class C Notes shall bear an interest equal to the balance standing to the credit of the Issuer Transaction Account (as defined in the "*Index of Definitions*") on any Notes Quarterly Payment Date after payment of all prior ranking payments in accordance with the Issuer Pre-Enforcement Priority of Payments or the Issuer Post-Enforcement Priority of Payments, as the case may be (the "**Class C Notes Interest**"). The Class C Notes Interest, if any, will be payable on each Notes Quarterly Payment Date.
Notes Final Maturity Date:	Unless previously redeemed as described below, the Notes will mature on the Notes Quarterly Payment Date falling in December 2014 (the "**Notes Final Maturity Date**").
Mandatory Redemption:	Prior to enforcement of the security for the Notes, the Notes will be subject to mandatory redemption in part on each Notes Quarterly Payment Date in an aggregate amount equal to the Notes Redemption Available Amount (as defined in the "*Index of Definitions*") in the following order: (a) the Class A Notes, until fully redeemed; and thereafter (b) the Class B Notes, until fully redeemed; and thereafter (c) the Class C Notes.
Optional Redemption:	Commencing on the first Notes Quarterly Payment Date, and on each Notes Quarterly Payment Date thereafter, on which the Principal Amount Outstanding of the Notes, other than the Class C Notes, is less than fifteen (15) per cent. of the aggregate Principal Amount Outstanding of the Notes (excluding the Class C Notes) on the Closing Date (each an "**Optional Redemption Date**"), the Issuer

	has the option (the "**Clean-up Call Option**") to, subject to Condition 7(b), redeem all (but not some only) of the Notes in the following order: (a) the Class A Notes, until fully redeemed; and thereafter (b) the Class B Notes, until fully redeemed; and thereafter (c) the Class C Notes.
Redemption for Tax Reasons:	In the event of (a) certain tax changes affecting the Notes, including in the event that the Issuer or the Paying Agent has become or would become obligated to make any withholding or deduction from payments in respect of the Notes (although the Issuer will not have any obligation to pay additional amounts to the Noteholders in respect of any such withholding or deduction), or (b) certain tax changes affecting the amounts paid or to be paid to the Issuer by the Borrower under the Issuer Facility Agreement, including in the event that the Borrower is or will be obliged to make any withholding or deduction from payments in respect of the Issuer Facility (as defined in the "*Index of Definitions*") (although the Borrower will not have any obligation to pay additional amounts to the Issuer in respect of any such withholding or deduction), the Issuer may (but is not obliged to) redeem all (but not some only) of the Notes at their Principal Amount Outstanding together with accrued interest thereon up to and including the date of redemption, subject to and in accordance with the Conditions. No Class of Notes may be redeemed under such circumstances unless the other classes of Notes (or such of them as are then outstanding) are also redeemed, subject to Condition 7(b), in full at the same time.
Method of Payment:	For so long as the Notes are represented by a Global Note, payments of principal and interest will be made in Euro to Euroclear and Clearstream, Luxembourg, for the credit of the respective accounts of the Noteholders.
Withholding Tax:	All payments of, or in respect of, principal of and interest on the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the Netherlands, any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments or charges are required by law. In that event, the Issuer will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to such Noteholders.
Use of Proceeds:	The net proceeds from the issue of the Notes (*i.e.* net of payment of certain costs, fees and expenses in connection with the offering, issue and distribution of the Notes and the initial contribution to the Excess Spread Account) will be applied by the Issuer on the Closing Date to make the Issuer Facility Advance to the Borrower subject to and in accordance with the Issuer Facility Agreement.
Listing:	Application has been made to list the Class A Notes and the Class B Notes on Euronext Amsterdam. Listing is expected to take place on or about 24 February 2005. The Class C Notes will not be listed.
Rating:	It is a condition precedent to issuance that the Class A Notes, on issue, be assigned an "Aaa" rating by Moody's and an "AAA" rating by Fitch, and the Class B Notes, on issue, be assigned at least an "Aa3" rating by Moody's and an "AA-" rating by Fitch. 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. For a discussion of some of the risks associated with an investment in the Notes see under section "*Special Considerations*".
Governing Law:	The Notes are governed by and shall be construed in accordance with the laws of the Netherlands.
SECURITY	
Security for the Notes:	The Noteholders will benefit from the security created by the Issuer in favour of the Issuer Security Trustee pursuant to the Issuer Pledge Agreements and the Issuer Trust Deed (collectively, the "**Issuer Security Documents**"). The Issuer will enter into the Issuer Pledge Agreements with, *inter alia*, the Issuer Security Trustee, and will create, or create in advance, a first ranking right of pledge in favour of the Issuer Security Trustee over its rights under and in connection with (a) the Issuer Facility Agreement, and (b) the other relevant Transaction Documents, including the Issuer's rights to the amounts standing to the credit of the Issuer's bank accounts. Furthermore, the Issuer will undertake to pledge or create any other security from time to time on each and any of its current and future assets to secure, *inter alia*, its obligations under the Notes. Under the Issuer Trust Deed the Issuer will undertake to pay to the Issuer Security Trustee, under the same terms and conditions, an amount equal to the aggregate of all its undertakings, liabilities and obligations to all the Issuer Security Beneficiaries (*i.e.* the Issuer Directors, the Paying Agents, the Reference Agent, the Return Swap Counterparty, the Interest Rate Swap Counterparty, the Liquidity Facility Provider, and the Noteholders) pursuant to the relevant Transaction Documents, provided that every payment in respect of such Transaction Documents for the account of or made to the Issuer Security Beneficiaries directly, shall operate in satisfaction *pro tanto* of the corresponding payment undertaking of the Issuer in favour of the Issuer Security Trustee (such a payment undertaking and the obligations and liabilities resulting from it to be referred to as the "**Issuer Parallel Debt**"). The amounts payable by the Issuer Security Trustee to the Issuer Security Beneficiaries under the Issuer Trust Deed will be limited to the net amounts available for such purpose to the Issuer Security Trustee. The Noteholders will, *indirectly,* benefit from the security created by the Borrower in favour of the Borrower Security Trustee pursuant to the Borrower Pledge Agreements (as defined in the "*Index of Definitions*") and the Borrower Trust Deed (collectively, the "**Borrower Security Documents**") and the Sellers Vehicles Pledge Agreement (as defined below), since the claims the Issuer may have against the Borrower Security Trustee pursuant to the Borrower Trust Deed are pledged to the Issuer Security Trustee. The Borrower will enter into the Borrower Pledge Agreements with, *inter alia*, the Borrower Security Trustee, and will create or create in advance (*bij voorbaat),* as the case may be, a first ranking right of pledge in favour of the Borrower Security Trustee over (a) the Lease Monthly Instalments (as defined in the "*Index of Definitions*") and all other claims and rights of the Borrower under and in connection with the Leases, (b) the Vehicles, and (c) the Borrower's rights under or in connection with the Master Hire Purchase Agreement, the Servicing Agreement and the Borrower's rights to the amounts standing to the credit of the Borrower's bank accounts. The Sellers will enter into the Sellers Vehicles Pledge Agreement with, *inter alia*, the Borrower Security Trustee and will

create or create in advance (*bij voorbaat),* as the case may be, a first ranking right of pledge in favour of the Borrower Security Trustee over the Vehicles, as security for the payment obligations of the Borrower vis-à-vis the Borrower Security Trustee under the Borrower Parallel Debt (as defined below).

Under the Borrower Trust Deed the Borrower will undertake to pay to the Borrower Security Trustee, under the same terms and conditions, an amount equal to the aggregate of all its undertakings, liabilities and obligations to all Borrower Security Beneficiaries (*i.e.* the Issuer, Athlon Beheer, the Borrower Directors, the Borrower Administrator, and the Servicer) pursuant to the relevant Transaction Documents, provided that every payment in respect of such Transaction Documents for the account of or made to the Borrower Security Beneficiaries (as defined in the "*Index of Definitions*") directly, shall operate in satisfaction *pro tanto* of the corresponding payment undertaking of the Borrower in favour of the Borrower Security Trustee (such a payment undertaking and the obligations and liabilities resulting from it to be referred to as the "**Borrower Parallel Debt**"). The amounts payable by the Borrower Security Trustee to the Borrower Security Beneficiaries under the Borrower Trust Deed will be limited to the net amounts available for such purpose to the Borrower Security Trustee.

The Issuer Security Documents, the Borrower Security Documents and the Sellers Vehicles Pledge Agreement are governed by and shall be construed in accordance with the laws of the Netherlands.

SPECIAL CONSIDERATIONS

The following is a summary of certain aspects of the issue of the Notes of which prospective Noteholders should be aware. It is not intended to be exhaustive, and prospective Noteholders should read the detailed information presented elsewhere in this Offering Circular and reach their own views prior to making any investment decision.

A. CONSIDERATIONS RELATING TO THE NOTES

Liabilities and limited recourse under the Notes

The Notes will be solely the obligations of the Issuer. The Notes will not be obligations or responsibilities of, or guaranteed by, any other entity or person, in whatever capacity acting, including, without limitation, the Sellers, Athlon, Athlon Beheer, the Joint Lead Managers, the Servicer, the Buyer, the Borrower, the Borrower Administrator, the Liquidity Facility Provider, the Floating Rate GIC Provider, the Interest Rate Swap Counterparty, the Return Swap Counterparty, the Paying Agents, the Reference Agent, the Borrower Security Trustee, the Issuer Security Trustee and the Clearing Institutions. Furthermore, no other entity or person, in whatever capacity acting, including, without limitation, the Sellers, Athlon, Athlon Beheer, the Joint Lead Managers, the Servicer, the Buyer, the Borrower, the Borrower Administrator, the Liquidity Facility Provider, the Floating Rate GIC Provider, the Interest Rate Swap Counterparty, the Return Swap Counterparty, the Paying Agents, the Reference Agent, the Borrower Security Trustee, the Issuer Security Trustee or the Clearing Institutions will accept any liability whatsoever to Noteholders in respect of any failure by the Issuer to pay any amounts due under the Notes.

The Notes are limited recourse obligations of the Issuer and the ability of the Issuer to meet its obligations under the Notes in full to pay principal and interest on the Notes will depend upon, *inter alia*,

(i) the receipt of funds by it from the Borrower under the Issuer Facility Agreement in respect of payment of interest and principal on the Issuer Facility Advance;

(ii) the receipt from the Floating Rate GIC Provider of interest by it in respect of the balances standing to the credit of the Issuer Transaction Account, the Excess Spread Account (as defined in the "*Index of Definitions*"), and the Liquidity Reserve Escrow Account (as defined in the "*Index of Definitions*");

(iii) the receipt by it from the Liquidity Facility Provider of amounts under the Liquidity Facility Agreement;

(iv) the receipt by it from the Return Swap Counterparty of amounts under the Return Swap Agreement;

(v) the receipt by it from the Interest Rate Swap Counterparty of amounts under the Interest Rate Swap Agreement; and

(vi) the balances standing to the credit of the Issuer Transaction Account, the Excess Spread Account and the Liquidity Reserve Escrow Account.

Therefore, the Issuer is subject to, *inter alia*, all risks to which the Borrower is subject to the extent that such risks could limit the Borrower's ability to satisfy in full and on a timely basis its obligations under the Issuer Facility Agreement.

The Borrower's ability to meet its obligations under the Issuer Facility Agreement will depend *primarily* on receipt by the Borrower of lease payments from the Lessees (as defined in the "*Index of Definitions*"), proceeds from the sale of the Vehicles upon termination of the Associated Leases and Residual Value Warranty Payments (both as defined in the "*Index of Definitions*") from the Sellers in respect of the Vehicles. It should be noted that receipt by the Borrower of such amounts may be insufficient to repay the aggregate principal amount advanced under the Issuer Facility Agreement in full on or before the Issuer Facility Final Maturity Date (as defined in the "*Index of Definitions*"). In turn, therefore, the Issuer may not have available sufficient funds to redeem in full the aggregate principal amount of the Notes prior to the Notes Final Maturity Date.

Payment of principal and interest on the Notes will be secured, through the Issuer Security Trustee, by the security granted by the Issuer to the Issuer Security Trustee pursuant to the Issuer Security Documents. If the security granted pursuant to the Issuer Security Documents is enforced and the proceeds of such enforcement are insufficient, after payment of all other claims ranking in priority to amounts due under the Notes, to repay in full all principal and to pay in full all interest

and other amounts due in respect of the Notes, then, as the Issuer has no other assets, it may be unable to satisfy claims in respect of any such unpaid amounts. Enforcement of the security by the Issuer Security Trustee is the only remedy available to Noteholders for the purpose of recovering amounts owed in respect of the Notes.

Subordination of the Notes

The obligations of the Issuer in respect of the Notes will rank in point and security and as to payment of interest and principal behind the obligations of the Issuer in respect of certain items set forth in the Issuer Pre-Enforcement Priority of Payments or the Issuer Post-Enforcement Priority of Payments, as the case may be (see under section "*Credit Structure*").

Payments of interest on the Class A Notes will be made prior to payments of principal thereon. Payments of interest on the Class A Notes will be made in priority to payments of interest on the Class B Notes and, prior to the Issuer Pledges being enforced, payments of principal on the Class A Notes will be made after payment of interest on the Class B Notes but in priority to payments of principal under the Class B Notes. Payments of interest and principal on the Class C Notes will be made after payment of interest and principal on the Class A Notes and payment of interest and principal on the Class B Notes.

Risks inherent to the Notes

By acquiring the Notes, the Noteholders shall be deemed to have knowledge of, understand, accept and be bound by the Conditions. The Issuer and the Paying Agents will not have any responsibility for the proper performance by Euroclear and/or Clearstream, Luxembourg or its participants of their obligations under their respective rules, operating procedures and calculation methods.

Credit Risk

There is a risk of loss on principal and interest on the Notes due to non-payment of principal and interest on the Issuer Facility. This risk is mitigated by (a) in the case of the Class A Notes, the subordinated ranking of the Class B Notes and the Class C Notes, (b) in the case of the Class A Notes and the Class B Notes, the subordinated ranking of the Class C Notes, (c) the Return Swap Agreement, and (d) the Excess Spread Account.

Liquidity Risk

There is a risk that interest due under the Issuer Facility is not received on time, which could cause temporary liquidity issues to the Issuer. This risk is mitigated by the Excess Spread Account and in certain circumstances, the Liquidity Facility (as defined below).

Maturity Risk

There is a risk that the Issuer, on maturity, will not have received sufficient principal under the Issuer Facility to fully redeem the Notes. The Notes Final Maturity Date is the Notes Quarterly Payment Date falling in December 2014. On each Optional Redemption Date, the Issuer may at its option redeem all the Notes in accordance with Condition 6(e). In the event of certain tax changes affecting the Notes or certain tax changes affecting the amounts paid or to be paid to the Issuer by the Borrower under the Issuer Facility Agreement, the Issuer may at its option redeem all the Notes in accordance with Condition 6(f). No guarantee can be given that the Issuer will exercise its options to redeem the Notes.

Interest Rate Risk

There is a risk that the interest received on the Issuer Facility, the Issuer Transaction Account, the Excess Spread Account and the Liquidity Reserve Escrow Account is not sufficient to pay the interest on the Class A Notes and Class B Notes, due to fluctuations in the interest payable on the Class A Notes and the Class B Notes. This risk is mitigated by the Interest Rate Swap Agreement and the Excess Spread Account.

Absence of secondary markets (limited liquidity)

Presently, there is not an active and liquid secondary market for the Notes. There can be no assurance that a secondary market in the Notes will develop or, if it does develop, that it will provide Noteholders with liquidity of investment, or that it will continue for the life of the Notes.

In addition, the market value of the Notes may fluctuate with changes in prevailing rates of interest. Consequently, any sale of Notes by Noteholders in the secondary market, which may develop, may be at a discount to the original purchase price of the Notes.

No Gross-up for Taxes

The Conditions provide that any payments of, or in respect of, principal of and interest on the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the Netherlands, any authority therein or thereof having power to tax. If, however, the withholding or deduction of such taxes, duties, assessments or charges are required by law, the Issuer or any of the Paying Agents (as applicable) will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to such Noteholders.

Rating of the Notes

The ratings to be assigned to the Class A Notes and the Class B Notes by the Rating Agencies are based on the value and cash flow generating ability of the Vehicles and/or Associated Leases and other relevant structural features of the transaction, including, *inter alia*, the short-term and long-term unsecured and unsubordinated debt rating of the Liquidity Facility Provider, the Interest Rate Swap Counterparty and the Return Swap Counterparty, and reflect only the views of the Rating Agencies.

It is a condition precedent to issuance that, on issue, the Class A Notes be assigned an Aaa rating by Moody's and an AAA rating by Fitch, and the Class B Notes be assigned an Aa3 rating by Moody's and an AA- rating by Fitch. The Class C Notes, on issue, will not be assigned a rating.

There is no assurance that any such ratings will continue for any period of time or that they will not be reviewed, revised, suspended or withdrawn entirely by the Rating Agencies as a result of changes in or unavailability of information or if, in the Rating Agencies' judgment, circumstances so warrant. Rating agencies other than the Rating Agencies could seek to rate the Notes and if such unsolicited ratings are lower than the comparable ratings assigned to the Notes by the Rating Agencies, such unsolicited ratings could have an adverse effect on the value of the Notes. For the avoidance of doubt, any references to ''ratings'' or ''rating'' in this Offering Circular (other than the reference in this paragraph to unsolicited ratings) are to ratings assigned by the Rating Agencies only. Future events, including events affecting the Liquidity Facility Provider, the Interest Rate Swap Counterparty or the Return Swap Counterparty and/or circumstances relating to the Vehicles and Associated Leases and/or the Dutch auto lease market in general, could also have an adverse effect on the rating of the Notes.

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.

B. CONSIDERATIONS RELATING TO THE VEHICLES AND THE LEASES

Residual Value of the Vehicles

Investors are exposed to a decline in the residual value of the Vehicles. A residual value loss arises when there is a difference between either (a) the Agreed Residual Value (as defined in the ''*Index of Definitions*'') or (b) the Calculated Residual Value and the Vehicle Realisation Proceeds (both as defined in the ''*Index of Definitions*'') of a Vehicle, and the Lessee of the relevant Vehicle does not have to compensate for this difference under the relevant Associated Lease.

This risk is mitigated by (a) the Residual Value Warranty provided by the Sellers to the Buyer under the Master Hire Purchase Agreement, (b) the Return Swap Agreement entered into between the Issuer and the Return Swap Counterparty, and (c) the Excess Spread Account.

Leases

The Servicer covenants in the Servicing Agreement not to amend, vary, supplement or terminate (save for any termination in connection with a permitted disposal by the Servicer in accordance with the terms and provisions of the Servicing Agreement) in any material way any terms of the Leases other than in cases where it would be acceptable to a reasonably prudent lessor of Vehicles in the Netherlands or in cases where it would not have a material adverse effect. There can, however, be no assurance that market practice in respect of Leases and/or the demands of prospective Lessees over the life of the Notes will not subject the Buyer to more onerous or less favourable covenants on its

part or that lease obligations under such Leases will not significantly diminish which, in any such event, may have a material adverse effect.

C. LEGAL CONSIDERATIONS

Hire purchase of the Vehicles

Pursuant to the Master Hire Purchase Agreement the Buyer will purchase the Vehicles from the Sellers by means of a hire purchase agreement within the meaning of section 7A:1576h DCC entered into in respect of each Vehicle with the relevant Seller. Under a hire purchase contract the parties agree that the purchase price for the relevant asset is paid in regular instalments and that legal ownership to the asset does not transfer at the time of delivery of the asset to the hire purchaser, but only upon fulfilment of the condition precedent that the purchase price shall have been paid in full (*i.e.* upon payment of the final instalment). Upon payment in full, the Buyer will automatically become the legal owner of such Vehicle, even when in the meantime the relevant Seller has been granted a suspension of payments (*surseance van betaling*) or has been declared bankrupt (*failliet verklaard*). The provisions in the Dutch Civil Code on hire purchase agreements are by and large mandatory. One of these mandatory rules is the requirement to state in the hire purchase agreement (i) the relevant purchase price, (ii) a regular payment scheme of instalments, and (iii) conditions regarding the retention and transfer of legal title. The Master Hire Purchase Agreement complies with the above requirements.

Location of the Vehicles

Under Dutch rules of private international law the "*lex rei sitae*", *i.e.* the law of the jurisdiction where an asset is physically located at the relevant moment in time, governs the transfer of title to, and the creation of a security right in respect of such asset. This means that in the event a Vehicle is physically located outside the Netherlands upon the transfer of title to the Buyer, it is uncertain whether or not legal title to such Vehicle will validly pass on to the Buyer if such transfer is effected in accordance with Dutch law.

In the event that according to the law of the jurisdiction in which the Vehicle is located upon the transfer of title to the Buyer additional requirements need to be fulfilled in order to have a valid transfer of legal title to the Vehicle, the Buyer will not become the legal owner of such Vehicle if such additional requirements have not been fulfilled. The same rules apply to the creation of the right of pledge on the Vehicles in favour of the Borrower Security Trustee. In the event that the Vehicle at the time of the creation of the right of pledge is located outside the Netherlands, such right of pledge will only be validly created in respect of such Vehicle in the event that according to the law of the relevant jurisdiction no additional perfection requirements need to be fulfilled. This risk is addressed and mitigated by including a provision in the relevant pledge agreements which provides that if and to the extent that no valid pledge shall have been created at the time of execution of such pledge agreement over any of the Vehicles due to the fact that the relevant Vehicle was located outside the Netherlands at that time, the relevant right of pledge is created upon the relevant Vehicle re-entering the Netherlands.

Retention of title by car dealer

The purchase contracts pursuant to which the Sellers purchase from the relevant car dealer the Vehicles that will become subject to a Lease usually contain a provision under which the car dealer retains title to the Vehicle until the purchaser has fully paid the purchase price thereof and/or has complied with other obligations vis-à-vis the car dealer. Section 3:92(1) DCC creates an assumption with respect to the nature of a retention of title (*eigendomsvoorbehoud*).

The consequence of such retention of title is that, dependent on the exact wording of the relevant retention of title clause in the purchase agreement entered into between a Seller and the car dealer, such Seller will only become the legal owner of the Vehicle after payment of the purchase price in full. Once the Seller has paid the purchase price to the car dealer, it will acquire legal title to the Vehicle.

It is understood that each of the Sellers customarily pays the purchase price owed by it to a car dealer within six (6) business days after delivery of the Vehicle, which would typically represent the largest claim by a dealer on a Seller. However, a dealer may also perform other services for a Seller, such as maintenance and repair work, which if invoices in respect thereof remain unpaid could lead to the dealer retaining title to a Vehicle possessed by it. It is understood that such unpaid amounts

generally would be very limited however and it would be uncommon for a dealer to retain title as a result of this.

In addition, the general conditions used by the majority of the car dealers (the "**BOVAG General Conditions**") contain a provision according to which a right of pledge will be established on a vehicle of which a Seller has become the legal owner each time such vehicle is brought within the control of the dealer (*e.g.* for repair or maintenance). As soon as the vehicle has left the premises of the dealer the right of pledge will terminate, unless in the meantime the dealer has transformed such pledge into a so-called non-possessory (*bezitloos*) pledge by registering the sale and purchase agreement in respect of the relevant vehicle with the deeds registration service of the Dutch tax authorities. Such right of pledge covers all future claims the car dealer may acquire against the Seller. The car dealer is only entitled to enforce the right of pledge in the event the relevant Seller does not make the payments due to the car dealer. As stated above the amounts owed by a Seller to a car dealer generally are limited to payments to be made in respect of repairs and maintenance services.

Transfer of the Vehicles and Associated Leases

As a result of the transfer of legal ownership of a Vehicle upon payment in full of the purchase price for such Vehicle under the relevant Hire Purchase Contract (as defined in the "*Index of Definitions*") all rights and obligations of a Seller under the Associated Leases which will become due and payable after such transfer will automatically and at the same time pass to the Buyer. No further action by either the relevant Seller or the Buyer is required in this respect. The automatic transfer of the rights and obligations under the Associated Leases is a result of the fact that section 7:226 DCC applies, since under Dutch law operating lease agreements qualify as rental agreements (*huurovereenkomsten*) within the meaning of section 7:201 DCC. The Master Hire Purchase Agreement between the Sellers and the Buyer allows for the immediate payment by or on behalf of the Buyer of all remaining instalments payable thereunder upon the occurrence of certain events, including, without limitation, the insolvency of a Seller. Upon payment in full of all remaining instalments, the Buyer becomes the legal owner of the relevant Vehicles, even when in the meantime the relevant Seller has been granted a suspension of payments (*surseance van betaling*) or has been declared bankrupt (*failliet verklaard*).

Under Dutch law, the transferee of leased property will in fact replace the transferor as a party to the relevant lease contract and will therefore be bound by all terms and conditions of such contract, provided however that pursuant to section 7:226(3) DCC, the transferee will only be bound to the terms and conditions of the relevant contract to the extent such terms and conditions directly relate to the use of the leased property against a consideration payable by the lessee. According to the explanatory notes to this provision, in relation to lease agreements such as the Leases, the transferee of the property is bound by any purchase options granted to the lessee.

Assignment of Lease Receivables

Pursuant to section 7:226 DCC the Buyer will only be entitled to the Lease Receivables which become due and payable under the Leases after it has become the legal owner of the relevant Vehicles. Prior to the Buyer becoming the legal owner of the Vehicles, the Buyer will be entitled to such receivables either (i) as a result of the assignment thereof by the Sellers to the Buyer pursuant to the Master Hire Purchase Agreement, or (ii) pursuant to section 7A:1576n DCC. The latter provision states that the purchaser under a hire purchase agreement is entitled to all revenues (*vruchten*) generated by the assets subject to the hire purchase agreement, unless agreed otherwise therein. The Buyer has been advised that there are strong arguments for the view that (i) the Lease Receivables due under the Associated Leases qualify as revenues within the meaning of section 7A:1576n DCC and (ii) on the basis of section 7A:1576n DCC and the terms of the Master Hire Purchase Agreement, the Buyer will be entitled to such receivables. This would mean that the Buyer, as the purchaser under the hire purchase contracts, will be entitled to receive the Lease Receivables due and payable under the Leases as long as the hire purchase contracts relating to the relevant Vehicles have not been terminated.

To the extent the Lease Receivables would not qualify as revenues (*vruchten*) within the meaning of section 7A:1576n DCC and/or the Buyer would otherwise not be entitled to such receivables on the basis of this provision, the Buyer will be entitled to these payments as a result of the assignment of any and all Lease Receivables by each of the Sellers to the Buyer. Such assignment will be effected by means of a deed of assignment within the meaning of section 3:94(1) DCC entered into between each of the Sellers and the Buyer and subsequent notification of the assignment to the Lessees. As a

result of such notification the Buyer will become the legal owner of such Lease Receivables and therefore will be entitled to collect the Lease Receivables. The Buyer has agreed with the Servicer that the Servicer will collect the Lease Receivables on behalf of the Buyer in accordance with the Servicing Agreement.

As a matter of Dutch law, the distinction between 'existing' receivables and 'future' receivables is relevant in relation to an assignment or pledge of receivables. If receivables are to be regarded as future receivables, an assignment and/or pledge thereof will not be effective to the extent the receivable comes into existence after or on the date on which the assignor or, as the case may be, the pledgor has been declared bankrupt (*failliet verklaard*) or has had a suspension of payments (*surseance van betaling*) granted to it. If, however, receivables are to be considered as existing receivables, the assignment and pledge thereof are not affected by the bankruptcy or suspension of payments of the assignor/pledgor. According to a judgment of the Dutch Supreme Court rental instalments that are not yet due and payable are to be considered as future receivables. Given the fact that operational lease agreements qualify as rental agreements under Dutch law, amounts payable under the Leases constitute future receivables to the extent that such amounts become due and payable on a date subsequent to the date of the assignment or pledge thereof. Consequently, an assignment on the Closing Date of receivables under the Leases that are not yet due and payable on such date would not be effective to the extent such receivables become due and payable on or after the date on which the relevant Seller has been declared bankrupt (*failliet verklaard*) or has had a suspension of payments (*surseance van betaling*) granted to it. This risk, however, is addressed by the fact that the Buyer has entered into a hire purchase agreement with respect to each of the Vehicles pursuant to which it will become the legal owner of a Vehicle upon payment in full of the hire purchase price, irrespective of whether in the meantime the relevant Seller has been granted a suspension of payments (*surseance van betaling*) or has been declared bankrupt (*failliet verklaard*). Upon such payment in full the Lease entered into with respect to a Vehicle will transfer to the Buyer by operation of law pursuant to section 7:226 DCC (see under section "*Transfer of Vehicles and Associated Leases*" above).

Transfer of Undertaking

The transfer of the Assets from the Sellers to the Buyer pursuant to the Master Hire Purchase Agreement, being a substantial part of the assets of each of the Sellers, could fall inside the scope of the Council Directive 98/50/EC amending Directive 77/187/EEC on the compliance of laws of the Members States relating to safeguarding of employees' rights in the event of the transfer of undertakings, businesses or part of a business (the "**Directive**"). This Directive has been implemented through sections 7:662 up to 7:666 DCC. The Directive and these sections apply if the nature of the enterprise (*onderneming*) transferred is retained, which must be determined with regard to the actual facts and circumstances. The deciding factor is whether the nature of all or part of the activities will remain the same. Because of the transfer of the Assets, a substantial part of the enterprise of the Sellers will in fact be transferred to the Buyer. It is noted, however, that the obligations of the Sellers under each of the Leases and the activities relating to the origination of new Leases are not transferred to the Buyer. Nevertheless, it could be argued that the nature of the activities of the employees has not changed. Pursuant to these sections, case law and the Directive, the employees of the Sellers could then successfully claim an employment agreement with the Buyer by operation of law. In such case the Buyer would be obliged to honour all rights and obligations from the employment agreements with the Sellers.

However, since the activities of the Sellers will be continued based on the Servicing Agreement entered into between and by the Seller, the Buyer and the Borrower Security Trustee, the risk of a successful claim of the employees of the Sellers is substantially reduced. As a result of the Servicing Agreement all activities formerly performed by the Sellers will in fact be outsourced (back) to the Seller. There is case law available that supports the view that under such circumstances the employees are not considered to be employed by the outsourcing entity (*i.e.* the Buyer).

Termination of Leases

A possible bankruptcy involving a lessor under a lease agreement in itself would not be a ground for a lessee to dissolve such agreement (without being obliged to pay any damages), unless the parties have agreed otherwise. The terms and conditions applicable to the Leases do not explicitly provide the Lessee with the right to terminate the Lease upon a bankruptcy of the lessor (*i.e.* the relevant Seller, or, upon payment in full of the purchase price under the Hire Purchase Contracts, the Buyer). However, the Lessee is nevertheless entitled to terminate the contract in the event of non-

performance by the lessor of its obligations thereunder if, after having sent a notice of default to the lessor, the default is not remedied within the period mentioned in such notice and the non-performance as such justifies a termination of the Lease. The Lessee will not be entitled to terminate the Lease in the event the non-performance is of minor importance.

The Leases are managed, and all services to be provided by the lessor under the Leases are provided by Unilease and upon consummation of the Unilease Merger, Athlon Car Lease Nederland B.V. (in its capacity as Servicer) under the Servicing Agreement concluded between the Servicer and the Buyer. In the event that the Servicer shall be declared bankrupt (*failliet verklaard*), the Servicing Agreement will be terminated. The Buyer will then have to find a replacement servicer in order to manage the Leases and provide certain services in respect of the Vehicles subject to the Leases (*i.e.* to ensure a proper performance of the lessor's obligations towards the Lessees under the Leases). As stated above, a material non-performance by the lessor under a Lease may give the Lessee the right to terminate the relevant Lease, without being obliged to pay any damages as a result of such early termination.

The risk that the Buyer would not be able to find a replacement servicer in order to manage the Leases and provide certain services in respect thereof is addressed by the Buyer having entered into a back-up servicing arrangement pursuant to which the Substitute Servicer, following receipt of notice of termination of the Servicing Agreement, will be appointed as agent of the Buyer to service, collect and administer the Vehicles and Associated Leases and to sell the Vehicles upon their return by the Lessees.

Security Trustees and Trust Deeds

The Borrower, Athlon Beheer, the Issuer and the Sellers will enter into the Borrower Trust Deed with the Borrower Security Trustee, under which the Borrower will undertake to pay to the Borrower Security Trustee, under the same terms and conditions, an amount equal to the Borrower Parallel Debt (*i.e.* the aggregate of all its obligations to the Borrower Security Beneficiaries from time to time due in accordance with the terms and conditions of the relevant Transaction Documents). The Borrower Parallel Debt represents an independent claim of the Borrower Security Trustee to receive payment thereof from the Borrower, provided that the aggregate amount that may become due under the Borrower Parallel Debt will never exceed the aggregate amount that may become due under all of the Borrower's obligations to the Borrower Security Beneficiaries pursuant to the Transaction Documents and every payment in respect of such Transaction Documents for the account of or made to the Borrower Security Beneficiaries directly, shall operate in satisfaction *pro tanto* of the Borrower Parallel Debt. The Borrower Parallel Debt is secured by the Borrower Pledge Agreements and the Sellers Vehicles Pledge Agreement. The events of default (each a "**Borrower Event of Default**") under the Athlon Facility (as defined in the "*Index of Definitions*") and the Issuer Facility (collectively, the "**Facilities**") are identical, provided, however, that a default under the Athlon Facility will only constitute an event of default if there is also an event of default under the Issuer Facility. Upon the occurrence of a Borrower Event of Default under the Facilities, the Borrower Security Trustee may give notice to the Borrower that the amounts outstanding under the Facilities (and under the Borrower Parallel Debt) are immediately due and payable and that it will enforce the Borrower Pledge Agreements and the Sellers Vehicles Pledge Agreement. The Borrower Security Trustee will agree to apply the amounts recovered upon enforcement of the Borrower Pledge Agreements and the Sellers Vehicles Pledge Agreement in accordance with the provisions of the Borrower Trust Deed. The amounts payable to Athlon Beheer, the Issuer and other Borrower Security Beneficiaries under the Borrower Trust Deed will be limited to the net amounts available for such purpose to the Borrower Security Trustee. Payments under the Borrower Trust Deed will be made in accordance with the priority of payments upon enforcement as set forth in the Borrower Trust Deed.

The Issuer will enter into the Issuer Trust Deed with the Issuer Security Trustee, under which the Issuer will undertake to pay to the Issuer Security Trustee, under the same terms and conditions, an amount equal to the Issuer Parallel Debt (*i.e.* the aggregate of all its obligations to the Issuer Security Beneficiaries from time to time due in accordance with the terms and conditions of the relevant Transaction Documents, including the Notes). The Issuer Parallel Debt represents an independent claim of the Issuer Security Trustee to receive payment thereof from the Issuer, provided that the aggregate amount that may become due under the Issuer Parallel Debt will never exceed the aggregate amount that may become due under all of the Issuer's obligations to the Issuer Security Beneficiaries, including, without limitation, the Noteholders, pursuant to the Transaction Documents and every payment in respect of such Transaction Documents for the account of or made to the Issuer Security Beneficiaries directly, shall operate in satisfaction *pro tanto* of the Issuer Parallel Debt.

The Issuer Parallel Debt is secured by the Issuer Pledge Agreements. Upon the occurrence of an event of default under the Notes, the Issuer Security Trustee may give notice to the Issuer that the amounts outstanding under the Notes (and under the Issuer Parallel Debt) are immediately due and payable and that it will enforce the Issuer Pledge Agreements. The Issuer Security Trustee will agree to apply the amounts recovered upon enforcement of the Issuer Pledge Agreements in accordance with the provisions of the Issuer Trust Deed. The amount payable to the Noteholders and other Issuer Security Beneficiaries under the Issuer Trust Deed will be limited to the amounts available for such purpose to the Issuer Security Trustee. Payments under the Issuer Trust Deed will be made in accordance with the priority of payments upon enforcement as set forth in the Issuer Trust Deed.

It is generally assumed that under Dutch law a right of pledge cannot be validly created in favour of a person who is not the creditor of the claim that the right of pledge purports to secure. The Borrower Parallel Debt and the Issuer Parallel Debt were included in the Borrower Trust Deed and Issuer Trust Deed, respectively, to address this issue. It is noted that there is no statutory law or case law available on the validity and enforceability of a parallel debt such as the Borrower Parallel Debt and Issuer Parallel Debt or the security provided for such debts. However, the Borrower and the Issuer have been advised that there are no reasons why a parallel debt such as the Borrower Parallel Debt and the Issuer Parallel Debt will not create a claim of the pledgee (the Borrower Security Trustee and Issuer Security Trustee, respectively) thereunder which can be validly secured by a right of pledge such as the rights of pledge created pursuant to the Sellers Vehicles Pledge Agreement, the Borrower Pledge Agreements and the Issuer Pledge Agreements.

Pledge of Vehicles

Pursuant to the Sellers Vehicles Pledge Agreement and the Borrower Vehicles Pledge Agreement, the Sellers and the Borrower, respectively, have created and/or have created in advance (*bij voorbaat*) a non-possessory (*bezitloos*) right of pledge on the Vehicles in favour of the Borrower Security Trustee. This means that the pledge has not been disclosed to the Lessees. Pursuant to Dutch law a non-possessory right of pledge will rank junior to any new possessory pledge (*vuistpand*) of a third party acting in good faith. It should be noted that each of the Sellers and the Borrower will covenant that it shall not dispose of or encumber the Vehicles other than in accordance with the Transaction Documents. Upon a sale of the Vehicles for consideration to a third party who is acting in good faith, and such Vehicles having been transferred by any of the Sellers or the Borrower to the third party, the Borrower Security Trustee's non-possessory right of pledge will terminate.

The right of pledge on the Vehicles granted by the Sellers to the Borrower Security Trustee under the Sellers Vehicles Pledge Agreement will secure the payment obligations of the Borrower under the Borrower Parallel Debt. Under Dutch law there is uncertainty as to whether the granting of security on assets by a company in order to secure the obligations of a third party that is not a direct or an indirect subsidiary of such company, is or can be regarded to be in furtherance of the objects of that company, and consequently, whether such security may be voidable or unenforceable on the basis of section 2:7 DCC. Said provision gives a company the right to invoke the nullity of a legal act performed by it if (i) as a result of such legal act, the company's objects were exceeded, and (ii) the other party was aware or, without personal investigation, should have been aware thereof. In determining whether the granting of such security is in furtherance of the objects of the company, it is important to take into account (a) the wording of the objects clause in the articles of association of the company; and (b) whether it is in the interest of the company, *i.e.* whether the company derives any commercial benefit from the overall transaction in respect of which such security was granted. With regard to (a) it is noted that the objects clause in the articles of association of each of the Sellers expressly includes the granting of security for obligations of other parties (including, but not limited, to third parties which are not a direct or indirect subsidiary of such Seller). With regard to (b) it is noted that the Sellers derive benefit from the transaction in respect of which said right of pledge will be vested, since the transactions envisaged by the Transaction Documents enable the Buyer to enter into the Master Hire Purchase Agreement under which the Sellers will receive an amount equal to the Book Value of the Vehicles. Payment of the hire purchase instalments under the Master Hire Purchase Agreement will be fully defeased. Therefore it may be considered unlikely that the *ultra vires* provisions of section 2:7 DCC will affect the granting of the right of pledge on the Vehicles by the Sellers.

As to the risk that the right of pledge on a Vehicle is not validly created due to the fact that the Vehicle at the time of creation of the right of pledge was located outside the Netherlands, see above under *Location of the Vehicles.*

Pledge of Lease Monthly Instalments

The Borrower has created an undisclosed (*stil*) right of pledge in favour of the Borrower Security Trustee over any and all Lease Receivables resulting from the Leases, including, but not limited to, the Lease Monthly Instalments due under such Leases by the Lessees. As long as no notification of this pledge is given to the Lessees, the Borrower Security Trustee shall not be entitled (i) to collect such Lease Monthly Instalments and (ii) to any Lease Monthly Instalments paid to the Borrower prior to notification. The Borrower Lease Receivables Pledge Agreement (as defined below) contains the events upon the occurrence of which notification will be made to the Lessees.

Further, as noted above under "*Assignment of Lease Receivables*", under Dutch law for the purpose of assigning or creating security over receivables it is important to distinguish between 'current' receivables and 'future' receivables. If receivables are to be regarded as future receivables, an assignment and/or pledge thereof will not be effective to the extent the receivable comes into existence after or on the date on which the assignor, or as the case may be, the pledgor has been declared bankrupt (*failliet verklaard*) or granted a suspension of payments (*surseance van betaling*). The Lease Receivables that will be pledged to the Borrower Security Trustee pursuant to the Borrower Lease Receivables Pledge Agreement are most likely considered to be future receivables.

This means that upon an enforcement by the Borrower Security Trustee of the pledges granted to it as a result of the Borrower being declared bankrupt (*failliet verklaard*) or granted a suspension of payments (*surseance van betaling*), the Borrower Security Trustee will not be entitled to the Lease Monthly Instalments and other receivables that qualify as future receivables that become due and payable under the Leases after such bankruptcy or suspension of payments of the Borrower.

Account Pledges

The Borrower and the Issuer will create a disclosed right of pledge over the credit balances of the Borrower Accounts and the Issuer Accounts (both as defined in the "*Index of Definitions*") relating to payments that are made prior to the bankruptcy or suspension of payments of the relevant account holder, being respectively, the Borrower in the case of the Borrower Transaction Account, the Maintenance Escrow Account, the Vehicle Acquisition Escrow Account, and the Additional Advance Account (all as defined in the "*Index of Definitions*"), and the Issuer in respect of the Issuer Transaction Account, the Liquidity Reserve Escrow Account, and the Excess Spread Account. Amounts that are paid into these accounts after bankruptcy and suspension of payments of the relevant account holder will no longer be subject to the right of pledge and will become part of the estate of the relevant account holder. In this respect, upon certain events including but not limited to bankruptcy of suspension of payments of the pledgor, the pledgee (*i.e.* the Borrower Security Trustee and the Issuer Security Trustee respectively) is entitled to instruct the Floating Rate GIC Provider to only carry out those payment orders and other instructions regarding the relevant accounts that are given by the pledgee, without any prior notice to or consent of the pledgor being required. Furthermore, after delivery of a Borrower Enforcement Notice (as defined below), the Lessees will be notified of the right of pledge over the Lease Receivables and shall be instructed to pay the Lease Monthly Instalments and other amounts due and payable by them under the Leases into a segregated security account in the name of the Borrower Security Trustee.

Right to retain property

The right to retain property (*retentierecht*) is a statutory remedy that is available to certain types of creditors allowing such creditors to refuse to surrender possession of goods as long as the debtor has failed to pay the debt he owes to such creditor. A suspension of payments (*surseance van betaling*) granted to the debtor or an adjudication of bankruptcy (*faillissement*) in respect of such debtor does not affect the right of retention.

If, for example, a Vehicle is brought to a dealer for repair the dealer is entitled to hold the Vehicle until the dealer is paid for the services rendered by such dealer. Whether the Servicer acting on behalf of the Buyer is obliged to pay the dealer or the Lessee depends on the type of Lease entered into with the Lessee. The BOVAG General Conditions that often apply in respect of repair activities performed by dealers contain a clause dealing with the right to retain property. Furthermore, it is assumed by a certain Dutch legal commentator (based on a judgment of the District Court in Amsterdam) that pursuant to section 3:291(2) DCC, the user of a vehicle subject to an operational lease concluded between its employer and a third party will have a right to retain such vehicle in the event that the employer fails to comply with its obligations under the relevant employment agreement.

Right to suspend performance

According to Dutch law, if one of the parties to a contract does not perform its obligations, then the other party has the right to suspend the performance (*opschortingsrecht*) of its obligations that are related to the obligations that have not been performed. In case of partial or improper performance the suspension is permitted only to the extent that the shortcoming justifies it. For example, in the event that the Lessee (or its employee) is not able to use a Vehicle subject to a Lease due to an act or omission of the Servicer, the Lessee may suspend the payment of the Lease Monthly Instalments due by it. If after having received a notice of default from the Lessee, the default is not remedied within the period mentioned in such notice, the Lessee may even terminate the Lease.

Set-off under defeasance documents

Under Dutch law (section 6:127 DCC), a debtor has a right of set-off (*verrekenen*) if (a) he has a claim which corresponds to his debt to the same counterparty and if (b) he is entitled to pay his debt as well as to enforce payment of his claims. The parties to a contract may deviate from the Dutch Civil Code rules concerning set-off. In the event that the counterparty of the debtor has been declared bankrupt (*failliet verklaard*) or granted suspension of payments (*surseance van betaling verleend*), a debtor has such right of set-off if both the debt and the claim came into existence prior to the bankruptcy or similar proceedings, or arose from acts effected with the bankrupt prior to such bankruptcy or similar proceedings. According to case law neither the debt nor the claim needs to be due and payable for the set off to be effective (sections 53 and 234 Bankruptcy Code).

In respect of the above provisos that both the claim and the debt must exist or result from acts with the bankrupt counterparty prior to the bankruptcy, the Dutch Supreme Court has ruled that both the claim and the debt must result directly from these acts. In other words, a debt resulting from a legal act of a third party which has no connection to the agreement concluded prior to the bankruptcy and from which the relevant claim results, cannot be set off against such claim. Given this judgment, a provision was included in both the Payment Undertaking Agreement and the PUA Loan Agreement (as defined in the "*Index of Definitions*") pursuant to which the parties thereto acknowledge and confirm that the relevant agreement would not have been entered into if the other agreement would not have been entered into simultaneously and that the rights and obligations and transactions contemplated by these agreements are accordingly intended by the parties to arise from one and the same contractual legal relationship between the parties. Although there is no case law directly to support this view, the parties to these agreements have been advised that there are no reasons why this provision would not be upheld by a court.

Impact of Dutch Insolvency Law

Under Dutch law, the Borrower Security Trustee and the Issuer Security Trustee can, pursuant to the Borrower Security Documents and the Issuer Security Documents, respectively, in the event of bankruptcy (*faillissement*) or a suspension of payments (*surseance van betaling*) in respect of any of the providers of security, exercise the rights afforded by law to a secured party as if there were no bankruptcy or suspension of payments. However, bankruptcy or a suspension of payments involving any of the providers of security would affect the position of the Borrower Security Trustee and the Issuer Security Trustee, respectively, as a secured party in some respects, the most important of which are: (a) a mandatory "cool-off" period of up to four (4) months may apply in case of bankruptcy or a suspension of payments involving any of the providers of security, which, if applicable would delay the exercise of the right created by the relevant security interest, including any such right created by a pledge and (b) the Borrower Security Trustee and the Issuer Security Trustee, respectively, may be obliged to enforce a security interest, including a security interest such as a pledge, within a reasonable period as determined by the judge-commissioner (*rechter-commissaris*) appointed by the court in case of bankruptcy of any of the providers of the security, failing which the bankruptcy trustee will be entitled to sell the relevant rights or assets and distribute the proceeds to the secured party.

Foreclosure of security interests

A security interest (*e.g.* a pledge) is in principle foreclosed through a public auction of the assets subject to the security right. This auction has to be effected in accordance with the applicable provisions of the Dutch Civil Code and the Dutch Code of Civil Procedure (*Nederlands Wetboek van Burgerlijke Rechtsvordering*).

The Dutch Civil Code provides, in the case of a mortgage or pledge, that the relevant secured assets can also be sold by way of private sale. Such private sale is subject to court approval, which can only be requested after the secured claim has become enforceable. The approval (although discretionary) is likely to be granted if the proceeds of the private sale are higher than the proceeds that would have been received if the assets were sold at a public auction.

With respect to pledges, it is furthermore possible that, once the secured claim has become enforceable, the pledgor and pledgee agree to an alternative foreclosure procedure or that, at the request of the pledgee, the pledged asset is kept by the pledgee against a consideration approved by the courts.

In any case, the Borrower Security Documents and Issuer Security Documents provide that the Borrower Security Trustee and the Issuer Security Trustee can avail themselves of experts and advisers to assist in a foreclosure upon the security interests created by, and pursuant to, the Borrower Security Documents and Issuer Security Documents, in order to determine the most appropriate foreclosure procedure at the relevant time.

Change of Law

The structure of the issue of the Notes and the ratings which are to be assigned to them are based on Dutch law in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible change in Dutch law or administrative practice in the Netherlands after the date of this Offering Circular.

D. SWAP AGREEMENTS

The Interest Rate Swap Counterparty and the Return Swap Counterparty (each a "**Swap Counterparty**" collectively, the "**Swap Counterparties**") will be obliged to make payments under, respectively, the Interest Rate Swap Agreement and the Return Swap Agreement (each a "**Swap Agreement**" and collectively, the "**Swap Agreements**") without any withholding or deduction of taxes unless required by law. If any such withholding or deduction is required by law, each of the Swap Counterparties will be required to pay such additional amount as is necessary to ensure that the net amount actually received by the Issuer will equal the full amount that the Issuer would have received had no such withholding or deduction been required. Each of the Swap Agreements will provide, however, that if due to (i) action taken by a relevant tax authority or brought in a court of competent jurisdiction, or (ii) any change in tax law, in both cases after the date of a Swap Agreement, the relevant Swap Counterparty will, or there is a substantial likelihood that it will, be required to pay to the Issuer additional amounts for or on account of tax (a "**Tax Event**"), the Issuer may request such Swap Counterparty to use its reasonable efforts to transfer its rights and obligations to another of its offices, branches or affiliates to avoid the relevant Tax Event.

Each of the Swap Agreements can also be terminated by one party if (i) an event of default occurs in relation to the other party, (ii) it becomes unlawful for either party to perform its obligations under the relevant Swap Agreement, (iii) an Issuer Enforcement Notice is served, or (iv) the Class A Notes and Class B Notes have been redeemed or repaid in full. Events of default in relation to the Issuer will be limited to (i) non-payment under the relevant Swap Agreement, (ii) a merger or similar transaction with another entity or person without assumption of the Issuer's obligations under the relevant Swap Agreement and (iii) insolvency events. A mechanism for the replacement of the Interest Rate Swap Counterparty will be set out in the Interest Rate Swap Agreement should the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Interest Rate Swap Counterparty be assigned a credit rating below certain levels set by Moody's and Fitch (see further under section "*Interest Rate Swap Agreement*" below). A mechanism for the replacement of the Return Swap Counterparty will be set out in the Return Swap Agreement should the long-term unsecured, unsubordinated and unguaranteed debt obligations of ING be assigned a credit rating below certain levels set by Moody's and Fitch or the Return Swap Counterparty is no longer (indirectly) wholly owned by ING or should the credit quality of the Return Swap Counterparty in Fitch's view not be commensurate with certain levels required by Fitch (see further under section "*Return Swap Agreement*" and "*Summary of Principal Documents*" below).

E. REGULATORY CONSIDERATIONS

The Notes will be offered to professional market parties within the meaning of section 1 paragraph e of the Exemption Regulation of 26 June 2002 in respect of the Act on the Supervision of Credit System 1992 (*Vrijstellingsregeling Wet toezicht kredietwezen 1992*), as amended (the "**Exemption**

Regulation"). Consequently, based on section 2 of the Exemption Regulation, the Issuer is exempt from the obligation to obtain a license within the meaning of section 6 of the Act on the Supervision of Credit System 1992 (*Wet toezicht kredietwezen 1992*), as amended. The notification requirement of section 4 of the Exemption Regulation has been and will continue to be complied with.

The Class C Notes will not be listed on Euronext Amsterdam. In view of the fact that these Class C Notes have a nominal value exceeding € 50,000 the prohibition of section 3 of the Act on the Supervision of Securities Trade 1995 (*Wet toezicht effectenverkeer 1995*), as amended, does not apply.

F. TAX CONSIDERATIONS

European Union Directive on the Taxation of Savings

On 3 June 2003 the EU Council of Economic and Finance Ministers adopted a new directive (Council Directive 2003/48/EC) regarding the taxation of savings income. The directive is scheduled to be applied by Member States from 1 July 2005, provided that certain non-EU countries adopt similar measures from the same date. Under the directive, Member States will be required to provide to the tax authorities of other Member States and certain non-Member States details of payment of interest, or other similar income, paid by a person within its jurisdiction to an individual resident in that other Member State or relevant non-Member State. However, Austria, Belgium and Luxembourg may instead apply a withholding system for a transitional period in relation to such payments (including payments made by paying agents established in those countries) deducting tax at rates rising over time to 35 per cent.

G. OTHER CONSIDERATIONS

Reliance on Third Parties

There is a risk that counterparties to the Issuer do not perform their obligations under the relevant Transaction Documents, which may result in the Issuer not being able to meet its obligations. It should be noted that there is a risk that either (a) SLS in its capacity as Seller and/or (b) Unilease or, upon consummation of the Unilease Merger, Athlon Car Lease Nederland B.V. in its capacity as Seller, Borrower Administrator or Servicer will not meet its obligations vis-à-vis the Borrower, which subsequently, *indirectly*, may also affect the ability of the Issuer to comply with its obligations under the Notes.

CREDIT STRUCTURE

The following is a summary of the structure of the credit arrangements for the proposed issue of the Notes.

Account Banks

The Servicer, the Borrower and the Issuer are required to maintain the Transaction Accounts (as defined in the "*Index of Definitions*") with the Account Banks, being banks whose short-term unsecured, unsubordinated and unguaranteed debt obligations are assigned a credit rating of at least P-1 by Moody's or F1 by Fitch. On the Closing Date the Transaction Accounts are held with ING, except for the Servicer Collection Accounts which are held with ABN AMRO Bank N.V. and Fortis Bank (Nederland) N.V.. In its capacity as Floating Rate GIC Provider and pursuant to the terms and conditions of the Borrower Floating Rate GIC and the Issuer Floating Rate GIC, ING will guarantee a certain interest rate over the balances standing to the credit of the Transaction Accounts, except for any balance standing to the credit of the Servicer Collection Accounts (as defined in the "*Index of Definitions*").

If at any time the short-term unsecured, unsubordinated and unguaranteed debt obligations of one of the Account Banks are assigned a credit rating below P-1 by Moody's or F1 by Fitch, or if such rating is withdrawn, the Servicer, the Borrower or the Issuer, as the case may be, will be required within thirty (30) days of any such event (i) to transfer the balance on the relevant Transaction Accounts to an alternative replacement Account Bank with the required minimum credit ratings or (ii) to obtain a third party, having at least the required credit ratings, to guarantee the obligations of the relevant Account Bank, or (iii) find another solution acceptable to Moody's and Fitch in order to maintain the then current rating of the Notes.

Servicer Collection Accounts

The Lease Monthly Instalments under the Leases will be received by or on behalf of the Buyer on the Servicer Collection Accounts. The Lease Monthly Instalments with respect to each Lease Monthly Calculation Period (as defined in the "*Index of Definitions*") are due and payable in advance. The majority of such Lease Monthly Instalments will be collected by direct debit on the first Business Day of the Lease Monthly Calculation Period. All other Lease Monthly Instalments have to be paid by the relevant Lessees during the course of the relevant calendar month. The Servicing Agreement will provide that all Lease Monthly Instalments and all other amounts paid by the Lessees to the Servicer Collection Accounts under or in connection with the Leases during a Lease Monthly Calculation Period, as well as all Vehicle Realisation Proceeds received by the Servicer during such Lease Monthly Calculation Period shall on each immediately succeeding Lease Monthly Payment Date (as defined in the "*Index of Definitions*") be transferred by the Servicer to the Borrower Transaction Account. However, the Servicer shall be required to pay into the Borrower Transaction Account by way of an advance for the payment to be made by the Servicer on the immediately succeeding Lease Monthly Payment Date, on the fifth Business Day of each calendar month an amount equal to 50 per cent. of the Lease Scheduled Collections (as defined in the "*Index of Definitions*") with respect to the immediately preceding Lease Monthly Calculation Period. The Servicer will further be required to pay into the Borrower Transaction Account on the first Business Day of each calendar week of a Lease Monthly Calculation Period an amount equal to the Weekly Vehicle Realisation Proceeds Advance (as defined in the "*Index of Definitions*") as calculated on the first Business Day of such Lease Monthly Calculation Period. Upon the occurrence of an Early Amortisation Event (as defined in the "*Index of Definitions*") under the Issuer Facility Agreement the Servicer will be required to transfer the amounts received on behalf of the Buyer to the Borrower Transaction Account on a daily basis.

Pursuant to the Servicing Agreement the Servicer will maintain on behalf of the Buyer and the Borrower Security Trustee records detailing amounts due and payable and paid by each Lessee. After delivery of a Borrower Enforcement Notice, the Lessees will be notified to pay the Lease Monthly Instalments and other amounts due and payable by them under the Leases into a segregated security account in the name of the Borrower Security Trustee.

Borrower Transaction Account

The balance standing to the credit of the Borrower Transaction Account will include the following amounts:

(a) amounts received pursuant to the Master Hire Purchase Agreement including, but not limited to, the Lease Collections (as defined in the "*Index of Definitions*") collected by the Servicer on behalf of the Buyer and the sale proceeds of the Vehicles received by the Servicer on behalf of the Buyer;

(b) amounts transferred from the Vehicle Acquisition Escrow Account, the Maintenance Escrow Account and the Additional Advance Account;

(c) interest credited to the Borrower Transaction Account.

The Borrower will make payments from the Borrower Transaction Account subject to and in accordance with the Borrower Trust Deed.

Vehicle Acquisition Escrow Account

The Borrower will maintain the Vehicle Acquisition Escrow Account. During the Revolving Period (as defined in the "*Index of Definitions*") the Lease Net Principal Collections (as defined in the "*Index of Definitions*") shall, on each Lease Monthly Payment Date, be paid from the Borrower Transaction Account into the Vehicle Acquisition Escrow Account.

The balance standing to the credit of the Vehicle Acquisition Escrow Account may be used, subject to and in accordance with the provisions of the Borrower Trust Deed, the Master Hire Purchase Agreement and the Issuer Facility Agreement, by the Borrower to purchase Future Vehicles (as defined in the "*Index of Definitions*") together with the Lease Receivables resulting from the Associated Leases, subject to the defeasance pursuant to the Payment Undertaking Agreement, provided, however, that any amount standing to the credit of the Vehicle Acquisition Escrow Account on a Borrower Monthly Payment Date (as defined in the "*Index of Definitions*") that is also a Notes Quarterly Payment Date shall, after payment of the amounts (if any) payable in respect of such purchase of Future Vehicles on such date, be released and paid into the Borrower Transaction Account on such Borrower Monthly Payment Date to form part of the Borrower Available Amount (as defined below).

On the Revolving Period Termination Date (as defined below) the then remaining balance standing to the credit of the Vehicle Acquisition Escrow Account, if any, will be paid into the Borrower Transaction Account to form part of the Borrower Available Amount and no more amounts shall be paid into the Vehicle Acquisition Escrow Account.

Maintenance Escrow Account

The amounts standing to the credit of the Maintenance Escrow Account will be available to the Buyer to fund maintenance costs and any other costs and expenses incurred by the Buyer in the event of a default by the Servicer of its obligations under the Servicing Agreement and/or a termination of the Servicing Agreement. For these purposes the Servicer will on the Closing Date pay into the Maintenance Escrow Account an amount equal to € 1,000,000. If the Borrower Available Amount on any Borrower Monthly Calculation Date (as defined in the "*Index of Definitions*") exceeds the amounts required to meet the Borrower's payment obligations under item (a) in the Borrower Pre-Enforcement Priority of Payments, the excess amount will be applied to deposit into the Maintenance Escrow Account or, as the case may be, to replenish the Maintenance Escrow Account, to the extent required until the balance standing to the credit of the Maintenance Escrow Account equals € 1,000,000 (the "**Maintenance Escrow Account Required Amount**").

Additional Advance Account

The Borrower will maintain the Additional Advance Account. During the Revolving Period, in the event Athlon Beheer decides, in accordance with Clauses 5.2 of the Athlon Facility Agreement, to finance the Additional Advance, such Additional Advance shall, on the subsequent Borrower Monthly Payment Date, be paid into the Additional Advance Account.

The balance standing to the credit of the Additional Advance Account may be used, subject to and in accordance with the provisions of the Borrower Trust Deed, the Master Hire Purchase Agreement and the Issuer Facility Agreement, by the Borrower to purchase Future Vehicles together with the Lease Receivables resulting from the Associated Leases, subject to the defeasance pursuant to the Payment Undertaking Agreement, provided, however, that any amount standing to the credit of the Additional Advance Account on a Borrower Monthly Payment Date that is also a Notes Quarterly Payment Date shall, after payment of the amounts (if any) payable in respect of such

purchase of Future Vehicles on such date, be released and paid into the Borrower Transaction Account on such Borrower Monthly Payment Date to form part of the Borrower Available Amount.

On the Revolving Period Termination Date the then remaining balance standing to the credit of the Additional Advance Account, if any, will be paid into the Borrower Transaction Account and no more amounts shall be paid into the Additional Advance Account.

Excess Spread Account

The Issuer will maintain the Excess Spread Account. On the Closing Date the Issuer shall apply (part of) the proceeds of the Class C Notes to make a deposit into the Excess Spread Account up to the relevant Excess Spread Account Target Level (as defined in the "*Index of Definitions*").

Amounts credited to the Excess Spread Account will be available on any Notes Quarterly Payment Date to meet items (a) up to and including (i) in the Issuer Pre-Enforcement Priority of Payments if the Issuer Available Amount (as defined below) would be insufficient to meet such items. If and to the extent that the Issuer Available Amount (before any drawing from the Excess Spread Account) on any Notes Quarterly Calculation Date (as defined in the "*Index of Definitions*") exceeds the amounts required to meet the Issuer's payment obligations under items (a) up to and including item (i) in the Issuer Pre-Enforcement Priority of Payments, the excess amount will be applied to deposit into the Excess Spread Account or, as the case may be, to replenish the Excess Spread Account, to the extent required until the balance standing to the credit of the Excess Spread Account equals the Excess Spread Account Target Level.

In the Issuer Post-Enforcement Priority of Payments the balance standing to the credit of the Excess Spread Account will be available to meet any item of the Issuer Post-Enforcement Priority of Payments.

In addition, (i) on each Notes Quarterly Payment Date the difference, if positive, between the balance standing to the credit of the Excess Spread Account and the Excess Spread Account Target Level shall be withdrawn from the Excess Spread Account and credited to the Issuer Transaction Account to form part of the Issuer Available Amount; and (ii) on the Notes Quarterly Payment Date immediately succeeding the day on which the Notes will be redeemed in full or on the Notes Final Maturity Date, the Excess Spread Account Target Level will be reduced to zero and any amount standing to the credit of the Excess Spread Account will thereafter form part of the Issuer Available Amount.

Issuer Transaction Account

The balance standing to the credit of the Issuer Transaction Account will include the following amounts:

(a) amounts received under the Issuer Facility Agreement in respect of payment of interest and principal on the Issuer Facility Advance (as defined below);

(b) interest credited to the Issuer Transaction Account;

(c) interest credited to the Excess Spread Account and the Liquidity Reserve Escrow Account and paid to the Issuer Transaction Account;

(d) amounts drawn from the Excess Spread Account and paid to the Issuer Transaction Account;

(e) amounts drawn under the Liquidity Facility and from the Liquidity Reserve Escrow Account pursuant to the Liquidity Facility Agreement and paid to the Issuer Transaction Account;

(f) amounts received from the Return Swap Counterparty under the Return Swap Agreement; and

(g) amounts received from the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement.

The Issuer will make payments from the Issuer Transaction Account subject to and in accordance with the Issuer Trust Deed.

Borrower Trust Deed

Prior to the delivery of the Borrower Enforcement Notice by the Borrower Security Trustee, the sum of the following amounts, calculated as at each Borrower Monthly Calculation Date (as defined in the "*Index of Definitions*") as being received or held during the Borrower Monthly Calculation Period (as defined in the "*Index of Definitions*") in which such Borrower Monthly Calculation Date falls:

(a) as payments credited to the Borrower Transaction Account pursuant to the Master Hire Purchase Agreement, the Servicing Agreement and the other relevant Transaction Documents, including but not limited to the Lease Collections collected by the Servicer on behalf of the Buyer;

(b) as interest to be credited to the Borrower Transaction Account on the immediately succeeding Borrower Monthly Payment Date;

(c) as interest to be credited to the Vehicle Acquisition Escrow Account, the Additional Advance Account and the Maintenance Escrow Account, and to be paid to the Borrower Transaction Account on the immediately succeeding Borrower Monthly Payment Date;

(d) as amounts to be drawn from the Additional Advance Account and to be paid to the Borrower Transaction Account on the immediately succeeding Borrower Monthly Payment Date; and

(e) as amounts to be drawn from the Vehicle Acquisition Escrow Account and to be paid to the Borrower Transaction Account on the immediately succeeding Borrower Monthly Payment Date,

(items (a) up to and including (e) together being hereafter referred to as the "**Borrower Available Amount**") will pursuant to terms of the Borrower Trust Deed be applied by the Borrower (1) with respect to item (a)(ii)(l) in the priority of payments set forth below as and when due and payable, and (2) with respect to the other items in the priority of payments set forth below on the immediately succeeding Borrower Monthly Payment Date as follows (in each case only if and to the extent that payments of a higher order of priority have been made in full) (the "**Borrower Pre-Enforcement Priority of Payments**"):

(a) *First*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof and in the following order:

  (i) fees or other remuneration due and payable to the Borrower Directors in connection with the Borrower Management Agreements (as defined in the "*Index of Definitions*"), fees or other remuneration due and payable to the Borrower Administrator in connection with the Borrower Administration Agreement (as defined in the "*Index of Definitions*") and the fees or other remuneration and indemnity payments (if any) due and payable to the Borrower Security Trustee and any costs, charges, liabilities and expenses incurred by the Borrower Security Trustee under and in connection with the relevant Transaction Documents;

  (ii) (1) the amounts due and payable to third parties under obligations incurred in the Borrower's business (other than under the relevant Transaction Documents), including, without limitation, in or towards satisfaction of amounts or provisions for any payment of the Borrower's liability, if any, to tax, (2) the amounts due and payable to the Rating Agencies, if any, (3) the fees and expenses due and payable to any legal advisors, auditors and other consultants appointed by the Borrower or the Borrower Security Trustee;

  (iii) the amounts due and payable to the Servicer pursuant to the provisions of the Servicing Agreement and any amounts due and payable to the Substitute Servicer (if any);

(b) *Second*, in or towards satisfaction of amounts to be paid to the Maintenance Escrow Account until the balance on this account has reached the Maintenance Escrow Account Required Amount or, as the case may be, to replenish the Maintenance Escrow Account up to the Maintenance Escrow Account Required Amount;

(c) *Third*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of the amounts of interest due or accrued due but unpaid in respect of (i) the Issuer Facility and (ii) the Athlon Facility;

(d) *Fourth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of the amounts of principal due in respect of (i) the Issuer Facility and (ii) the Athlon Facility.

Following the delivery of a Borrower Enforcement Notice, amounts standing to the credit of the Borrower Security Account (as defined in the "*Index of Definitions*"), the Borrower Transaction Account, the Vehicle Acquisition Escrow Account, the Additional Advance Account, the Maintenance Escrow Account and any other amount received or recovered by the Borrower Security Trustee under the Borrower Security Documents, shall be applied in the following order of priority (in each case only if and to the extent that payments or provisions of a higher order of priority have been made in full) (the "**Borrower Post-Enforcement Priority of Payments**"):

(a) *First*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof and in the following order:

(i) fees or other remuneration due and payable to the Borrower Directors in connection with the Borrower Management Agreements, fees or other remuneration due and payable to the Borrower Administrator in connection with the Borrower Administration Agreement, fees or other remuneration and indemnity payments (if any) due and payable to the Borrower Security Trustee and any costs, charges, liabilities and expenses incurred by the Borrower Security Trustee under and in connection with the relevant Transaction Documents (including, without limitation, the fees and expenses due and payable to any legal advisors, auditors and other consultants appointed by the Borrower or the Borrower Security Trustee) and the amounts due and payable to the Rating Agencies;

(ii) the amounts due and payable to the Servicer pursuant to the provisions of the Servicing Agreement and any amounts due and payable to the Substitute Servicer (if any);

(b) *Second*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of the amounts of interest due or accrued due but unpaid in respect of (i) the Issuer Facility and (ii) the Athlon Facility; and

(c) *Third*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of all amounts of principal due in respect of (i) the Issuer Facility and (ii) the Athlon Facility.

Issuer Trust Deed

Prior to the delivery of an Issuer Enforcement Notice (as defined in Condition 10) by the Issuer Security Trustee, the sum of the following amounts, calculated as at each Notes Quarterly Calculation Date as being received or held during the Notes Quarterly Interest Period in which such Notes Quarterly Calculation Date falls:

(a) as payments credited to the Issuer Transaction Account pursuant to the terms of the Issuer Facility Agreement and the other relevant Transaction Documents;

(b) as interest to be credited to the Issuer Transaction Account on the immediately succeeding Notes Quarterly Payment Date;

(c) as interest to be credited to the Excess Spread Account and the Liquidity Reserve Escrow Account, and to be paid to the Issuer Transaction Account on the immediately succeeding Notes Quarterly Payment Date;

(d) as amounts to be drawn from the Excess Spread Account and to be paid to the Issuer Transaction Account on the immediately succeeding Notes Quarterly Payment Date;

(e) as amounts to be drawn under the Liquidity Facility (other than Liquidity Facility Stand-by Drawings) on the immediately succeeding Notes Quarterly Payment Date;

(f) as amounts to be received from the Return Swap Counterparty pursuant to the Return Swap Agreement on the immediately succeeding Notes Quarterly Payment Date; and

(g) as amounts to be received from the Interest Rate Swap Counterparty pursuant to the Interest Rate Swap Agreement on the immediately succeeding Notes Quarterly Payment Date,

(items (a) up to and including (g) together being hereafter referred to as the "**Issuer Available Amount**") will pursuant to terms of the Issuer Trust Deed be applied by the Issuer (1) with respect to item (a)(ii)(1) in the priority of payments set forth below as and when due and payable, and (2) with respect to the other items in the priority of payments set forth below on the immediately succeeding Notes Quarterly Payment Date as follows (in each case only if and to the extent that payments of a higher order of priority have been made in full) (the "**Issuer Pre-Enforcement Priority of Payments**"):

(a) *First*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof and in the following order:

(i) fees or other remuneration due and payable to the Issuer Directors in connection with the Issuer Management Agreements (as defined in the "*Index of Definitions*") and the fees or other remuneration and indemnity payments (if any) due and payable to the Issuer Security Trustee and any costs, charges, liabilities and expenses incurred by the Issuer Security Trustee under and in connection with the relevant Transaction Documents;

(ii) (1) the amounts due and payable to third parties under obligations incurred in the Issuer's business (other than under the relevant Transaction Documents), including, without limitation, in or towards satisfaction of amounts or provisions for any payment of the Issuer's liability, if any, to tax, (2) fees due and payable with respect to any third party guarantee or similar arrangements made in connection with the transactions envisaged by

the Transaction Documents, (3) the amounts due and payable to the Rating Agencies, if any, (4) the fees and expenses due and payable to any legal advisors, auditors and other consultants appointed by the Issuer or the Issuer Security Trustee, (5) the amounts due and payable to the Return Swap Counterparty, other than amounts due in connection with the termination of the Return Swap Agreement as a result of an event of default in respect of which the Return Swap Counterparty is the defaulting party or as the result of the replacement of the Return Swap Counterparty (such amounts, the "**Subordinated Return Swap Payments**"), and (6) the fees and expenses due and payable to the Paying Agents, the Reference Agent, the Common Depository (as defined below), and any other agent designated under the relevant Transaction Documents;

(b) *Second*, in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider or, following a Liquidity Facility Stand-by Drawing (as defined below), in or towards satisfaction of sums to be credited to the Liquidity Facility Stand-by Ledger, less, in the event a Liquidity Facility Stand-by Drawing is made, the Liquidity Facility Subordinated Amount (as defined in the "*Index of Definitions*") and excluding any gross-up amounts or additional amounts due under the Liquidity Facility and payable under item (n) below;

(c) *Third*, in or towards satisfaction of amounts, if any, due and payable under the Interest Rate Swap Agreement, other than amounts due in connection with the termination of the Interest Rate Swap Agreement as a result of an event of default in respect of which the Interest Rate Swap Counterparty is the defaulting party or as the result of a downgrade in the credit rating of the Interest Rate Swap Counterparty (such amounts, the "**Subordinated Interest Rate Swap Payments**");

(d) *Fourth*, in or towards satisfaction of amounts of interest due or accrued due but unpaid in respect of the Class A Notes;

(e) *Fifth*, in or towards satisfaction of the amounts of interest due or accrued due but unpaid in respect of the Class B Notes;

(f) *Sixth*, in or towards making good any shortfall reflected in the Class A Principal Deficiency Ledger (as defined below) until the debit balance, if any, on the Class A Principal Deficiency Ledger is reduced to nil;

(g) *Seventh*, in or towards satisfaction of principal due under the Class A Notes up to an amount equal to the Class A Notes Redemption Available Amount (as defined in the "*Index of Definitions*");

(h) *Eighth*, in or towards making good any shortfall reflected in the Class B Principal Deficiency Ledger (as defined below) until the debit balance, if any, on the Class B Principal Deficiency Ledger is reduced to nil;

(i) *Ninth*, in or towards satisfaction of principal due under the Class B Notes up to an amount equal to the Class B Notes Redemption Available Amount (as defined in the "*Index of Definitions*");

(j) *Tenth*, in or towards satisfaction of any sums required to replenish the Excess Spread Account up to the amount of the Excess Spread Account Target Level;

(k) *Eleventh*, in or towards making good any shortfall reflected in the Class C Principal Deficiency Ledger (as defined below) until the debit balance, if any, on the Class C Principal Deficiency Ledger is reduced to nil;

(l) *Twelfth*, in or towards satisfaction of any Subordinated Return Swap Payments due under the Return Swap Agreement;

(m) *Thirteenth*, in or towards satisfaction of any Subordinated Interest Rate Swap Payments due under the Interest Rate Swap Agreement;

(n) *Fourteenth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of the Liquidity Facility Subordinated Amount and any gross-up amounts or additional amounts due, if any, to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement;

(o) *Fifteenth*; in or towards satisfaction of principal due under the Class C Notes up to an amount equal to the Class C Notes Redemption Available Amount (as defined in the "*Index of Definitions*"); and

(p) *Sixteenth*, any surplus in or towards satisfaction of the Class C Notes Interest due in respect of the Class C Notes.

Following the delivery of an Issuer Enforcement Notice, amounts standing to the credit of the Issuer Security Account (as defined in the "*Index of Definitions*"), the Issuer Transaction Account, the Liquidity Reserve Escrow Account and the Excess Spread Account and any amount received or recovered by the Issuer Security Trustee under the Issuer Security Documents shall be applied in the following order of priority (the "**Issuer Post-Enforcement Priority of Payments**")(in each case only if and to the extent that payments or provisions of a higher order of priority have been made in full):

(a) *First*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof and in the following order:

  (i) the fees or other remuneration due and payable to the Issuer Directors in connection with the Issuer Management Agreements and the fees or other remuneration and indemnity payments (if any) due and payable to the Issuer Security Trustee, any costs, charges, liabilities and expenses incurred by the Issuer Security Trustee under and in connection with the relevant Transaction Documents (including, without limitation, the fees and expenses due and payable to any legal advisors, auditors and other consultants appointed by the Issuer or the Issuer Security Trustee) and the amounts due and payable to the Rating Agencies;

  (ii) (1) the amounts due and payable to the Return Swap Counterparty, other than any Subordinated Return Swap Payments, and (2) the fees and expenses due and payable to the Paying Agents and the Reference Agent under the provisions of the Paying Agency Agreement.

(b) *Second*, in or towards satisfaction of any amounts due and payable to the Liquidity Facility Provider, less the Liquidity Facility Subordinated Amount and excluding any gross-up amounts or additional amounts due under the Liquidity Facility and payable under item (h) below;

(c) *Third*, in or towards satisfaction of amounts, if any, due and payable under the Interest Rate Swap Agreement, other than any Subordinated Interest Rate Swap Payments;

(d) *Fourth*, in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Class A Notes;

(e) *Fifth*, in or towards satisfaction of all amounts of principal due under the Class A Notes;

(f) *Sixth*, in or towards satisfaction of all amounts of interest due or accrued due but unpaid in respect of the Class B Notes;

(g) *Seventh*, in or towards satisfaction of all amounts of principal due under the Class B Notes;

(h) *Eighth*, in or towards satisfaction, *pro rata*, according to the respective amounts thereof, of the Liquidity Facility Subordinated Amount and any gross-up amounts or additional amounts due, if any, to the Liquidity Facility Provider pursuant to the Liquidity Facility Agreement;

(i) *Ninth*, in or towards satisfaction of any Subordinated Return Swap Payments due under the Return Swap Agreement;

(j) *Tenth*, in or towards satisfaction of any Subordinated Interest Rate Swap Payments due under the Interest Rate Swap Agreement;

(k) *Eleventh*, in or towards satisfaction of all amounts of principal due under the Class C Notes; and

(l) *Twelfth*, any surplus in towards satisfaction of the Class C Notes Interest due under the Class C Notes.

Interest Rate Swap Agreement

The interest received by the Issuer from the Borrower under the Issuer Facility is primarily dependent on the Lease Interest Component (as defined in the "*Index of Definitions*") included in the Lease Monthly Instalments due under the Leases. The interest payable on the Notes is calculated on a floating basis of three-months Euribor plus a margin. The Issuer will hedge this interest rate exposure by entering into the Interest Rate Swap Agreement with the Interest Rate Swap Counterparty and the Issuer Security Trustee.

Under the Interest Rate Swap Agreement, the Issuer will agree to pay to the Interest Rate Swap Counterparty on each Notes Quarterly Payment Date amounts equal to *the lesser of*

(A) An amount equal to:

(i) the aggregate of the Issuer Facility Share in Lease Scheduled Interest Collections (as defined in the "*Index of Definitions*") as calculated on each Borrower Monthly Calculation Date that has occurred within the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date, *multiplied by* (X + Y) *divided by* (X + Y + Z); *plus*

(ii) the aggregate of the Issuer Facility Share in Borrower Accounts Interest Collections (as defined in the "*Index of Definitions*") as calculated on each Borrower Monthly Calculation Date that has occurred within the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date; *plus*

(iii) the interest accrued on the Issuer Transaction Account during the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date; *plus*

(iv) the interest accrued on the Excess Spread Account during the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date; *minus*

(1) the amounts referred to under item (4) under the heading *Interest* in the calculation of the interest due and payable under the Issuer Facility as calculated on each Borrower Monthly Calculation Date that has occurred within the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date; and

(2) the amounts due and payable under items (a)(i) and (a)(ii) in the Issuer Pre-Enforcement Priority of Payments, as calculated on the immediately preceding Notes Quarterly Calculation Date; and

(3) an amount equal to 0.50 per cent. per annum applied to the principal amount outstanding under the Class A Notes and Class B Notes (less amounts standing to the debit balance on the Class A and Class B Principal Deficiency Ledgers) on the first day of the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date as excess spread,

or

(B) An amount equal to:

(i) the Issuer Available Amount (less the amounts referred to under item (g) thereof), as calculated on the immediately preceding Notes Quarterly Calculation Date, *minus*

(ii) (1) the amounts due and payable under items (a)(i) and (a)(ii) in the Borrower Pre-Enforcement Priority of Payments, insofar as allocated as minus component in the calculation of the interest due and payable under the Issuer Facility as calculated on each Borrower Monthly Calculation Date that has occurred within the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date; and

(2) the amounts due and payable under items (a)(i) and (a)(ii) in the Issuer Pre-Enforcement Priority of Payments, as calculated on the immediately preceding Notes Quarterly Calculation Date.

The Interest Rate Swap Counterparty will agree to pay to the Issuer on each Notes Quarterly Payment Date:

(i) the scheduled interest due under the Class A Notes *multiplied by* (X *divided by* CANPAO); *plus*

(ii) the scheduled interest due under the Class B Notes *multiplied by* (Y *divided by* CBNPAO),

calculated by reference to the relevant Notes Quarterly Interest Period. In case the Issuer pays the amount described under **(B)** above, the Interest Rate Swap Counterparty in its turn will subtract the positive difference between the amounts described under **(A)** and under **(B)** above, from the amounts the Interest Rate Swap Counterparty agreed to pay to the Issuer (euro for euro deduction).

For the purpose of the paragraphs above the following items will have the following meaning:

- "**X**": shall be the Principal Amount Outstanding of the Class A Notes minus the debit balance on the Class A Principal Deficiency Ledger, if any, on the first day of the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date;
- "**Y**": shall be the Principal Amount Outstanding of the Class B Notes minus the debit balance on the Class B Principal Deficiency Ledger, if any, on the first day of the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date;

- "**Z**": shall be the Principal Amount Outstanding of the Class C Notes minus the debit balance on the Class C Principal Deficiency Ledger, if any, on the first day of the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date;
- "**CANPAO**": shall be the Principal Amount Outstanding of the Class A Notes on the first day of the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date; and
- "**CBNPAO**": shall be the Principal Amount Outstanding of the Class B Notes on the first day of the Notes Quarterly Interest Period ending on such Notes Quarterly Payment Date.

Pursuant to the Interest Rate Swap Agreement, if, at any time, (i) the long-term, unsecured and unsubordinated debt obligations of the Interest Rate Swap Counterparty (or its successor) cease to be rated at least as high as A1 (or its equivalent) by Moody's or (ii) the short-term, unsecured and unsubordinated debt obligations of the Interest Rate Swap Counterparty (or its successor) cease to be rated at least as high as P-1 (or its equivalent) by Moody's (such ratings together the "**Moody's Required Ratings I**"), then the Interest Rate Swap Counterparty will on a reasonable efforts basis and at its own cost attempt to:

(a) transfer all of the rights and obligations of the Interest Rate Swap Counterparty with respect to the Interest Rate Swap Agreement to either (x) a replacement third party with a rating of at least as high as the Moody's Required Ratings I domiciled in the same legal jurisdiction as the Interest Rate Swap Counterparty or the Issuer or (y) a replacement third party agreed by Moody's; or

(b) procure another person to become a co-obligor in respect of the obligations of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement. Such counterparty may be either (x) a person with a rating of at least as high as the Moody's Required Ratings I domiciled in the same legal jurisdiction as the Interest Rate Swap Counterparty or the Issuer, or (y) a person agreed by Moody's; or

(c) take such other action as the Interest Rate Swap Counterparty may agree with Moody's; or

(d) within thirty (30) days of the occurrence of such downgrade, put in place a mark-to-market collateral agreement in form and substance acceptable to Moody's (which may be based on the credit support documentation published by ISDA, or otherwise, and relates to collateral in the form of cash or securities or both (the "**Collateral Amount**")) in support of its obligations under the Interest Rate Swap Agreement which complies, in relation to the Collateral Amount, with certain criteria set by Moody's.

If any of (a), (b) or (c) are satisfied at any time, all collateral (or the equivalent thereof, as appropriate) transferred by the Interest Rate Swap Counterparty pursuant to (d) above will be retransferred to the Interest Rate Swap Counterparty and the Interest Rate Swap Counterparty will not be required to transfer any additional collateral.

Pursuant to the Interest Rate Swap Agreement, if, at any time, (i) the long-term, unsecured and unsubordinated debt obligations of the Interest Rate Swap Counterparty (or its successor) cease to be rated at least as high as A3 (or its equivalent) by Moody's or (ii) the short-term, unsecured and unsubordinated debt obligations of the Interest Rate Swap Counterparty (or its successor) cease to be rated at least as high as P-2 (or its equivalent) by Moody's (such ratings together the "**Moody's Required Ratings II**"), then the Interest Rate Swap Counterparty will:

(i) on a best efforts basis and at its own cost attempt to take the action described under (a), (b) and (c) above; and

(ii) at its own cost take the action described under (d) above within ten (10) days after the Interest Rate Swap Counterparty ceases to be rated at least as high as the Moodýs Required Ratings II.

If the Interest Rate Swap Counterparty ceases to be rated at least as high as the Moodýs Required Ratings II the criteria for the Collateral Amount will be stricter than if it ceases to be rated at least as high as the Moodýs Required Ratings I.

Pursuant to the Interest Rate Swap Agreement, if, at any time, (i) the long-term, unsecured and unsubordinated debt obligations of the Interest Rate Swap Counterparty are assigned a rating of less than A by Fitch or (ii) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Interest Rate Swap Counterparty are assigned a rating of less than F1 by Fitch (such ratings together the "**Fitch Required Ratings**") or (iii) any such rating is withdrawn by Fitch, then the Interest Rate Swap Counterparty will at its own cost, within thirty (30) days of such reduction or withdrawal of any such rating, (i) transfer all of the rights and obligations of the Interest Rate Swap

Counterparty with respect to the Interest Rate Swap Agreement to a replacement third party with a rating of at least as high as the Fitch Required Ratings, (ii) obtain a third party, having the Fitch Required Ratings, to unconditionally guarantee the obligations of the Interest Rate Swap Counterparty under the Interest Rate Swap Agreement, or (iii) post collateral to cover the potential replacement costs of the swap at a minimum amount in accordance with the swap criteria set by Fitch, provided that, when the counterparty has suffered a further downgrade below a short-term rating of F2 or a long-term rating of BBB+, or where the initial downgrade already took the rating below F2 or BBB+, (i) and (ii) are the recommended actions of choice and (iii) is acceptable only if the mark-to-market calculations and the correct and timely posting of collateral are verified by an independent third party. Upon a further downgrade below investment-grade, only actions (i) and (ii) are acceptable.

Principal Deficiency Ledger

A ledger (the "**Principal Deficiency Ledger**") comprising three (3) sub-ledgers, known as the "**Class A Principal Deficiency Ledger**", the "**Class B Principal Deficiency Ledger**" and the "**Class C Principal Deficiency Ledger**", respectively, will be established by or on behalf of the Issuer in order to record any Realised Losses (as defined below) on the Assets (as defined in the "*Index of Definitions*") (each respectively the "**Class A Principal Deficiency**", the "**Class B Principal Deficiency**" and the "**Class C Principal Deficiency**", together the "**Principal Deficiency**"). Any Realised Losses shall on the relevant Notes Quarterly Calculation Date be debited to the Class C Principal Deficiency Ledger (such debit items being credited at item (k) of the Issuer Pre-Enforcement Priority of Payments) so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class C Notes and thereafter such amounts shall be debited to the Class B Principal Deficiency Ledger (such debit items being credited at item (h) of the Pre-Enforcement Priority of Payments) so long as the debit balance on such sub-ledger is less than the Principal Amount Outstanding of the Class B Notes and thereafter such amounts shall be debited to the Class A Principal Deficiency Ledger (such debit items being credited at item (f) of the Issuer Pre-Enforcement Priority of Payments).

"**Realised Losses**" means, on each Borrower Monthly Calculation Date provided that EPB is equal or *less* than IF, the amount of the losses relating to principal (taking any recovery proceeds, Residual Value Warranty Payments or Return Swap Claim Payments into account) incurred in respect of the Assets (including, for the avoidance of doubt, any residual value losses on the Vehicles) which the Servicer on behalf of the Buyer has realised during the immediately preceding Lease Monthly Calculation Period.

For the purpose of the above paragraph the following items will have the following meaning:

"**IF**" = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding (as defined in the "*Index of Definitions*") on the Closing Date, and

(b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date.

"**EPB**" = with respect to each following Borrower Monthly Calculation Date, the Eligible Pool Balance (as defined in the "*Index of Definitions*") on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

Liquidity Facility Agreement and Liquidity Reserve Escrow Account

On 22 February 2005 (the "**Signing Date**"), the Issuer and the Liquidity Facility Provider will enter into the Liquidity Facility Agreement under which a liquidity facility (the "**Liquidity Facility**") will be made available to the Issuer. The Issuer will be entitled to make drawings under the Liquidity Facility up to the Liquidity Facility Maximum Amount (as defined in the "*Index of Definitions*"). The Liquidity Facility will be a revolving facility with a 364 day maturity renewable at the option of the Liquidity Facility Provider.

Any drawing under the Liquidity Facility by the Issuer shall only be made on a Notes Quarterly Payment Date if and to the extent that, after the application of the amounts available in the Excess Spread Account and before any drawing under the Liquidity Facility, the Issuer Available Amount *minus* the Notes Redemption Available Amount is not sufficient to meet items (a) to (e)

(inclusive) in the Issuer Pre-Enforcement Priority of Payments in full on that Notes Quarterly Payment Date, provided that (i) no drawing may be made to meet item (d) in the Issuer Pre-Enforcement Priority of Payments if there is a debit balance on the Class A Principal Deficiency Ledger exceeding 50 per cent. of the aggregate Principal Amount Outstanding of the Class A Notes on such Notes Quarterly Payment Date and (ii) no drawing may be made to meet item (e) in the Issuer Pre-Enforcement Priority of Payments if there is a debit balance on the Class B Principal Deficiency Ledger exceeding 50 per cent. of the aggregate Principal Amount Outstanding of the Class B Notes on such Notes Quarterly Payment Date. Except for any Liquidity Facility Subordinated Amount, the Liquidity Facility Provider will rank in priority in point of payments and Security to the Notes.

If at any time, (i) the short-term unsecured, unsubordinated and unguaranteed debt obligations of the Liquidity Facility Provider are assigned a credit rating below P-1 by Moody's and/or F1 by Fitch and/or such rating is withdrawn, and (ii) within thirty (30) days of such downgrading or withdrawal, the Liquidity Facility Provider is not replaced by the Issuer with a party having at least the required ratings, or the obligations of the Liquidity Facility Provider are not guaranteed by a third party having at least such credit ratings, or another solution acceptable to Moody's and Fitch is not found, the Issuer will, unless the Rating Agencies have confirmed that the then current rating of the Notes will not be adversely affected, be required forthwith to draw down the entire undrawn portion of the Liquidity Facility (a "**Liquidity Facility Stand-by Drawing**") and credit such amount to an escrow account (*i.e.* the Liquidity Reserve Escrow Account) with a corresponding credit to a ledger to be known as the "**Liquidity Facility Stand-by Ledger**". Amounts so credited to the Liquidity Reserve Escrow Account may be utilised by the Issuer in the same manner as if the Liquidity Facility Stand-by Drawing had not been made. A Liquidity Facility Stand-by Drawing shall also be made if the Liquidity Facility is not renewed following its commitment termination date.

Return Swap Agreement

Under a total return swap transaction (the "**Return Swap**") entered into between the Issuer, the Issuer Security Trustee and the Return Swap Counterparty, the Issuer purchases protection against the risk of potential residual value losses on the Vehicles. This risk could occur in the event the Sellers do not or are no longer able to comply with its obligations under its Residual Value Risk Warranty (see further under section "*Summary of Principal Documents*" below).

At the Closing Date the Return Swap Counterparty will, by way of security for its payment obligations under the Return Swap Agreement, deposit an amount of € 10,000,000 into the Return Swap Cash Collateral Account (as defined in the "*Index of Definitions*") held by the Issuer. Any interest received by the Issuer over the balance standing to the credit of the Return Swap Cash Collateral Account will be due and payable to the Return Swap Counterparty and will therefore not form part of the Issuer Available Amount. The amount standing to the credit of the Return Swap Cash Collateral Account will be reduced each time a Return Swap Claim Payment (as defined in the "*Index of Definitions*") is required to be made by an amount equal to such Return Swap Claim Payment. The payment of a Return Swap Claim Payment to be made by the Return Swap Counterparty shall be effected by means of set-off (*verrekening*) with the claim of the Return Swap Counterparty for repayment of part of the balance standing to the credit of the Return Swap Cash Collateral Account equal to the amount of such Return Swap Claim Payment, until the balance of the Return Swap Cash Collateral Account is reduced to zero. Thereafter any Return Swap Claim Payment (if any) will be paid by the Return Swap Counterparty into the Issuer Transaction Account.

Pursuant to the Return Swap Agreement, if, at any time, (i) the long-term, unsecured and unsubordinated debt obligations of ING are assigned a rating of less than Aa3 by Moody's, or (ii) such rating is withdrawn, or (iii) the Return Swap Counterparty is no longer (indirectly) wholly owned by ING, then the Return Swap Counterparty will at its own cost, within thirty (30) days of such event, (i) transfer all of the rights and obligations of the Return Swap Counterparty with respect to the Return Swap Agreement to a replacement third party with a rating of at least as high as the required ratings set by Moody's, (ii) obtain a third party, having the required ratings, to unconditionally guarantee the obligations of the Return Swap Counterparty under the Return Swap Agreement, or (iii) post collateral to support its obligations under the Return Swap Agreement which complies with the criteria set by Moody's.

Pursuant to the Return Swap Agreement, if the credit quality of the Return Swap Counterparty is not in Fitch's view commensurate with a long-term rating of A or a short-term rating of F1 (such ratings together the "**Fitch Return Swap Required Ratings**") then the Return Swap Counterparty will

at its own cost, within thirty (30) days of Fitch's notification, (i) transfer all of the rights and obligations of the Return Swap Counterparty with respect to the Return Swap Agreement to a replacement third party with a rating of at least as high as the Fitch Return Swap Required Ratings, (ii) obtain a third party, having the Fitch Return Swap Required Ratings, to unconditionally guarantee the obligations of the Return Swap Counterparty under the Return Swap Agreement, or (iii) post collateral to cover the potential replacement costs of the swap at a minimum amount in accordance with the swap criteria set by Fitch, provided that, when the Return Swap Counterparty's credit quality in Fitch's view is not commensurate with a short-term rating of F2 or a long-term rating of BBB+, (i) and (ii) are the recommended actions of choice and (iii) is acceptable only if the mark-to-market calculations and the correct and timely posting of collateral are verified by an independent third party. Should the credit quality of the Return Swap Counterparty in Fitch's view be not commensurate with an investment-grade rating, only actions (i) and (ii) are acceptable.

SUMMARY OF PRINCIPAL DOCUMENTS

The following is a summary of certain provisions of the principal documents relating to the transactions described herein and is qualified in its entirety by reference to the detailed provisions of the relevant documents.

Master Hire Purchase Agreement

Initial Hire Purchase

Under the Master Hire Purchase Agreement, the Buyer will on the Signing Date – subject to conformity with the Acquisition Criteria (as defined below) – enter into a hire purchase agreement (*overeenkomst van huurkoop*) within the meaning of section 7A:1576h DCC in respect of the Current Vehicles (as defined in the "*Index of Definitions*"). The rights and claims of each of the Sellers under or in connection with each of the Associated Leases will in addition be assigned to the Buyer by means of a deed of assignment within the meaning of section 3:94(1) DCC and notification thereof to the relevant Lessees.

Additional Hire Purchase

As from the Closing Date, each of the Sellers may offer to the Buyer to enter into a hire purchase agreement within the meaning of section 7A:1576h DCC with respect to any Future Vehicle by delivery of a Vehicle Offer Notice to the Buyer. The Buyer shall, subject to conformity with the Acquisition Criteria, provided that sufficient funds are or will be made available to the Buyer under the relevant Transaction Documents and subject to the other terms and conditions of the Master Hire Purchase Agreement, be obliged to accept such offer by signing such Vehicle Offer Notice for approval and shall upon acceptance of such offer be deemed to have entered into a hire purchase agreement with respect to such Future Vehicle, such agreement to be effective as from the relevant Hire Purchase Date (as defined in the "*Index of Definitions*"). Furthermore, upon acceptance by the Buyer of the offer made by a Seller to enter into a Hire Purchase Contract in respect of a Future Vehicle, such Seller and the Buyer shall be deemed to have agreed to an assignment by the Seller of all its rights and claims under or in connection with the Associated Lease, such assignment to be effected by means of a deed of assignment within the meaning of section 3:94(1) DCC and notification thereof to the relevant Lessees.

Acquisition Criteria

The effectiveness of a Hire Purchase Contract is subject to the Vehicle and the Associated Lease meeting the following criteria (the "**Acquisition Criteria**"):

(a) the Vehicle qualifies as a passenger vehicle (*personenauto*), a delivery van or truck (*bestelauto*) or a forklift truck (*vorkheftruck*);

(b) the Lessee of the Vehicle is a corporate entity or private individual conducting an enterprise, located in the Netherlands;

(c) the Lease is governed by Dutch law;

(d) the Vehicle and Associated Lease are financed by any of the Sellers;

(e) the amounts due and payable under the Lease are denominated in Euro;

(f) each Lease qualifies as an operational lease contract and not as a financial lease contract (*i.e.* the relevant Lessee has not been granted an option to purchase the relevant Vehicle upon termination or expiration of the Lease).

Purchase Price and Payment of Hire Purchase Instalments

The purchase price owed by the Buyer under each Hire Purchase Contract will be payable in instalments and is equal to the sum of (i) the Book Value of the Vehicle subject to such Hire Purchase Contract as specified in the list of Current Vehicles, attached to the Master Hire Purchase Agreement or the Vehicle Offer Notice, as the case may be, and (ii) the aggregate Lease Interest Components included in the Lease Monthly Instalments that will become due and payable in respect of the Associated Lease after the relevant Effective Date as calculated by the Servicer in accordance with its standard guidelines upon the entering into such Associated Lease.

The Hire Purchase Instalments (as defined in the "*Index of Definitions*") for a Vehicle will be due and payable on each Hire Purchase Payment Date and will be equal to the sum of the Lease Balance Amortisation Component (as defined in the "*Index of Definitions*") and the Lease Interest

Component that has become due and payable in respect of the Associated Lease within the immediately preceding Lease Monthly Calculation Period, except for the Final Hire Purchase Instalment (as defined in the "*Index of Definitions*") which will be due and payable on the Lease Termination Date (as defined in the "*Index of Definitions*") of the Associated Lease and which will be equal to (i) in the case of an Original Termination Lease (as defined in the "*Index of Definitions*"), the Agreed Residual Value of the relevant Vehicle; and (ii) in the case of an Early Termination Lease (as defined in the "*Index of Definitions*"), the Book Value of the relevant Vehicle outstanding on such date and before a recalculation of such Book Value has taken place in accordance with the Servicer's standard guidelines increased with the Lease Interest Components that would have become due and payable under the relevant Associated Lease after the Lease Early Termination Date (as defined in the "*Index of Definitions*") in the event such Lease would not have been an Early Termination Lease.

Legal ownership of a Vehicle remains with the relevant Seller and will only pass to the Buyer upon payment in full of all amounts owed by the Buyer to such Seller under or in connection with the Hire Purchase Contract concluded in respect of such Vehicle. The payment obligations of the Buyer under each and any Hire Purchase Contract are subject to a defeasance pursuant to the Payment Undertaking Agreement entered into by and between the Sellers, the Buyer and the PUA Party (as defined in the "*Index of Definitions*").

Representations and Warranties

Each of the Sellers will on the Closing Date and on each Hire Purchase Date make certain representations and warranties with respect to the Vehicles sold by the relevant Seller on such date and the Associated Leases, including but not limited to the following, unless specifically disclosed in writing in accordance with the Master Hire Purchase Agreement:

(a) the Seller has full right and title to the Assets and the rights arising therefrom; no restrictions on the transfer of the Assets are in effect and the Assets are capable of being transferred;

(b) the Assets are free and clear of any rights of pledge or other similar rights (*beperkte rechten*), encumbrances and attachments (*beslagen*), other than encumbrances arising under the operation of law or under the BOVAG General Conditions, and have not been transferred or pledged in advance to any third party and no option rights have been granted in favour of any third party with regard to the Assets, save as in accordance with any of the Transaction Documents;

(c) the Seller has the power (*is beschikkingsbevoegd*) to sell and transfer the Assets;

(d) each of the Assets meets the Acquisition Criteria;

(e) each of the Vehicles is well-maintained in accordance with standard practice of a prudent lessor of vehicles in the Netherlands;

(f) the Seller has taken out third party liability insurance (*wettelijke aansprakelijkheidsverzekering*), where it is under a statutory obligation to do so, and passenger insurance (*inzittendenverzekering*) in respect of each of the Vehicles in line with market practice, unless under the Associated Lease the Lessee is obliged to take out such insurances;

(g) each of the Leases has been entered into in accordance with all applicable legal requirements and materially met the standard underwriting criteria of the Seller and procedures prevailing at that time, which did not materially differ from the underwriting criteria and procedures of a prudent lessor of vehicles in the Netherlands;

(h) each of the Leases has been entered into in the forms and upon terms and conditions which were common in the Dutch auto lease market at the time of origination, which terms and conditions did not materially differ from the terms and conditions applied by a prudent lessor of vehicles in the Netherlands;

(i) each of the Leases is in full force and effect and constitutes the legal, valid, binding and enforceable obligations of all parties thereto;

(j) prior to entering into a Lease the Seller has checked the creditworthiness of the relevant Lessee in accordance with its standard guidelines;

(k) the Lessees, other than Lessees in respect of which the Lease Receivables that were assigned to the Buyer on a date prior to the relevant Effective Date, have paid at least one (1) Lease Monthly Instalment under the relevant Lease;

(l) the Leases concluded in respect of a passenger vehicle or forklift truck do not have a remaining term to maturity in excess of sixty-six (66) months;

(m) the Leases concluded in respect of a delivery van or truck do not have a remaining term to maturity in excess of seventy-eight (78) months;

(n) the Lessee does not form part of the Athlon group of companies;

(o) each Lease was originated by any of the Seller or any party using substantially similar underwriting procedures and criteria;

(p) the Seller is not aware that any Lessee is in material breach, default or violation of any obligation under any of the Leases or that any event has occurred which, with the giving of notice and/or the expiration of any applicable grace period, would constitute such a material breach, default or violation of such Leases and the Seller has not exercised any right of enforcement in respect of any Lease; and

(q) the Seller has paid or will pay in full the purchase price (including VAT) of the Vehicle to the relevant supplier of the Vehicle within six (6) Business Days after delivery (*aflevering*) of the Vehicle by the supplier to the Lessee or user designated by the Lessee for that purpose and as from such payment no other amounts are due and payable by the Seller to the relevant supplier in respect of such Vehicle.

Residual Value Warranty

Each of the Sellers warrants to the Buyer, with respect to each Vehicle sold by it, that the Vehicle Realisation Proceeds to be received by or on behalf of the Buyer upon the sale of such Vehicle after a Lease Termination Date will in each case be at least equal to the higher of (i) in case of an Original Termination Lease, the relevant Agreed Residual Value, or, in case of an Early Termination Lease, the relevant Calculated Residual Value, and (ii) an amount equal to seventy five (75) per cent. of the Book Value of the relevant Vehicle outstanding on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Lease Termination Date. A Seller shall compensate the Buyer for all loss and damages whatsoever resulting from a breach of this warranty in respect of a Vehicle by making a Residual Value Warranty Payment to the Buyer in an amount which is equal to the higher of: (a) (i) in case of an Original Termination Lease, an amount equal to the difference, if positive, between the relevant Agreed Residual Value and the relevant Vehicle Realisation Proceeds, or, (ii) in case of an Early Termination Lease, an amount equal to the difference, if positive, between the relevant Calculated Residual Value and the relevant Vehicle Realisation Proceeds; and (b) an amount equal to the difference, if positive, between an amount equal to seventy-five (75) per cent. of the Book Value of the relevant Vehicle outstanding on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Lease Termination Date and the relevant Vehicle Realisation Proceeds. On each Lease Monthly Payment Date, the Sellers shall pay to the Buyer the Residual Value Warranty Payments, if any, which have become due and payable by the Sellers pursuant to the Residual Value Warranty during the immediately preceding Lease Monthly Calculation Period. Each of the Sellers assumes joint and several liability for the obligations arising from the Residual Value Warranty provided by the other Seller.

Termination Events

The Buyer or the Borrower Security Trustee may terminate the Master Hire Purchase Agreement in the event:

(a) any of the Sellers, Athlon or Athlon Beheer is declared bankrupt (*failliet verklaard*), when a petition, request or claim for its own bankruptcy (*faillissement*) is filed, when a composition (*akkoord*) is offered by any of the Sellers, Athlon or Athlon Beheer outside bankruptcy (*faillissement*) or a suspension of payments (*surseance van betaling*) is applied for;

(b) any of the Sellers, Athlon or Athlon Beheer has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its dissolution (*ontbinding*) and liquidation (*vereffening*) or loses its status of legal entity (*rechtspersoonlijkheid*) or has shown its intention to abandon its corporate object, or to terminate its enterprise in each case other than as a result of the Unilease Merger;

(c) any of the Sellers, Athlon or Athlon Beheer for any reason whatsoever, loses the free control or the free disposition of its assets or any substantial part thereof;

(d) if any of the Sellers fails to duly perform or comply with its obligations under the Master Hire Purchase Agreement or any other Transaction Document to which a Seller is a party, provided such obligations are material in the Borrower Security Trustee's reasonable opinion, and such failure, if capable of remedy, is not remedied within ten (10) Business Days after written notice thereof has been given by the Buyer or the Borrower Security Trustee;

(e) a representation, warranty or statement made or deemed to be made by any of the Sellers in the Master Hire Purchase Agreement (other than the representations and warranties made in Clause 5.1) or under any of the other Transaction Documents to which a Seller is a party or in any notice or other document, certificate or statement delivered by it pursuant thereto proves to have been, and continues to be after the expiration of any applicable grace period, untrue or incorrect in any material respect when made or repeated;

(f) a Borrower Event of Default under the Athlon Facility Agreement and/or Issuer Facility Agreement has occurred and is continuing;

(g) at any time it becomes unlawful for any of the Sellers to perform all or a material part of its obligations under the Transaction Documents.

Upon a termination of the Master Hire Purchase Agreement, the Buyer shall be entitled to pay all amounts, including but not limited to the Hire Purchase Instalments and the Final Hire Purchase Instalment, that have become and (in the absence of such termination) would have become due and payable to the Sellers under or in connection with the Hire Purchase Contracts concluded pursuant to the Master Hire Purchase Agreement in respect of the Vehicles on or after the date of termination of the Master Hire Purchase Agreement. In such event the Buyer will be entitled to a deduction as referred to in section 7A:1576e DCC.

As a consequence of the Buyer having paid all amounts owed by it under a Hire Purchase Contract it acquires legal title to the relevant Vehicle automatically, without any further act or notice being required and irrespective of the Sellers or any of them having been declared bankrupt (*failliet verklaard*) or granted a suspension of payments (*surseance van betaling*).

Debt Defeasance

The payment obligations of the Buyer under the Master Hire Purchase Agreement and any and each Hire Purchase Contract entered into between any of the Sellers and the Buyer pursuant thereto will be fully defeased by (i) the Sellers and the Buyer having entered into the Payment Undertaking Agreement with, *inter alia*, the PUA Party and (ii) the Sellers and the PUA Party, among others, having entered into the PUA Loan Agreement. Under the Payment Undertaking Agreement the PUA Party has assumed the payment obligations of the Buyer towards the Sellers in connection with the Master Hire Purchase Agreement in consideration for the payment by the Buyer to the PUA Party of the PUA Payment Amounts (as defined in the "*Index of Definitions*"). Under the PUA Loan Agreement the PUA Party has undertaken to make available to the Sellers a loan to an amount equal to the aggregate PUA Payment Amounts, to be drawn down in several advances. The payments to be made by the respective parties (*i.e.* the PUA Party (in its capacity as lender (*i.e.* the "**PUA Lender**") and each of the Sellers in its capacity as borrower under the PUA Loan Agreement (such borrowers collectively the "**PUA Borrowers**")) under the Payment Undertaking Agreement and the PUA Loan Agreement shall be effected by way of set off (*verrekening*).

Servicing Agreement

Under the Servicing Agreement Unilease in its capacity as Servicer has agreed (i) to administer the Leases in accordance with its usual business practices in such a manner as a reasonably prudent lessor of vehicles in the Netherlands would do; (ii) to collect all amounts that become due and payable by the Lessees under the Leases and take or procure that third parties take all reasonable steps to recover all sums due under and in connection with the Leases; (iii) to communicate with the Lessees and do all such things and prepare and send to the Lessees and/or any other relevant party all such documents and notices which are incidental thereto; (iv) repossess the respective Vehicles on behalf of the Buyer upon termination of a Lease and to sell the relevant Vehicle as soon and against as high a price as possible on behalf of the Buyer, provided that the Servicer may choose to purchase such Vehicle itself upon payment of (a) in the case of an Original Termination Lease, the Agreed Residual Value of the relevant Vehicle; or (b) in the case of an Early Termination Lease, the Book Value of the relevant Vehicle outstanding on such date and before a recalculation of such Book Value has taken place in accordance with the Servicer's standard guidelines; (v) assert claims to payment or to other benefits under vehicle insurance policies; (vi) arrange for the payment of any and

all taxes levied in respect of the Vehicles or the use thereof, the amounts owed to fuel suppliers and all other amounts which are for the account of the lessor under the relevant Lease; and (vii) to perform other tasks incidental to the above and to do or cause to be done any and all things which it reasonably considers necessary, convenient or incidental to the provision of the services to be rendered pursuant to the Servicing Agreement.

Upon consummation of the Unilease Merger (see *Universele Lease Maatschappij Unilease B.V. and Special Lease Systems* (*SLS*) *B.V.*), all rights and obligations of Unilease under the Transaction Documents will transfer to Athlon Car Lease Nederland B.V. by operation of law. As a result, as of the date of the Unilease Merger, Athlon Car Lease Nederland B.V. shall act as Servicer of the Leases.

Appointment of Substitute Servicer

The Buyer and/or the Borrower Security Trustee will notify the Substitute Servicer when a "**Servicer Termination Event**" has occurred in respect of the Servicer pursuant to the Servicing Agreement. The following Servicer Termination Events are listed in the Servicing Agreement:

(i) the Servicer has failed to transfer on the relevant date the amounts to be transferred by it under the Servicing Agreement and such default continues unremedied for a period of five (5) Business Days after the earlier of (i) the Servicer becoming aware of such default, and (ii) receipt by the Servicer of written notice by the Buyer requiring the same to be remedied;

(ii) a default (other than a failure to transfer) is made by the Servicer in the performance or observance of any of its other covenants and obligations under the Servicing Agreement, which in the opinion of the Buyer or the Borrower Security Trustee is materially prejudicial to the interests of the Buyer and/or the Borrower Security Trustee and (except where such default is incapable of remedy, when no such continuation and/or notice as is hereinafter mentioned shall be required) such default continues unremedied for a period of five (5) Business Days after the date of the written notice from the Buyer or the Borrower Security Trustee to the Servicer requiring the same to be remedied;

(iii) an order is made or an effective resolution passed for dissolution and liquidation (*ontbinding en vereffening*) of the Servicer;

(iv) the Servicer ceases to carry on the whole of its business or ceases to carry on the whole or substantially the whole of its lease business which would be likely materially and adversely to affect its ability to perform its obligations under the Servicing Agreement, unless such business is assumed by Athlon Car Lease Nederland B.V. as a result of the Unilease Merger, or by any other direct or indirect subsidiary of Athlon;

(v) the Servicer has taken any corporate action or any steps have been taken or legal proceedings have been instituted or threatened against it for its entering into a suspension of payments (*surseance van betaling*) or bankruptcy (*faillissement*) or for the appointment of a receiver or a similar officer of it or of any or all of its assets;

(vi) a creditor has taken possession of all or a substantial part of the undertaking or assets of the Servicer;

(vii) Athlon is in breach of the "*Total Interest Cover*", the "*Asset Indebtedness Cover*" or the "*Rental and Leasing Solvency Cover*" (taking into account any applicable grace or remedy periods, and unleass waived by the other parties) as included in the 2004 Syndicated Loan Facility Agreement (as defined in the "*Index of Definitions*") or, in the event of termination of the 2004 Syndicated Loan Facility Agreement, the equivalents thereof in any successor loan facility agreement entered into to refinance amounts outstanding under the 2004 Syndicated Loan Facility Agreement. In the event that the 2004 Syndicated Loan Facility Agreement shall have been terminated and a successor loan agreement has not been entered into or shall have been terminated the "*Total Interest Cover*", the "*Asset Indebtedness Cover*" or the "*Rental and Leasing Solvency Cover*" of the 2004 Syndicated Loan Facility Agreement shall continue to apply for the purpose of this clause;

(viii) Athlon has entered into a suspension of payments (*surseance van betaling*) or has been declared bankrupt (*failliet verklaard*); or

(ix) if it becomes unlawful under the laws of the Netherlands for the Servicer to perform any material part of the Services except in circumstances where no other person could perform such material part of the Services lawfully.

Following receipt of a notice of termination, the Buyer will appoint the Substitute Servicer as its lawful agent to service, collect and administer the Leases and to sell the Vehicles upon their return by the Lessees, both on its behalf and the Substitute Servicer shall accept its appointment and agrees that it shall be capable of performing the Services (as may be amended, subject to approval by Fitch and Moody's) within thirty (30) calendar days following receipt of notification.

Return Swap Agreement

General

Under the Return Swap to be entered into between the Issuer, the Issuer Security Trustee and the Return Swap Counterparty, the Issuer purchases protection against the risk of potential residual value losses on the Vehicles. Pursuant to the Return Swap Agreement, the Return Swap Counterparty will, subject to certain limitations and conditions, be obliged to pay on each Quarterly Return Swap Settlement Date (as defined in the "*Index of Definitions*"), an amount equal to Party B's Share in the Quarterly Corrected Net Loss Amount (as defined in the "*Index of Definitions*") as calculated by the Return Swap Calculation Agent (as defined in the "*Index of Definitions*") on the immediately preceding Quarterly Return Swap Calculation Date (as defined in the "*Index of Definitions*").

In return, the Issuer will periodically pay the Return Swap Counterparty certain fixed payments relating to the Return Swap Notional Amount (as defined in the "*Index of Definitions*") outstanding at that time under the Return Swap.

The Return Swap will terminate on the date on which the Class A Notes and the Class B Notes have been redeemed in full at their respective Principal Amount Outstanding (the "**Return Swap Termination Date**").

Coverage under the Return Swap

Under the Return Swap, the Issuer will be entitled to receive Return Swap Claim Payments up to the Return Swap Notional Amount during the term of the Return Swap. The Return Swap Notional Amount will (i) define the amount on which the Issuer will pay the Fixed Return Swap Fee (as defined in the "*Index of Definitions*") under the Return Swap; and (ii) establish the maximum liability of the Return Swap Counterparty under the Return Swap. The Return Swap Notional Amount will initially be equal to € 25,235,000 (*i.e.* the Initial Return Swap Notional Amount).

The Return Swap will provide coverage, subject to the conditions and limitations specified therein, in the event that the Calculated Turn-in Residual Value (as defined in the "*Index of Definitions*") of a Vehicle exceeds the relevant Vehicle Realisation Proceeds, provided that such Vehicle qualifies as a Covered Vehicle (as defined in the "*Index of Definitions*").

The Return Swap does not provide coverage for an Excluded Vehicle (as defined in the "*Index of Definitions*") that satisfies certain criteria, including: a Vehicle (i) which is purchased by the Lessee or the Servicer prior to the return thereof to the Buyer; (ii) for which a determination has been made by the Servicer in accordance with the Servicer's standard guidelines that significant damage has been inflicted on such Vehicle ("total loss"); (iii) that is not returned to the Servicer for the account of the Buyer during the Return Swap Period (as defined in the "*Index of Definitions*"); (iv) that is returned to the Servicer for the account of the Buyer within the Return Swap Period but has not been sold by the Servicer in accordance with the Servicer's standard guidelines and in a commercially reasonable sale transaction within ninety (90) days as of the Actual Turn-in Date (as defined in the "*Index of Definitions*"); or (v) of which the Associated Lease has been extended and/or deferred by more than eighteen (18) months in aggregate.

In addition, the Return Swap does not provide coverage to the Issuer for the non-payment by a Lessee of any amounts due by such Lessee under the terms of the relevant Lease.

Notwithstanding any other provision of the Return Swap, the Issuer will not be entitled to submit any Return Swap Claim (as defined in the "*Index of Definitions*") to the Return Swap Counterparty following the Return Swap Termination Date.

Reporting and Claims Procedure under the Return Swap

On each Monthly Return Swap Calculation Date, the Servicer (in its capacity as Return Swap Calculation Agent) will deliver to the Return Swap Counterparty a Monthly Return Swap Claim Status Report (as defined in the "*Index of Definitions*") with respect to the Reference Vehicles (as defined in the "*Index of Definitions*") for the immediately preceding Monthly Return Swap Calculation Period (as defined in the "*Index of Definitions*") which will list, among other things:

(i) the number of Covered Vehicles sold within the Monthly Return Swap Calculation Period immediately preceding the relevant Monthly Return Swap Calculation Date with respect to which the Calculated Turn-in Residual Value exceeds the Vehicle Realisation Proceeds (each a "**Loss Vehicle**") and the aggregate amount of the Loss Amounts (as defined in the "*Index of Definitions*") realised within such Monthly Return Swap Calculation Period (the "**Monthly Gross Losses**");

(ii) the number of Covered Vehicles sold within the Monthly Return Swap Calculation Period immediately preceding the relevant Monthly Return Swap Calculation Date with respect to which the Vehicle Realisation Proceeds exceeds the Calculated Turn-in Residual Value and the aggregate amount of the Profit Amounts (as defined in the "*Index of Definitions*") realised within such Monthly Return Swap Calculation Period (the "**Monthly Gross Profits**");

(iii) the excess, if any, of the Monthly Gross Losses over the Monthly Gross Profits (the "**Monthly Net Loss Amount**") with respect to the Monthly Return Swap Calculation Period immediately preceding the relevant Monthly Return Swap Calculation Date;

(iv) the excess, if any, of the Monthly Gross Profits over the Monthly Gross Losses (the "**Monthly Net Profit Amount**") with respect to the Monthly Return Swap Calculation Period immediately preceding the relevant Monthly Return Swap Calculation Date.

The Monthly Return Swap Claim Status Reports will form the basis for (i) calculating the amount of Return Swap Claim Payments, if any, to be made by the Return Swap Counterparty to the Issuer under the Return Swap on the next succeeding Quarterly Return Swap Settlement Date.

On each Quarterly Return Swap Calculation Date, the Issuer will provide a Quarterly Return Swap Settlement Statement (as defined in the "*Index of Definitions*") to the Return Swap Counterparty with respect to the Vehicles in the Reference Pool (as defined in the "*Index of Definitions*").

The Quarterly Return Swap Settlement Statement will set forth, among other things, the Quarterly Net Loss Amount, the Quarterly Net Profit Amount and the Quarterly Warranty Payments (all as defined in the "*Index of Definitions*") received by the Buyer under the Residual Value Warranty provided by each of the Sellers pursuant to the Master Hire Purchase Agreement.

In the Quarterly Return Swap Settlement Statement the Issuer will make a request for payment under the Return Swap in an amount equal to Party B's Share in the Quarterly Corrected Net Loss Amount, to be paid by the Return Swap Counterparty on the next succeeding Quarterly Return Swap Settlement Date, to the extent such amount together with the Return Swap Claim Payments made prior to the relevant Quarterly Return Swap Settlement Date does not exceed the relevant Return Swap Notional Amount.

Each Quarterly Return Swap Settlement Statement delivered to the Return Swap Counterparty by the Return Swap Calculation Agent (on behalf of the Issuer) will contain a written certification of a relevant officer of the Servicer stating the following: (i) the person signing the certificate is a duly authorised officer of the Servicer, (ii) to such person's knowledge, the Servicer has performed in all material respects all of its obligations under the Return Swap, including, without limitation, complying with the Servicer's operating procedures with respect to the Servicer's servicing obligations for Vehicles covered by the Return Swap (or indicating any exceptions thereto), and (iii) the information contained in the report attached thereto is true, correct and complete in all material respects.

In addition, upon delivery of such Quarterly Return Swap Settlement Statement, the Return Swap Calculation Agent (on behalf of the Issuer) shall deliver to the Return Swap Counterparty a report or letter prepared by the independent auditors of the Servicer in respect of the compliance by the Servicer with, *inter alia*, the operating procedures and calculation procedures and containing an audit of the figures produced by the Return Swap Calculation Agent in the relevant Quarterly Return Swap Settlement Statement. Such report or letter shall also indicate that the firm is independent with respect to the Servicer within the meaning of the Code of Professional Ethics of the Dutch Institute of Certified Public Accountants.

In the event any such certificate of the officer or report of the Servicer's independent accountants identifies an error in respect of Return Swap Claims or Return Swap Claim Payments, the affected reports will be restated and appropriate adjustments will be made with respect to any such claims or payments.

Return Swap Cash Collateral Account

At the Closing Date the Return Swap Counterparty will, by way of security for its payment obligations under the Return Swap Agreement, deposit an amount of € 10,000,000 into the Return Swap Cash Collateral Account held by the Issuer. The amount standing to the credit of the Return Swap Cash Collateral Account will be reduced each time a Return Swap Claim Payment is required to be made by an amount equal to such Return Swap Claim Payment. The payment of a Return Swap Claim Payment to be made by the Return Swap Counterparty shall be effected by means of set-off with the claim of the Return Swap Counterparty for repayment of part of the balance standing to the credit of the Return Swap Cash Collateral Account equal to the amount of such Return Swap Claim Payment, until the balance of the Return Swap Cash Collateral Account is reduced to zero. Thereafter any Return Swap Claim Payment (if any) will be paid by the Return Swap Counterparty into the Issuer Transaction Account.

Pursuant to the Return Swap Agreement, if, at any time, (i) the long-term, unsecured and unsubordinated debt obligations of ING are assigned a rating of less than Aa3 by Moody's, or (ii) such rating is withdrawn, or (iii) the Return Swap Counterparty is no longer (indirectly) wholly owned by ING, then the Return Swap Counterparty will at its own cost, within thirty (30) days of such event, (i) transfer all of the rights and obligations of the Return Swap Counterparty with respect to the Return Swap Agreement to a replacement third party with a rating of at least as high as the required ratings set by Moody's, (ii) obtain a third party, having the required ratings, to unconditionally guarantee the obligations of the Return Swap Counterparty under the Return Swap Agreement, or (iii) post collateral to support its obligations under the Return Swap Agreement which complies with the criteria set by Moody's.

Pursuant to the Return Swap Agreement, if the credit quality of the Return Swap Counterparty is not in Fitch's view commensurate with a long-term rating of A or a short-term rating of F1 (such ratings together the "**Fitch Return Swap Required Ratings**") then the Return Swap Counterparty will at its own cost, within thirty (30) days of Fitch's notification, (i) transfer all of the rights and obligations of the Return Swap Counterparty with respect to the Return Swap Agreement to a replacement third party with a rating of at least as high as the Fitch Return Swap Required Ratings, (ii) obtain a third party, having the Fitch Return Swap Required Ratings, to unconditionally guarantee the obligations of the Return Swap Counterparty under the Return Swap Agreement, or (iii) post collateral to cover the potential replacement costs of the swap at a minimum amount in accordance with the swap criteria set by Fitch provided that, when the Return Swap Counterparty's credit quality in Fitch's view is not commensurate with a short-term rating of F2 or a long-term rating of BBB+, (i) and (ii) are the recommended actions of choice and (iii) is acceptable only if the mark-to-market calculations and the correct and timely posting of collateral are verified by an independent third party. Should the credit quality of the Return Swap Counterparty in Fitch's view be not commensurate with an investment-grade rating, only actions (i) and (ii) are acceptable.

Issuer Facility Agreement

General

On the Signing Date, the Issuer, the Borrower, the Borrower Security Trustee and the Issuer Security Trustee will enter into the Issuer Facility Agreement. Pursuant to the Issuer Facility Agreement the Issuer will make a term advance to the Borrower on the Closing Date (the "**Issuer Facility Advance**").

The Borrower shall apply the proceeds of the Issuer Facility Advance to pay the PUA Payment Amounts to the PUA Party in accordance with the Payment Undertaking Agreement and the PUA Loan Agreement in consideration for the PUA Party assuming the Borrower's payment obligations in respect of the (hire) purchase of the Current Vehicles and the Lease Receivables resulting from the Associated Leases from the Sellers pursuant to the Master Hire Purchase Agreement.

Revolving Period

The Revolving Period will terminate (the "**Revolving Period Termination Date**") on the earlier of (i) three-and-a-half (3.5) years after the Closing Date or (ii) the date on which an Early Amortisation Event has occurred pursuant to the Issuer Facility Agreement unless the Issuer has notified the Borrower ultimately on the date of the occurence of such Early Amortisation Event that the Revolving Period shall not end subject to confirmation by the Rating Agencies that the rating of the Class A Notes and the Class B Notes will not be adversely affected.

Early Amortisation Events

Each of the following events will constitute an Early Amortisation Event, unless such event (except the event included under (d) below), if capable of being remedied, is remedied within thirty (30) days upon the occurrence thereof:

(a) Athlon Beheer decides in accordance with the Athlon Facility Agreement not to fund an Additional Advance pursuant to the Athlon Facility Agreement;

(b) the Three Months Rolling Average Delinquency Ratio (as defined in the "*Index of Definitions*") exceeds 2.0 per cent;

(c) the Default Ratio (as defined in the "*Index of Definitions*") exceeds 2.5 per cent;

(d) on a Notes Quarterly Payment Date the debit balance on the Principal Deficiency Ledger equals or exceeds 50 per cent. of the aggregate Principal Amount Outstanding of the Class C Notes on such Notes Quarterly Payment Date;

(e) Athlon is in breach of the "*Total Interest Cover*", the "*Asset Indebtedness Cover*" or the "*Rental and Leasing Solvency Cover*" (taking into account any applicable grace or remedy periods, unless waived by the other parties) as included in the 2004 Syndicated Loan Facility Agreement or, in the event of termination of the 2004 Syndicated Loan Facility Agreement, the equivalents thereof in any successor loan facility agreement entered into to refinance amounts outstanding under the 2004 Syndicated Loan Facility Agreement. In the event that the 2004 Syndicated Loan Facility Agreement shall have been terminated and a successor loan agreement has not been entered into or shall have been terminated the "*Total Interest Cover*", the "*Asset Indebtedness Cover*" or the "*Rental and Leasing Solvency Cover*" of the 2004 Syndicated Loan Facility Agreement shall continue to apply for the purpose of this clause;

(f) Athlon and/or any of the Sellers have entered into a suspension of payments (*surseance van betaling*) or have been declared bankrupt (*failliet verklaard*);

(g) any of the Sellers fails to comply with any of its material obligations under any of the Transaction Documents;

(h) the Return Swap Agreement has been terminated between the Issuer and the Return Swap Counterparty;

(i) the Interest Rate Swap Agreement has been terminated between the Issuer and the Interest Rate Swap Counterparty, unless a replacement of the Interest Rate Swap Counterparty takes place in accordance with the terms of the Interest Rate Swap Agreement;

(j) the Liquidity Facility Agreement has been terminated between the Issuer and the Liquidity Facility Provider and no successor Liquidity Facility Agreement has been entered into in accordance with the Liquidity Facility Agreement;

(k) the Servicing Agreement has been terminated between the Servicer and the Buyer; and

(l) a change of law that in the reasonable opinion of the Issuer would have a material adverse effect on used vehicle prices in the Netherlands without the ability on the part of the Borrower to obtain adequate compensation from the Lessees or the Dutch government.

Utilisation on Closing Date

The Borrower may only utilise the Issuer Facility Advance on the Closing Date to finance an amount not in excess of the Net Pool Balance as determined on the Closing Date using the portfolio information as per the Portfolio Cut-Off Date (as defined in the "*Index of Definitions*").

Assessment of Pool Balance

The Borrower shall, or shall cause the Borrower Administrator, (A) to determine on the Closing Date which part of the Pool Balance (as defined in the "*Index of Definitions*") outstanding as per the Portfolio Cut-Off Date and (B) during the Revolving Period, on each Borrower Monthly Calculation Date with respect to the immediately preceding Lease Monthly Calculation Period, to determine which part of the Pool Balance outstanding on the first day of such Lease Monthly Calculation Period constitutes:

1. the Non-Eligible Pool Balance;
2. the Eligible Pool Balance;
3. the Excess Pool Balance; and

4. the Net Pool Balance (all as defined in the "*Index of Definitions*").

Assessment of Additional Advance

On each Borrower Monthly Calculation Date, the Borrower Administrator shall determine the amount of the Additional Advance and shall notify Athlon Beheer of the amount of such Additional Advance.

Interest

Interest shall be calculated as at each Borrower Monthly Calculation Date for the Borrower Monthly Calculation Period in which such Borrower Monthly Calculation Date falls. Interest accrued on the unpaid and outstanding principal under the Issuer Facility Advance shall be paid in arrear on the immediately succeeding Borrower Monthly Payment Date.

Interest on the unpaid and outstanding principal under the Issuer Facility Advance shall be calculated on each Borrower Monthly Calculation Date and will be equal to:

(1) the Issuer Facility Share in Lease Interest Collections for the immediately preceding Lease Monthly Calculation Period, *plus*

(2) the Issuer Facility Share in Borrower Accounts Interest Collections for the Borrower Monthly Calculation Period in which such Borrower Monthly Calculation Date falls, *plus*

(3) in the event a Contractual Set-Off Event (as defined below) has occurred, the amount which would have been paid as interest on the Athlon Facility in the absence of such Contractual Set-Off Event, *minus*

(4) (A) the items due and payable under items (a)(i) and (a)(ii) of the Borrower Pre-Enforcement Priority of Payments or item (a)(i) of the Borrower Post-Enforcement Priority of Payments, as the case may be, *multiplied by* (B) the lower of (a) IF *divided by* PB, and (b) 1 (one).

For the purpose of the above paragraph the following items will have the following meaning:

"**IF**" = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and

(b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date.

"**PB**" = with respect to each Borrower Monthly Calculation Date, the Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

Repayment and Prepayment

The Issuer Facility Advance shall be repaid by the Borrower in full ultimately on the Issuer Facility Final Maturity Date. The principal that will become due and payable in respect of the Issuer Facility Advance on each Borrower Monthly Payment Date shall equal the Issuer Facility Principal Redemption Available Amount. The "**Issuer Facility Principal Redemption Available Amount**" shall be calculated on each Borrower Monthly Calculation Date, with respect to the Borrower Monthly Calculation Period in which such Borrower Monthly Calculation Date falls, and will be equal to:

During the Revolving Period, the sum of:

1. (A) amounts to be released on the immediately succeeding Borrower Monthly Payment Date from the Vehicle Acquisition Escrow Account and subsequently paid into the Borrower Transaction Account; *multiplied by* (B) the lower of (a) IF *divided by* EPB, or (b) 1 (one); and

2. amounts to be released on the immediately succeeding Borrower Monthly Payment Date from the Additional Advance Account and subsequently paid into the Borrower Transaction Account; and

3. in the event a Minimum Amount Outstanding Event (as defined below) has occurred, the amount which would have been used to repay the Athlon Facility Principal Amount Outstanding (as defined in the "*Index of Definitions*") in the absence of such Minimum Amount Outstanding Event; and

4. in the event a Contractual Set-Off Event has occurred, the amount which would have been paid as principal on the Athlon Facility in the absence of such Contractual Set-Off Event.

After the Revolving Period Termination Date, the sum of:

1. amounts, if any, released on the Revolving Period Termination Date from the Additional Advance Account and subsequently paid into the Borrower Transaction Account;

2. (A) amounts, if any, released on the Revolving Termination Date from the Vehicle Acquisition Escrow Account and subsequently paid into the Borrower Transaction Account; *multiplied by* (B) the lower of (a) IF *divided by* EPB, or (b) 1 (one);

3. the Issuer Facility Share in Lease Net Principal Collections (as defined in the "*Index of Definitions*");

4. in the event a Minimum Amount Outstanding Event has occurred, the amount which would have been used to redeem the Athlon Facility Principal Amount Outstanding in the absence of such Minimum Amount Outstanding Event; and

5. in the event a Contractual Set-Off Event has occurred, the amount which would have been paid as principal on the Athlon Facility in the absence of such Contractual Set-Off Event.

For the purpose of the above paragraphs the following items will have the following meaning:

"**IF**" = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and

(b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date minus the balance, excluding any accrued interest, standing to the credit of the Additional Advance Account.

"**EPB**" = with respect to each Borrower Monthly Calculation Date, the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

A Return Swap Claim Payment received by the Issuer under the Return Swap shall be treated as a deemed repayment of the Issuer Facility Advance for an amount equal to such payment, until the principal amount outstanding under the Issuer Facility Advance has been reduced to nil.

The Borrower may only prepay any part of the outstanding Issuer Facility Advance in the event it has received a notice from the Issuer stating that the Issuer would like to exercise the Clean-up Call Option or the Tax Call Option (both as defined in the Conditions), as the case may be.

All outstanding and unpaid principal under the Issuer Facility Advance plus all accrued and unpaid interest shall be repaid by the Borrower on the Issuer Facility Final Maturity Date.

Representations and warranties

The Borrower makes the representations and warranties set out in the Issuer Facility Agreement to the Issuer, the Borrower Security Trustee and the Issuer Security Trustee. These will include representations and warranties as to the following matters:

(a) due incorporation and corporate authority;

(b) no conflict with any law or regulation or judicial or official order to which the Borrower is subject;

(c) no Borrower Event of Default pursuant to the Issuer Facility Agreement is outstanding or might result from the making of any drawing thereunder;

(d) all authorisations, registrations, notifications, licenses, consents or approvals (including from any governmental authority or agency) required or desirable in connection with the entry into, the performance, validity and enforceability in the Netherlands of the Issuer Facility Agreement and the other Transaction Documents to which Borrower is a party, and the transactions contemplated thereby, have been obtained or effected (as appropriate) and are in full force and effect;

(e) no litigation, arbitration or administrative proceedings are current or, to its knowledge, pending or threatened, which might reasonably be expected to have a material adverse effect on the ability of the Borrower to perform its obligations under the Issuer Facility Agreement or the other Transaction Documents to which Borrower is a party, or the transactions contemplated thereby;

(f) there are no encumbrances currently existing or to be created on any of the Vehicles or Associated Leases, other than the liens and other encumbrances permitted by and in accordance with the Issuer Facility Agreement and the other Transaction Documents to which the Borrower is a party, and encumbrances arising by operation of law, under the Associated Leases or under the BOVAG General Conditions; and

(g) each Borrower Pledge Agreement executed by the Borrower constitutes a valid and continuing lien on and security interest in the collateral referred to in such Borrower Pledge Agreement (as defined below) and under applicable law in favour of the Borrower Security Trustee.

The representations and warranties set out above are made on the Closing Date and are deemed to be repeated by the Borrower on each Borrower Monthly Payment Date with reference to the facts and circumstances then in existence. No independent investigation with respect to the matters warranted by the Borrower pursuant to the Issuer Facility Agreement will be made by the Issuer, the Borrower Security Trustee or the Issuer Security Trustee. In relation to such matters, the Issuer, the Borrower Security Trustee and the Issuer Security Trustee will rely entirely on the representations and warranties to be given by the Borrower in the Issuer Facility Agreement.

Covenants

The Issuer Facility Agreement will include, *inter alia*, the following covenants:

(a) the Borrower shall notify the Issuer, the Issuer Security Trustee and the Borrower Security Trustee of any Borrower Event of Default promptly;

(b) the Borrower shall supply the Issuer, the Borrower Security Trustee and the Rating Agencies with, (i) as soon as the same become available, but in any event five (5) months after the close of its financial year, its unaudited annual accounts (and audited annual accounts upon termination of the Master Hire Purchase Agreement following a Termination Event) and (ii) as soon as the same become available, but in any event within twenty (20) days of the end of each calendar month, its un-audited monthly financial statements;

(c) the Borrower shall promptly supply certified copies to the Issuer and the Borrower Security Trustee of the resolutions taken by its management board and its shareholder with respect to the execution of the Issuer Facility Agreement and the other Transaction Documents to which the Borrower is a party, and of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability in the Netherlands of, the Issuer Facility Agreement and the other Transaction Documents to which the Borrower is a party;

(d) the Borrower shall comply in all respects with all applicable laws non-compliance with which would materially adversely affect its ability to perform any of its obligations hereunder or under the other Transaction Documents to which it is a party;

(e) the Borrower shall not enter into any merger, de-merger, amalgamation, consolidation or corporate reorganisation or transfer its business to any other person other than as permitted by the Transaction Documents;

(f) the Borrower shall not commence a voluntary case or other proceeding seeking liquidation, reorganisation or other relief with respect to it or its debts under any law or seeking the appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, and shall not consent to any such relief or to the appointment of or taking possession by any receiver, trustee, custodian, conservator or other similar official in an involuntary case or other proceeding commenced against the Borrower;

(g) the Borrower shall not create or permit to subsist any security right, lien or other encumbrance over any of its revenues or assets other than as contemplated and permitted by the Transaction Documents, and encumbrances arising by operation of law, under the Associated Leases or under the BOVAG General Conditions;

(h) the Borrower shall not amend, change, vary, supplement or terminate (save for any termination in connection with a permitted disposal by the Servicer in accordance with the provisions of the Servicing Agreement) in any material way any terms of the Associated Leases other than in cases where it would be acceptable to a reasonably prudent lessor of vehicles in the Netherlands or in cases such that it would not have a material adverse effect.

The covenants set forth above remain in force from the Closing Date for so long as any amount is or may be outstanding under or in connection with the Issuer Facility Agreement.

Borrower Event of Default

Each of the following events will constitute a Borrower Event of Default under the Issuer Facility Agreement:

(a) an involuntary case or other proceeding shall be commenced seeking liquidation, reorganisation or other relief with respect to the Borrower or its debts under any law or seeking the appointment of a receiver, trustee, custodian, conservator or other similar official for it or of any substantial part of its property or an order providing for relief in respect of the Borrower in an involuntary case under any law or appointing a receiver, trustee, custodian, conservator or other similar official for the Borrower or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and such involuntary case or proceeding or decree or order shall remain un-dismissed, un-stayed and in effect for a period of thirty (30) consecutive days;

(b) any payment of principal amount, interest, fee or other amount payable under the Issuer Facility Agreement is not made, within ten (10) Business Days after receipt of written notice of such failure from the Issuer;

(c) any representation or warranty or statement made or deemed to be made by the Borrower is untrue, incorrect or misleading in any respect when made, deemed to be made or repeated, which would have a material adverse effect or the ability of the Borrower to perform its obligations under the Issuer Facility Agreement and the circumstances giving rise to the relevant misrepresentation, if capable of remedy, continue un-remedied for a period of thirty (30) days from the date on which Borrower becomes aware of such misrepresentation;

(d) any breach by the Borrower of any of its covenants under the Issuer Facility Agreement, if such breach would have a material adverse effect or the ability of the Borrower to perform its obligations under the Issuer Facility Agreement, and such breach, if capable of remedy, is not remedied within thirty (30) days after notice to the Borrower from the Borrower Security Trustee or the Issuer requesting action to remedy such breach, or from the date on which the Borrower becomes aware of such breach; and

(e) any executory attachment is made on any assets of the Borrower or a conservatory attachment is made on any assets of the Borrower, which is not lifted within fourteen (14) days or which subsequently turns into an executory attachment.

At any time during the continuance of a Borrower Event of Default as described above, the Borrower Security Trustee may at its discretion, or if so directed in writing by the Issuer or the Issuer Security Trustee give notice to the Borrower (a "**Borrower Enforcement Notice**"), subject to and in accordance with the provisions of the Borrower Trust Deed, declaring the unpaid balance of outstanding principal and accrued and unpaid interest pursuant to the Issuer Facility Agreement at once due and payable, whereupon such unpaid balance of principal and accrued and unpaid interest shall be and become immediately due and payable without presentment, demand, protest, notice or other requirement of any kind, all of which are hereby expressly waived by the Borrower. The Borrower Security Trustee may exercise any and all rights, powers and remedies provided for under the Issuer Facility Agreement, by law, or otherwise.

Taxes

All payments to be made under the Issuer Facility Agreement shall be made without deduction or withholding for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Netherlands, or any political sub-division thereof or any authority or agency therein or thereof having the power to tax, unless the deduction or withholding of such taxes or duties is required by law. The Borrower will not have any obligation to pay any additional amounts in respect of such deduction or withholding.

Athlon Facility Agreement

General

On the Signing Date, Athlon Beheer, the Borrower and the Borrower Security Trustee will enter into the Athlon Facility Agreement. Pursuant to the Athlon Facility Agreement Athlon Beheer will make loan advances to the Borrower (each an "**Athlon Facility Advance**").

The Borrower shall apply the proceeds of the Athlon Facility Advances (other than the Additional Advances) to pay the PUA Payment Amounts to the PUA Party in accordance with the Payment Undertaking Agreement and the PUA Loan Agreement in consideration for the PUA Party

assuming the Borrower's payment obligations in respect of the (hire) purchase of the Current Vehicles or Future Vehicles, as the case may be, and the Lease Receivables resulting from the Associated Leases from the Sellers pursuant to the Master Hire Purchase Agreement. The Borrower shall apply the proceeds of any Additional Advance to make a deposit in the Additional Advance Account.

Further Advances

At the sole discretion of Athlon Beheer, Athlon Beheer may, during the whole term of the Athlon Facility, make further advances, as set forth in the Athlon Facility Agreement, for the purposes of financing the purchase of Future Vehicles and the Lease Receivables resulting from the Associated Leases under the terms of the Master Hire Purchase Agreement, subject to the defeasance contemplated by the Payment Undertaking Agreement, to the Borrower on each Borrower Monthly Payment Date. Athlon Beheer shall promptly notify the Borrower in writing of its decision to make a further advance hereunder. Upon receipt of such notice by the Borrower the obligation of Athlon Beheer to make such further advance shall become irrevocable.

Utilisation on Closing Date

On the Closing Date, Athlon Beheer shall make the first Athlon Facility Advance to the Borrower in the amount that is required to finance the Non-Eligible Pool Balance and the Excess Pool Balance as determined on the Closing Date using the portfolio information as per the Portfolio Cut-Off Date.

Assessment of Non-Eligibility

On the Closing Date, using the portfolio information as per the Portfolio Cut-Off Date, and, during the Revolving Period, on each Borrower Monthly Calculation Date with respect to the immediately preceding Lease Monthly Calculation Period, using the portfolio information as per the first day of such Lease Monthly Calculation Period, Athlon Beheer shall determine with respect to which Lessees it wants to consider one or more Lease Balances (as defined in the "*Index of Definitions*") under any of the Leases outstanding, respectively, as per the Portfolio Cut-Off Date and the first day of such Lease Monthly Calculation Period as deemed non-eligible (each a "**Deemed Non-Eligible Amount**") for the purposes of calculating the Non-Eligible Lease Balance on such Borrower Monthly Calculation Date and shall notify the Borrower Administrator thereof on such Borrower Monthly Calculation Date, to enable the Borrower Administrator to determine the Non-Eligible Pool Balance, the Eligible Pool Balance, the Excess Pool Balance and the Net Pool Balance and the amount of the Additional Advance.

Financing of Additional Advance

Athlon Beheer may, at its sole discretion, determine whether it shall finance any Additional Advance. Athlon Beheer shall promptly notify the Borrower in writing of its decision to make an Additional Advance. Upon receipt of such notice by the Borrower the obligation of Athlon Beheer to make such Additional Advance shall become irrevocable. Any Additional Advance made by Athlon Beheer shall on the relevant Borrower Monthly Payment Date be deposited in the Additional Advance Account.

"**Additional Advance**" means, with respect to each Borrower Monthly Calculation Date, the difference, if positive, between (a) the Issuer Facility Principal Amount Outstanding on the first day of the immediately preceding Lease Monthly Calculation Period, and (b) the Net Pool Balance *plus* the balance standing to the credit of the Additional Advance Account (excluding any accrued interest) on the first day of the immediately preceding Lease Monthly Calculation Period, as calculated in accordance with the Athlon Facility Agreement

Interest

Interest shall be calculated as at each Borrower Monthly Calculation Date for the Borrower Monthly Calculation Period in which such Borrower Monthly Calculation Date falls. Interest accrued on the unpaid and outstanding principal under the Athlon Facility Advances shall be paid in arrear on the immediately succeeding Borrower Monthly Payment Date.

Interest on the unpaid and outstanding principal under the Athlon Facility Advances shall be calculated on each Borrower Monthly Calculation Date and will be equal to the sum of:

(1) the Athlon Facility Share in Lease Interest Collections (as defined in the "*Index of Definitions*") for the immediately preceding Lease Monthly Calculation Period, *plus*

(2) the Athlon Facility Share in Borrower Accounts Interest Collections (as defined in the "*Index of Definitions*") for the Borrower Monthly Calculation Period in which such Borrower Calculation Date falls, *minus*

(3) the sum of (a) the items due and payable under Clause 7.1(a)(i) through and including (a)(ii) or under Clause 8.2(a)(i), as the case may be, of the Borrower Trust Deed, and (b) amounts allocated to the Issuer Facility Advance as described under subparagraph "*Interest*" of paragraph "*Issuer Facility Agreement*".

Repayment and Prepayment

The Athlon Facility Advance shall be repaid by the Borrower in full ultimately on the Athlon Facility Final Maturity Date. The principal that will become due and payable in respect of the Athlon Facility Advances on each Borrower Monthly Payment Date shall equal the Athlon Facility Principal Redemption Available Amount (as defined below), provided, however, that, as long as any amounts are outstanding under the Issuer Facility Agreement, repayment of principal on the Athlon Facility may not be made if such payment would cause the Athlon Facility Principal Amount Outstanding to fall below € 15,000,000 (a "**Minimum Amount Outstanding Event**"). The "**Athlon Facility Principal Redemption Available Amount**" shall be calculated on each Borrower Monthly Calculation Date, with respect to the Borrower Monthly Calculation Period in which such Borrower Calculation Date falls, and will be equal to:

During the Revolving Period:

(1) amounts to be released from the Vehicle Acquisition Escrow Account and subsequently paid into the Borrower Transaction Account, *minus*

(2) the outcome of item (i) under subparagraph "*Repayment and Prepayment/During the Revolving Period*" of paragraph "*Issuer Facility Agreement*".

After the Revolving Period Termination Date:

(1) the then remaining balance standing to the credit of the Vehicle Acquisition Escrow Account to be released and subsequently paid into the Borrower Transaction Account, *minus*

(2) the outcome of item (ii) under subparagraph "*Repayment and Prepayment/After the Revolving Period Termination Date*" of paragraph "*Issuer Facility Agreement*"; *plus*

(3) the Athlon Facility Share in Lease Net Principal Collections (as defined in the "*Index of Definitions*").

The Borrower may prepay any part of the outstanding Athlon Facility Advances provided (i) the Issuer Facility Principal Amount Outstanding does not exceed the Net Pool Balance, (ii) the Athlon Principal Amount Outstanding equals or exceeds an amount equal to the aggregate of the Non-Eligible Pool Balance and Excess Pool Balance and (iii) such payment does not constitute a Minimum Amount Outstanding Event. All outstanding and unpaid principal under the Athlon Facility Advances plus all accrued and unpaid interest shall be repaid by the Borrower on the Athlon Facility Final Maturity Date.

Representations and warranties

The Borrower makes the representations and warranties set out in the Athlon Facility Agreement to Athlon Beheer and the Borrower Security Trustee. These will include representations and warranties as to the following matters:

(a) due incorporation and corporate authority;

(b) no conflict with any law or regulation or judicial or official order to which the Borrower is subject;

(c) no Borrower Event of Default pursuant to the Athlon Facility Agreement is outstanding or might result from the making of any drawing hereunder;

(d) all authorisations, registrations, notifications, licenses, consents or approvals (including from any governmental authority or agency) required or desirable in connection with the entry into, the performance, validity and enforceability in the Netherlands of the Athlon Facility Agreement and the other Transaction Documents to which the Borrower is a party, and the transactions contemplated thereby, have been obtained or effected (as appropriate) and are in full force and effect;

(e) no litigation, arbitration or administrative proceedings are current on, to its knowledge, pending or threatened, which might reasonably be expected to have a material adverse effect or the ability of the Borrower to perform its obligations under the Athlon Facility Agreement or the other Transaction Documents to which Borrower is a party, or the transactions contemplated thereby;

(f) there are no encumbrances currently existing or to be created on any of the Vehicles or Associated Leases, other than the liens and other encumbrances permitted by and in accordance with the Athlon Facility Agreement and the other Transaction Documents to which the Borrower is a party, and encumbrances arising by operation of law, under the Associated Leases or under the BOVAG Conditions; and

(g) each Borrower Pledge Agreement executed by the Borrower constitutes a valid and continuing lien or and security interest in the collateral referred to in such Borrower Pledge Agreement and under applicable law in favour of the Borrower Security Trustee.

The representations and warranties set out above are made on the Closing Date and are deemed to be repeated by the Borrower on each Borrower Monthly Payment Date with reference to the facts and circumstances then in existence. No independent investigation with respect to the matters warranted by the Borrower pursuant to the Athlon Facility Agreement will be made by Athlon Beheer or the Borrower Security Trustee. In relation to such matters, Athlon Beheer and the Borrower Security Trustee will rely entirely on the representations and warranties to be given by the Borrower in the Athlon Facility Agreement.

Covenants

The Athlon Facility Agreement will include, *inter alia*, the following covenants:

(a) the Borrower shall notify Athlon Beheer and the Borrower Security Trustee of any Borrower Event of Default promptly;

(b) the Borrower shall promptly supply certified copies to Athlon Beheer and the Borrower Security Trustee of the resolutions taken by its management board and its shareholder with respect to the execution of the Athlon Facility Agreement and the other Transaction Documents to which the Borrower is a party, and any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability in the Netherlands of, the Athlon Facility Agreement and the other Transaction Documents to which the Borrower is a party;

(c) the Borrower shall comply in all respects with all applicable laws non-compliance with which would materially adversely affect its ability to perform any of its obligations hereunder or under the other Transaction Documents to which it is a party;

(d) the Borrower shall not enter into any merger, de-merger, amalgamation, consolidation or corporate reorganisation or transfer its business to any other person other than as permitted by the Transaction Documents;

(e) the Borrower shall not commence a voluntary case or other proceeding seeking liquidation, reorganisation or other relief with respect to it or its debts under any law or seeking the appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, and shall not consent to any such relief or to the appointment of or taking possession by any receiver, trustee, custodian, conservator or other similar official in an involuntary case or other proceeding commenced against the Borrower;

(f) the Borrower shall not create or permit to subsist any security right, lien or other encumbrance over any of its revenues or assets other than as contemplated and permitted by the Transaction Documents, and encumbrances arising by operation of law or under the Associated Leases or under the BOVAG General Conditions;

(g) the Borrower shall not amend, change, vary, supplement or terminate (save for any termination in connection with a permitted disposal by the Servicer in accordance with the provisions of the Servicing Agreement) in any material way any terms of the Associated Leases other than in cases where it would be acceptable to a reasonably prudent lessor of vehicles or in cases such that it would not have a material adverse effect;

(h) Athlon Beheer shall not cause or file for the bankruptcy (*faillissement*) or request the suspension of payments (*surseance van betaling*) of the Borrower during the whole term of the Athlon Facility Agreement.

The covenants set forth above remain in force from the Closing Date for so long as any amount is or may be outstanding under or in connection with the Athlon Facility Agreement, except for item (h) that remains in force during the whole term of the Athlon Facility Agreement.

Borrower Event of Default

Each of the following events will constitute a Borrower Event of Default under the Athlon Facility Agreement, provided that a Borrower Event of Default has occurred and is continuing under the Issuer Facility Agreement:

(a) an involuntary case or other proceeding shall be commenced seeking liquidation, reorganisation or other relief with respect to the Borrower or its debts under any law or seeking the appointment of a receiver, trustee, custodian, conservator or other similar official for it or of any substantial part of its property or an order providing for relief in respect of the Borrower in an involuntary case under any law or appointing a receiver, trustee, custodian, conservator or other similar official for the Borrower or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and such involuntary case or proceeding or decree or order shall remain un-dismissed, un-stayed and in effect for a period of thirty (30) consecutive days;

(b) any payment of principal amount, interest, fee or other amount payable under the Athlon Facility Agreement is not made, within ten (10) Business Days of the date when due without the consent of Athlon Beheer;

(c) any representation or warranty or statement made or deemed to be made by the Borrower is untrue, incorrect or misleading in any respect when made, deemed to be made or repeated, which would have a material adverse effect on the ability of the Borrower to perform its obligations under the Athlon Facility Agreement and the circumstances giving rise to the relevant misrepresentation, if capable of remedy, continue un-remedied for a period of thirty (30) days from the date on which Borrower becomes aware of such misrepresentation;

(d) any breach by the Borrower of any of its covenants under the Athlon Facility Agreement, if such breach would have a material adverse effect on the ability of the Borrower to perform its obligations under the Athlon Facility Agreement, and such breach, if capable of remedy, is not remedied within thirty (30) days after notice to the Borrower from the Borrower Security Trustee or Athlon Beheer requesting action to remedy such breach, or from the date on which the Borrower becomes aware of such breach;

(e) any executory attachment is made on any assets of the Borrower or a conservatory attachment is made on any assets of the Borrower, which is not lifted within fourteen (14) days or which subsequently turns into an executory attachment.

At any time during the continuance of a Borrower Event of Default as described above, the Borrower Security Trustee may at its discretion, or if so directed in writing by the Issuer or the Issuer Security Trustee give a Borrower Enforcement Notice to the Borrower, subject to and in accordance with the provisions of the Borrower Trust Deed, declaring the unpaid balance of outstanding principal and accrued and unpaid interest pursuant to the Athlon Facility Agreement at once due and payable, whereupon such unpaid balance of principal and accrued and unpaid interest shall be and become immediately due and payable without presentment, demand, protest, notice or other requirement of any kind, all of which are hereby expressly waived by the Borrower. The Borrower Security Trustee may exercise any and all rights, powers and remedies provided for under the Athlon Facility Agreement, by law, or otherwise.

Joint and Several Liability and Set-Off

Pursuant to the Athlon Facility Agreement, Athlon Beheer will, for the benefit of the Borrower, be jointly and severally liable with Athlon for any and all obligations and liabilities of Athlon arising under or in connection with the 403-statement Athlon has deposited with the Commercial Register, in respect of any and all obligations and liabilities of each of the Sellers, arising under or in connection with the Servicing Agreement and the Residual Value Warranty under the Master Hire Purchase Agreement. The Borrower will be entitled to set-off (*verrekenen*) any claims towards Athlon Beheer arising out of its joint and several liability against its payment obligations towards Athlon Beheer under the Athlon Facility Agreement, at any time and without prior notice, regardless of the currency in which Borrower's obligations are denominated. Any set-off effected between the Borrower and Athlon Beheer will constitute a "**Contractual Set-Off Event**".

Taxes

All payments to be made under the Athlon Facility Agreement shall be made without deduction or withholding for, or on account of, any present or future taxes or duties of whatever nature imposed or levied by or on behalf of the Netherlands, or any political sub-division thereof or any authority or agency therein or thereof having the power to tax, unless the deduction or withholding of such taxes or duties is required by law. The Borrower will not have any obligation to pay any additional amounts in respect of such deduction or withholding.

OVERVIEW OF THE DUTCH AUTO LEASE MARKET

*The information provided under this section has been derived from publicly available information on the Dutch auto lease market as published by the Association of Dutch Car Lease Companies (''Vereniging van Nederlandse Autoleasemaatschappijen'': ''**VNA**'') in its 2003 annual report.*

1. Introduction

After a slow start in the 1970s and 1980s the Dutch lease market started to grow at high rates during the 1990s due to a favourable tax system, economic growth, a tight labour market and the trend of outsourcing non-core activities. Latter resulted in a shift from financial to operational leasing but also fleet management.

Under operational leasing the lease company may offer a full service covering financing, repairs/ maintenance, insurances and administration/fleet management.

A growing number of companies and institutions are now starting to sub-contract their fleet management. They finance the cars themselves while lease companies perform the fleet management. So far, this type of external fleet management represents a relatively small part of the market.

In the Netherlands, importer and bank, i.e. ING Car Lease/Top Lease (ING) and Lage Landen (RABO) related lease companies and Athlon dominate the auto lease market.

Top 10 Lease Companies in the Netherlands

(2003)

Company	Parent Company
Leaseplan Nederland	Volkswagen
ING Car Lease Nederland	ING
Athlon Car Lease Nederland	Athlon Holding N.V.
DaimlerChrysler Services	Daimler Chrysler
De Lage Landen Translease	Rabobank
Unilease	Athlon Holding N.V.
Terberg Leasing	Terberg/ABN AMRO
ARMA	Arval
Kroymans Financial Services	Kroymans Group
Business Lease	Autobinck Holding

2. Market size

Due to the less favourable state of the economy of the Netherlands during the year 2003, the Dutch leasing market showed a slight decrease of approximately 10,000 vehicles, a decrease of 1.3 per cent..

Number of lease contracts by vehicles type

(31 December 2003)

Type of vehicle	Vehicles
Passenger Vehicle	517,000
Delivery van	164,000
Truck	101,000
Total	782,000

A large part of the Dutch lease market for private cars is dominated by members of the VNA. VNA members have a market share of about 92 per cent.. The total number of Dutch private car market amounts up to 6.7 million. For delivery vans the market share is around 72 per cent..

Number of VNA-lease contracts by vehicle type

(31 December 2003)

Type of vehicle	Vehicles
Private car	478,200
Delivery van	117,600
Truck	13,200
Total	609,000

3. Private cars

For private cars the division over various forms of contract is as follows:

Number of VNA-lease contracts by type of contract

(31 December 2003)

Type of contract	Contracts
Operational	422,200
Financial	30,500
Fleet Management	25,300
Total	478,000

Operational leasing can be divided into (a) open, (b) closed, and (c) net operational lease contracts.

Division of lease contracts VNA-members by type of contract

(4Q 2003)

Type of contract	Division
Operational (closed)	67.2%
Operational (open)	19.1%
Net operational	2.0%
Financial	6.4%
Fleet Management	5.3%
Total	100%

In 2003 the average private car theoretical lease contract tenor with VNA-members showed a slight increase from 43.3 to 43.7 months.

Average theoretical lease contract tenor

(1999 – 2003)

Year	Months
1999	41.8
2000	42.5
2001	42.5
2002	43.3
2003	43.7

In 2003 the average life of the lease fleet of private cars with VNA-members remained the same, i.e. 23.4 months.

Average life of lease fleet of private cars

(1999 – 2003)

Year	Months
1999	19.7
2000	20.3
2001	21.0
2002	23.4
2003	23.4

Top 10 registered leased private cars brands

(2003)

Brand	Vehicles
Peugeot	16,037
Volkswagen	15,715
Renault	14,703
Opel	9,807
Ford	7,285
Volvo	6,605
Citroën	5,838
Audi	5,571
BMW	4,568
Toyota	4,124

Top 10 of leased private cars by type

(2003)

Type	Vehicles
Peugeot 307	10,903
VW Golf	5,397
Renault Laguna	5,350
VW Passat	4,822
Ford Mondeo	3,442
Audi A4	3,344
Citroën C5	3,301
Renault Megane	3,299
Peugeot 206	3,152
Opel Astra	2,868

4. Delivery vans

For delivery vans the division over various forms of contract is as follows:

Number of VNA-lease contracts by type of contract

(31 December 2002)

Type of contract	Contracts
Operational	89,500
Financial	18,000
Fleet Management	10,100
Total	117,600

Division of lease contracts VNA-members by type of contract

(4Q 2003)

Type of contract	Division
Operational (closed)	59%
Operational (open)	12%
Net operational	5%
Financial	15%
Fleet Management	9%
Total	100%

The average delivery van theoretical lease contract tenor with VNA-members showed an increase from 49,8 to 50,3 months.

Average theoretical lease contract tenor

(1999 – 2003)

Year	Months
1999	48.2
2000	49.1
2001	49.3
2002	49.8
2003	50.3

In 2003 the average life of the lease fleet of delivery vans with VNA-members showed a slight decrease from 27.9 to 27.6 months.

Average life of leased delivery vans

(1998 – 2003)

Year	Months
1999	24.3
2000	22.4
2001	26.1
2002	27.9
2003	27.6

As with private cars leasing has an important position in total new sales of delivery vans. In 2003 23,200 new leased delivery vans were registered on total sales of 77,100.

Top 10 registered leased delivery van brands

(2003)

Brand	Vehicles
Volkswagen	4,520
Mercedes-Benz	3,881
Renault	3,248
Opel	2,734
Ford	2,550
Peugeot	1,709
Citroën	1,517
Fiat	609
Iveco	393
Toyota	386

Top 10 types of leased delivery vans

(2003)

Type	Vehicles
VW Transporter	2,112
M-B Vito / V-class	2,074
Ford Transit	1,899
M-B Sprinter	1,743
Renault Kangoo	1,563
Opel Vivaro	1,371
VW Caddy	1,344
Renault Trafic	1,216
Peugeot Partner	1,100
Citroën Berlingo	1,050

ATHLON HOLDING N.V.

GENERAL OVERVIEW

History

Athlon Holding N.V. ("**Athlon**") was established as a company with public limited liability (*naamloze vennootschap*) under the laws of the Netherlands on 19th May 1916, under the name Reparatie Inrichting van Automobielen N.V. ("**RIVA**"), having its registered head-office in Amsterdam at the time. Having bought out the other RIVA shareholders, Mr. Albert Heijn (the founder of the Ahold-conglomerate) acquired full ownership of RIVA in 1923. RIVA was listed on the AEX stock exchange (at present known as Euronext Amsterdam) in 1954.

Until the early 1960s, RIVA focused primarily on traditional car dealerships, launching its first leasing operations in 1963. In 1990, RIVA started car body repair activities under the name CARe. In 1991, RIVA was renamed Athlon Groep N.V., mainly because the general public continued to associate RIVA with the Opel dealership, whereas most of Athlon's turnover came from the lease operations. In 1992, Athlon decided to sell its Opel dealerships in Amsterdam and The Hague, the Netherlands. The name RIVA was transferred to the new owner of the Opel dealership in The Hague.

The sale of the Opel dealerships and the corporate name change in the early 1990s were the beginning of a new strategy, focusing on three core activities: car lease and rental, dealerships and car body repairs. Since 1995, Athlon's growth strategy has not only been focused on expansion in the Benelux but also on expansion in France and Germany, resulting in the first acquisition in France in 1997 and in Germany in 1998.

Corporate Structure

Athlon is a holding company that operates in five countries: the Netherlands, Belgium, Luxembourg, France and Germany. The operating companies report directly to the Executive Board. With an average workforce of around 1,640 FTE's, Athlon achieved a turnover of € 931 million in 2003. Foreign operations accounted for 46 per cent. of this turnover.

The principal operating companies comprising of Athlon are (as at 1 December 2004):

Car lease:	Athlon Car Lease Nederland B.V., Athlon Car Lease Belgium NV/SA, Athlon Car Lease Luxembourg S.A., Athlon Car Lease S.A. (France), Athlon Car Lease Germany GmbH & Co KG, Unilease, WagenPlan B.V. (50 per cent.)
Car body repair:	CARe Schadeservice (the Netherlands), CARe Carrosserie (Belgium)

Executive Board of Athlon:

– H. Bierstee (1946), chairman	Employed by Athlon since 1993
– J. Slootweg (1957)	Employed by Athlon since 1992
– M.J.M.R. Claus (1945)	Employed by Athlon since 1991
– N.M.P. van den Eijnden (1959)	Employed by Athlon since 1994

Supervisory Board of Athlon:

– C.J. Brakel (Chairman):

Member of the Supervisory Boards of Aalberts Industries N.V. and chairman of Kappa Holding B.V., and United Services Group N.V.

– A.W. Veenman:

Chairman of the Executive Board of Nederlandse Spoorwegen, Member of the Supervisory Board of Koninklijke Ten Cate N.V. and Rabobank.

– W.M. van den Goorbergh:

Supervisory director of Bank Nederlandse Gemeenten N.V., NIB Capital N.V., Van Geel Group B.V., De Welten Groep Holding B.V. (Chairman) and TIAS Business School. Chairman of Bestuur Administratiekantoren Wegener, Member of Vereniging Aegon.

– O. Heijn:

Chairman of the Board of Plevier Beleggingen B.V., Supervisor of Japan Asia Venture Fund, Member of the Supervisory Board of Albert Heijn Vaste Klantenfonds.

Business Overview

Car lease

The car lease activities are focused on operational leasing and fleet management.

- Operational leasing: in this finance concept Athlon remains the legal and economical owner of the car and takes care of all services such as financing, body repair services, fuel management, insurances and maintenance. Due to the extensive service package this form of leasing provides greater added value to its customers (higher margins) compared to financial leasing. In case of financial leasing the lease provider arranges only the financing of the car;
- Fleet management: in this concept the cars are owned and financed by the customer. The lease company performs the day to day management of the fleet, arranging all other matters such as insurances, maintenance and body repair activities. The latter obviously creating a possibility for cross selling.

Athlon provides leasing services primarily to business customers. In all of its markets Athlon offers lease activities under the "Athlon Car Lease" label. Athlon's knowledge of the "car lease" product combined with advanced information management, enables the company to offer clients not only cost control, but transparency and convenience as well. This is a competitive advantage for business customers in particular. In car rental, Athlon solely focuses on business clients of the lease companies (captive rental).

Car body repair

Athlon's car body repair activities in the Netherlands are carried out through its chain CARe Schadeservice ("**CARe**") that operates forty-eight (48) Dutch outlets as per 31 December 2004. CARe is by far the largest chain of carbody repair outlets on the Dutch market without any significant nation-wide competitor.

CARe focuses on the controlled flow of damage sent directly to selected repairers by (i) lease companies, (ii) insurance companies and (iii) other large-scale vehicle operators such as fleet owners. These companies require substantial influence on the damage amounts as well as the quality of the repairs. CARe Schadeservice meets these requirements by offering a consistent quality of car body repairs for pre-agreed prices.

CARe also operates four (4) outlets in Belgium. It is the intention that the Belgian car body repair activities will be expanded (see under *Objectives and Strategy* below).

Athlon's total (*i.e.* Dutch and Belgian) car body repair turnover over 2003 amounted to € 96 million. Intercompany business forms only a limited part of this amount as Athlon's lease activities account for only 12 per cent. of CARe's turnover.

Objectives and Strategy

Following a strategy adjustment in 2001/2002, Athlon's strategy concentrates on strengthening its core activities: car lease and car body repair. As a consequence the dealerships have been divested in 2002 and the rental activities have been limited to captive rental.

Athlon has the ambition of being one of the leading providers of operational lease in Europe, with a position in the top ten. It is currently ranked twelfth (measured by Datamonitor), a position which it has achieved with a presence in its five current European markets. Although the emphasis is on operational leasing, the Company's lease activities also include off-balance contracts (fleet management and vehicle service contracts). Due to the limited economic growth in the Netherlands, management currently focuses strongly on realising efficiency improvements.

The integration of the lease activities in each of Athlon's geographical markets into one single company per country and the re-branding of these companies in "Athlon Car Lease" have been initiated to simplify the company structure and to create a larger awareness of the company and its ambitions throughout Europe. To create additional transparency the name of Athlon Groep N.V. was changed to Athlon Holding N.V. in October 2003.

Growth is important to Athlon for two reasons. In the first place, it is a requirement to maintain a competitive position in the European market, which is expected to eventually be dominated by a limited number of large players. In addition, growth serves to obtain economy of scale benefits in areas such as purchasing and ICT.

As a consequence, Athlon has the objective of increasing its turnover and its lease portfolio by at least 50 per cent. over the period 2004 – 2008, partly through autonomous growth and partly

through acquisitions. Autonomous growth will be based on (i) product development (e.g. fleet management) and (ii) further process improvement.

Athlon's acquisition of the remaining 50 per cent. shares in Unilease from ABN AMRO in June 2004, serves to further strengthen its position on the Dutch and Belgian market in terms of number of contracts. This will lead to improved economies of scale. Further growth opportunities in the Dutch market do exist but are limited.

Geographically France and Germany, potentially the largest car lease markets in Europe, offer the most extensive growth opportunity for Athlon. These markets are less mature than those in the Benelux and the lease penetration rate is significantly lower. In the German and French markets Athlon foresees to grow autonomously and in France by means of acquisitions within the coming years. It is Athlon's current intention that new foreign markets will not be entered into until the target levels in Germany and France are achieved (between 25,000-30,000 contracts in each country).

Despite the growth objectives, the profit per contract is to remain unchanged. This will be achieved by lowering the costs of purchase and maintenance, by generating sufficient increases in scale and/or by expanding the range of services in for example Germany.

Athlon endeavours to achieve an average result before tax of at least 20 per cent. of its shareholders' equity, and an average annual autonomous growth of the profit per share of 5-10 per cent. Acquisitions are expected to contribute to the growth of the profit per share after one year.

Acquisitions will furthermore be based on the following rationales: targets have to

(i) fit the strategy;

(ii) contribute to a growth in earnings;

(iii) deliver a net return on normalised equity of at least 20 per cent.; and

(iv) offer a distinguishing product/market combination.

Athlon also aspires to at least maintain its current credit ratings with S&P and Moody's.

Internationalisation of car body repair

Car body repair offers Athlon a good return with a relatively modest investment. This is due to the nature of the activities, which allows a high added value to be realised. Internationalisation of the car body repair chain concept is a major component of Athlon's strategy. A precondition for successful operation of such a chain concept is sufficient volume of the controlled damage flow in the market in question. Controlled damage flow is achieved when insurance companies, lease companies and fleet owners seek to reduce their repair costs by sending damaged vehicles to selected car body repair outlets.

With regard to car body repair in the Netherlands, management attention is focused on consolidating market leadership by optimisation of the chain and further professionalisation of the management of the business and the marketing activities.

In Belgium, the first moves towards controlled damage flow are now clearly visible. Based on this trend, Athlon has made a start with the establishment of a car body repair chain in this market. This has so far resulted in 4 outlets. The objective is to establish a chain of fifteen (15) outlets over the 2004 – 2008 period.

Prior studies in Germany and France have shown that the required market conditions for the introduction of car body repair activities were insufficiently developed. Developments in both countries will be monitored to assess the present size of the controlled damage flow and hence the viability of a car repair chain. A further investigation will be concluded in 2005.

Credit Rating

Athlon's funding strategy is closely related to its credit rating. Following various achievements (described hereunder) of the Company, S&P decided to change the outlook of Athlon's ''BBB-'' rating from ''negative'' to ''stable'' in December 2002. Moody's issued its first Athlon rating in May 2003 at Baa3. These ratings make Athlon the sole Dutch small cap fund with investment grade ratings from S&P and Moody's.

These ratings enable the company to diversify its funding between Commercial Paper, European Medium Term Note Programs, Asset Backed Securities (through Securitisation) and bank loans in order to (i) achieve an optimal funding mix (diversification) and (ii) to keep financing costs as low as possible.

Athlon's credit rating history reads as follows: in 2000, Athlon was assigned a "BBB-" credit rating by S&P ("A3" short term), which has since then affirmed this rating. However, due to the perceived high dependence on short term and uncommitted bank debt as well as the lower profitability in the year 2000 (caused by a negative result of CC Raule, the German rental subsidiary) S&P revised its outlook from stable to negative in March 2001.

Athlon then undertook various actions to reverse the negative outlook. The company arranged a full restructuring of its funding base by exchanging a considerable part of its uncommitted bilateral credit facilities for committed facilities through issuance of new syndicated loan in October 2002 and the establishment of a securitisation program in June 2003.

In addition a full restructuring of the loss making stand alone rental activities was successfully concluded whereby the rental activities were either (i) closed down (CC Raule in Germany), (ii) sold (Autop Rent in France) or (iii) scaled down to captive rental activities only (the Netherlands). In December 2002 S&P then decided again, as mentioned above, to revise Athlon's rating and upgraded the outlook to "stable".

Securitisation

As the first car lease company in Europe, Athlon completed a public securitisation on operational car lease contracts ad € 350 million in May 2003. Since a significant portion of the economic risk of the securitised contracts remains with Athlon, the program has been structured on balance.

The 2003 securitisation covers (a part of) the lease portfolio of the subsidiary Athlon Car Lease Nederland (formerly Interleasing Nederland B.V.). Under the transaction, both the vehicles and the associated leases were sold against book value to Athlon Car Lease Finance B.V. (a special purpose company established in connection with the program). The structure of the transaction is such that pledges on the proceeds of the lease contracts and the vehicles are granted as security to a security trustee, acting on behalf of the investors.

The purpose of the program was threefold:

(i) To repay existing uncommitted credit facilities and to replace these by a committed facility with a longer tenor;

(ii) To diversify Athlon's funding base (attracting a new group of financiers);

(iii) To raise funding in a more cost-effective manner compared to traditional bank loans.

Acquisition Unilease

Since 1969, Athlon and ABN AMRO Bank N.V. (and later its subsidiary LeasePlan Corporation) each held 50 per cent. of the share capital of Unilease. In 2003 the combined turnover of Unilease and Unilease Belgium N.V. was € 260 million. The net profit amounted to € 5.6 million. Approximately 200 FTE's are employed by the Unilease companies. The lease portfolio comprises 25,000 contracts (21,000 in the Netherlands; 4,000 in Belgium). The growth of the portfolio in 2003 was 2.6 per cent.

As a result of the take-over, Athlon's lease portfolio in the Netherlands and Belgium is comprised of 68,000 and 25,000 contracts respectively.

The purchase price of € 33.5 million was financed through the issuance of 1.56 million ordinary shares and by drawings under existing credit facilities. No prospectus for the share issue was prepared because the number of ordinary shares issued was less than 10 per cent. of the number of ordinary shares outstanding.

The net merger costs of approximately € 6.5 million will be charged to the result for 2004 as an exceptional item. The merger is expected to lead to the loss of approximately 85 jobs in the Netherlands and Belgium. Past figures show that this can largely be realised through natural attrition over the coming years.

Credit facilities

In 2004, Athlon entered into three new syndicated credit facilities for a total amount of € 770 million.

In July 2004, Athlon closed a € 350 million 4-year revolving credit facility. The proceeds of the facility were used (i) to refinance a tranche (in the amount of € 170 million) of the syndicated credit

facility entered into in October 2002, (ii) to refinance certain bilateral facilities, and (iii) for general corporate purposes. In addition, a part was reserved as back-up facility for Athlon's commercial paper program.

In December 2004, Athlon entered into a syndicated loan of up to € 405 million. This facility consists of two five-year tranches: a term loan of € 275 million and a revolving credit facility of € 130 million. The proceeds of this facility were used to prepay two tranches of the syndicated credit facility entered into in October 2002 which would mature in April 2005, and to finance Athlon's organic growth.

Also in December 2004, Athlon entered into a € 15 million subordinated loan with a 5.5 year term. This facility was used to prepay an existing subordinated loan in the amount of € 15 million, which would mature in April 2006.

1. FINANCIAL INFORMATION

Overview Financial Statements third quarter 2004

Nine months 2004 versus nine months 2003

Turnover

On balance, the consolidated net turnover of € 737 million for the first nine (9) months of 2004 was 5.6 per cent. (€ 39 million) higher than in the comparable period of 2003. The turnover of Unilease and Unilease Belgium N.V. in the third quarter of 2004 amounted to € 59 million. In organic terms, the turnover decreased by 3 per cent.

On balance, the turnover in the Netherlands increased by € 35 million to € 425 million (+9 per cent). Unilease realised a turnover of € 51 million, which results in an organic decrease in turnover of € 16 million.

Of this fall in turnover, € 9 million was caused by a 1.4 per cent. decrease of the average lease portfolio and a higher share of fleet management contracts, which generate no turnover by virtue of depreciation and interest. In addition, € 2 million of this decrease is attributable to lower sales of ex-lease cars. The turnover of the car body repair chain fell by € 5 million.

On balance, the turnover in Belgium and Luxembourg increased by € 9 million to € 139 million (+ 6.9 per cent). This rise was largely due to Unilease Belgium (+ € 8 million). However, the organic increase of the turnover in respect of invoiced lease periods was largely offset by lower turnover from sales of ex-lease cars.

In France, the turnover from lease activities increased. This increase was offset by the reduction of the number of cars rented to the buyer of the former rental activities, which was initiated in 2003. This reduction, which generated a turnover of € 28 million in 2003 and € 9 million in 2004, will be finalised before the end of the current year.

The turnover growth in Germany was satisfactory.

The geographic breakdown of the turnover is shown in the table below.

Geographic breakdown of 9 months turnover (in € million)	**2004**	**%**	**9 months 2003**	**3rd quarter 2004**	**%**	**3rd quarter 2003**
Netherlands	425	9.0	390	177	*42.7*	124
Belgium and Luxembourg	139	6.9	130	53	12.8	47
France	60	(18.9)	74	18	(35.7)	28
Germany	125	7.8	116	41	5.1	39
Total turnover	749	5.5	710	289	21.4	238
Turnover between segments	12	0.0	12	4	0.0	4
Total net turnover	737	5.6	698	285	21.8	234

Profit

The profit before tax increased up to and including September 2004 by 17.8 per cent. (€ 5.4 million) to € 35.7 million. This increase was attributable to the lease activities (€ 4.4 million) and Athlon (€ 2.1 million). The results on the car body repair activities showed a shortfall of € 1.1 million.

The tax charge increased. On balance, there was a tax credit of € 2.0 million in 2003. This was due to an incidental tax benefit of € 11.5 million, which occurred as a result of the possibility of setting off past losses sustained on the German rental activities against tax liability. After elimination of the incidental tax benefit, the tax charge in 2003 amounted to € 9.5 million. This is equivalent to 31.3 per cent. of the result before tax. In 2004 the tax charge is 29.4 per cent. this relative decrease is due, amongst other things, to higher results of German companies, which incur no tax liability.

The net operating profit increased by 22 per cent. to € 26.2 million in the first nine months of the year, of which € 0.9 million is attributable to the acquisition of the remaining 50 per cent. of the shares in Unilease. In organic terms, the operating net profit increased by 18 per cent..

Car leasing

The lease turnover of the ongoing activities amounted to € 673 million. The increase versus 2003 is € 63 million, of which € 59 million was contributed by Unilease.

The average organic growth of the group's lease portfolio was 4.3 per cent. compared to the same period in 2003. Organic turnover from lease periods increased by nearly 1 per cent. The turnover shortfall in the growth of the lease portfolio is largely due to the increase in the relative share of the number of fleet management contracts in the lease portfolio.

Breakdown of lease turnover (in € million)	9 months 2004	9 months 2003	3rd quarter 2004	3rd quarter 2003
Turnover from lease terms, excl. Unilease	432	428	145	144
Turnover from lease terms, Unilease	45	—	45	—
Turnover from sale of cars, excl. Unilease	182	182	62	58
Turnover from sale of cars, Unilease	14	—	14	—
Total turnover from ongoing activities	673	610	266	202
Turnover from discontinued activities	9	28	1	13
Total turnover	682	638	267	215

The result before tax and goodwill amortization of the ongoing and discontinued activities rose from € 30 million to € 35 million. Unilease contributed € 2 million to this increase. The organic growth therefore amounts to € 3 million (10 per cent.). This increase was primarily due to improved gross margins. In addition, the merger of the lease companies in the Netherlands in 2003 generated cost savings which resulted in only a slight increase in total group costs. Losses due to bad debts decreased from € 2.4 million to € 1.4 million.

According to figures published by the Association of Dutch Car Leasing Companies, the number of lease contracts in the Netherlands remained virtually unchanged in the first nine months of the year compared with 31 December 2003 (-0.4 per cent.). In Belgium, the market increased by 2 per cent. Market statistics for France and Germany are not yet available.

Up to the end of the third quarter of 2004, Athlon's lease portfolio increased by more than 14 per cent.. This growth includes 50 per cent. of the Unilease portfolio, which was acquired on 29 June 2004. The portfolio recorded organic growth of 3.3 per cent.. Following several quarters of gradual decline, the lease portfolio of Athlon Car Lease Nederland B.V. in the Netherlands picked up again in the third quarter, although growth is still relatively modest.

The geographical breakdown is as follows:

Number of lease cars*	30-09-2004 100% Unilease	30-9-2004 50% Unilease	Organic (%)	31-12-2003 50% Unilease
Netherlands	68,700	58,300	(1.9)	59,400
Belgium/Luxembourg	28,100	26,100	10.6	23,600
France	12,200	12,200	14.0	10,700
Germany	20,000	20,000	4.2	19,200
Total	129,000	116,600	3.3	112,900

* Inclusive of the captive rental fleet.

Car body repair

As a result of the continuing market slowdown, the joint car body repair activities in Belgium and the Netherlands recorded an 8 per cent. fall in turnover to € 55.3 million, primarily due to the controlled flow of body repairs in the lease segment. This resulted in the gross margin decreasing by € 3.4 million. Cost savings of € 2.3 million, primarily generated by cutbacks in the workforce, limited the deterioration of the result before tax to € 1.1 million. The car body repair activities ended the first nine months of the year with a result of € 0.8 million; before tax and goodwill amortization this result is € 1.5 million, which is equal to the result at the end of the second quarter of 2004.

Other results

Other results improved by € 2.1 million to a profit of € 0.5 million. This increase is primarily due to the improved interest result.

Balance sheet and solvency

The balance sheet total at 30 September 2004 was € 1,769 million, an increase of € 387 million compared with the situation at 31 December 2003 (€ 1,382 million). Of this total, € 360 million is due to the acquisition of the 50 per cent. interest in Unilease that was previously not held by Athlon. As Athlon's 50 per cent. interest was not consolidated in the past, the acquisition of LeasePlan's 50 per cent. interest means that all the assets and liabilities of Unilease are now shown on Athlon's consolidated balance sheet total, resulting in the above-mentioned increase. The organic growth of the balance sheet total by € 27 million is due to the increased investment of € 52 million in lease and rental cars and a decrease of € 25 million in receivables.

It has been decided to finance approximately 80 per cent. of the purchase price of Unilease with shareholders' equity. For this purpose, 1,564,591 shares were issued on 30 June 2004. The net proceeds of this issue (after deduction of issue costs) amounted to € 25.0 million.

Since Athlon allocates 30 per cent. of the balance sheet total of the car body repair and holding activities as a fixed norm for determining the liability capital of these activities, an annually changing percentage is left for the leasing activities. In past years, this ratio has remained above the 8 per cent. banking norm. At 30 September 2004 the solvency ratio for the lease activities, on the basis of the liability capital less capitalized goodwill, was 11.6 per cent.. At the end of 2003 this ratio was 13.9 per cent. The lower ratio is due to the growth of the consolidated balance sheet total following the acquisition of Unilease and partial redemption after 30 June 2004 of the subordinated loan by € 15 million.

Third quarter 2004 versus second quarter 2004

The result before tax was € 12.2 million in the third quarter, an increase of € 1.1 million compared with the second quarter of the year. This was due to an increase of € 1.7 million in the leasing result, despite a higher goodwill amortization (€ 0.3 million) following the acquisition of the 50 per cent. interest in Unilease. The result on car body repair activities decreased by € 0.4 million, due to the lower bonuses payable to customers in the second quarter. Moreover, the result ''other'' decreased by € 0.2 million due to lower interest income.

The tax charge (30.3 per cent.) is slightly higher. This was caused by the goodwill amortization in respect of Unilease, which is not tax-deductible, and the change in the accounting for the results of Unilease as from 1 July 2004. Because of this change, from that date the Unilease result is incorporated in the result before tax, whereas in former years it was shown after tax. The net profit increased by € 0.6 million to € 8.5 million.

Prospects for 2004

In August 2004 the Executive Board voiced the expectation that the net profit for 2004 – before goodwill amortization and expenses related to the merger of Unilease with Athlon Car Lease – would amount to at least € 32.9 million. The merger related expenses are estimated at (net) € 6.5 million.

Based on the developments in the third quarter, the Executive Board expects the net profit for 2004 – before goodwill amortization and the provision for merger related expenses – to increase to € 34 million.

The profit per ordinary share, calculated on the basis of this net profit, amounts to € 1.83 (2003: € 1.62 after elimination of incidental tax benefit). In determining the dividend for ordinary shareholders, the merger expenses and goodwill amortization will be disregarded.

The goodwill amortization for 2004 will amount to approximately € 1.5 million; this includes amortization of the goodwill paid on the acquisition of Unilease (€ 0.7 million). For the current year, the Executive Board expects a net profit (after goodwill amortization and the merger related expenses) of € 26.0 million.

Overview Financial Statements FY 2003

Turnover

Athlon's consolidated net turnover fell in 2003 by 10 per cent to € 931 million compared to 2002. After correction for the turnover of the divested French and German rental activities, the

decrease was limited to less than 4 per cent. The fall in turnover in the Netherlands can be explained by referring to the relatively high turnover in 2002, generated by the excessive sale of rental cars related to the reduction of the rental activities. The decline in turnover in Belgium is for € 8.0 million due to a change in the definition of turnover.

The development of the geographic breakdown of Athlon's turnover is shown in the table below.

(in € million)	2003		2002		4th quarter 2003		4th quarter 2002	
Netherlands	514		565		124		153	
Belgium and Luxembourg	173		178		43		43	
France	103		147		29		38	
Germany	156	+	164	+	41	+	35	+
Total turnover	946		1,054		237		269	
Turnover between segments	15	-/-	16	-/-	4	-/-	3	-/-
Total net turnover	931		1,038		233		266	

Profit

The result before tax increased to € 41.1 million (2002: € 13.4 million). The following exceptional items are included in the result:

(in € million)	2003	2002
Reorganisation provision in respect of termination of rental activities in France and Germany	0.8	(8.0)
Merger and integration of the lease and rental companies in the Netherlands and Germany	(1.2)	(7.9)
Exceptional depreciations	(3.0)	—
Other exceptional items	4.3	3.6
Subtotal	0.9	(12.3)
Operating result before tax of the terminated rental activities in France and Germany	—	(6.8)
Total	0.9	(19.1)

As can be seen in the table above, 2003 saw the finalisation of a number of processes for which restructuring and reorganisation provisions were made in 2002 (merger of lease companies in the Netherlands and Germany, sale of rental activities in France and termination of rental activities in Germany). A net income of € 0.8 million in Germany was offset by net expenses in the Netherlands of an equivalent amount (before tax: € 1.2 million), which ultimately had no effect on the net profit for 2003.

After elimination of the exceptional items, the result before tax in 2003 amounted to € 40.2 million compared to € 32.5 million in 2002, an increase of € 7.7 million (+ 23.7 per cent.). This increase was attributable to captive rental (€ 7.6 million) and leasing (€ 4.1 million). The increase in captive rental and leasing was partially offset by lower results in both car body repair (€ 3.3 million) and other results (€ 0.7 million).

The goodwill amortisation, which is included in the result before tax, increased from € 0.4 million to € 0.9 million and was related almost entirely to the car body repair activities.

The tax charge decreased from 19.4 per cent to 1.9 per cent., due in part to a non-recurring tax benefit of € 11.8 million. This tax benefit occurred as a result of the possibility to set off past losses sustained at the German rental company against tax liabilities in future years. In 2002, an incidental tax credit of € 3.5 million was realised. After eliminating these benefits, the tax charge amounted to 30.7 per cent. (2002: 45.5 per cent.). The considerable tax charge in 2002 was caused by high losses on rental activities in Germany, which could not be offset against tax liabilities. After eliminating this loss of € 8.2 million, the tax charge in 2002 amounts to 28.2 per cent.

The net profit increased from € 10.8 million to € 40.3 million.

(in € million)	2003		% Change	2002	
Turnover lease/rental	811.5	+	2.8%	850.9	
Turnover car body repair	96.2	-/-	3.2%	93.2	+
Elimination for intercompany act	(15.4)	++	—	(16.6)	+
Total turnover ongoing activities	892.3	+	1.0%	927.5	
Turnover terminated activities	38.6	++	0%	7	+
Total turnover	930.9	+	1.0%	211	
Earnings before tax lease/rental	38.7	+	85.2%	20.9	
Earnings before tax car body repair	3.1		(48.4%)	6.4	
Earnings before tax others	(1.5)	++	—	0.9	+
Earnings before tax ongoing activities	40.3	+	42.9%	28.2	
Earnings before tax terminated activities	(0.8)		—	(14.8)	+
Total earnings before tax	41.1	+	306.7%	13.4	

Car lease

During 2002 Athlon sold a large portion of its rental fleet, resulting in a one-off peak in turnover. Therefor the same period in 2003 (adjusted for the terminated rental activities in Germany and France) cosmetically shows a relatively large drop of turnover (minus € 40 million) to € 811 million.

The result before tax, including the 50 per cent. participation in Unilease, rose from € 6.1 million to € 39.5 million (an increase of € 33.4 million).

The improved results from lease activities are attributed almost entirely to:

(in € million)	
sale and closure of French and German rental activities	15.6
provision for mergers (2002: € 7.7 million; 2003 € 1.2 million) in the Netherlands and Germany on balance:	6.5
successful turnaround of rental activities in the Netherlands (€ 7.0 million) and improvement of captive rental activities	7.6
lease activities (+11 per cent.)	4.1
	33.8

The improvement of the results of the lease activities by 11 per cent. and the increase in the average number of lease contracts by 5 per cent. resulted in an improvement of the result per contract. Despite the general increase in bankruptcies, book losses at Athlon companies in 2003 due to bad debts were at the same level as in 2002 (€ 5.0 million).

The situation in the lease markets relevant to Athlon remained diverse in 2003, albeit less so than in 2002. Following a year of 0 per cent. growth in 2002, the number of lease cars in the Netherlands fell by 2.7 per cent. in 2003. In Belgium/Luxembourg and France, the market recorded a growth of 3 per cent. (2002: 4 per cent.) and 4 per cent. (2002: 6 per cent.). The German market seems to have recovered to some extent and recorded a modest growth of 1 per cent. (2002: – 2 per cent.). All Athlon's lease companies performed better than the market.

Car body repair

The joint car body repair activities in the Netherlands and Belgium realised a 3 per cent. increase in turnover to € 96 million, partly through acquisitions. This rise was lower than expected due to a market slowdown in the number of damaged vehicles offered for repair. The result came under pressure due to under-utilisation of workshop capacity. This led to a decrease in the result before tax by € 3.3 million to € 3.1 million. This decrease was partially caused by increased goodwill amortisation of € 0.4 million to € 0.8 million. The total number of personnel employed by the car

body repair chain has been reduced by a total of 96 employees, partly because of the prevailing poor market conditions over the year.

The decline in the number of damaged vehicles offered for repair in the Netherlands, which began in the second half of 2002, continued in 2003. The downturn in the lease market was a major factor in this development. The effect was strengthened by the stable, dry weather during that period. The same pattern was evident in the Belgian market.

Financial covenants FY 2003

Financial covenants Existing Syndicated Credit Facilities

	Minimum level	FYE 2003	30-9-2004
Total Interest Cover	>5.0	8.43	9.79
Asset Indebtedness Cover	>1.0	1.12	1.19
Solvency Cover Leasing	> 8%	15%	12%
Solvency Cover Other Activities	>30%	30%	30%
Asset Ratio	>75%	91%	90%
EBITDA Ratio	>75%	96%	94%

ATHLON BEHEER NEDERLAND B.V.

Athlon Beheer Nederland B.V. ("**Athlon Beheer**") was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands on 27 April 1990. Athlon Beheer has its legal seat in Hoofddorp and its corporate head-office in Hoofddorp, the Netherlands.

Athlon Beheer is a wholly owned subsidiary of Athlon Holding N.V. and holds the shares of group companies based in and conducting their business in the Netherlands. It acts as a financing company for the group. Athlon Beheer does not publish separate financial statements.

Executive Board of Athlon Beheer:

– H. Bierstee, chairman.

– J. Slootweg.

UNIVERSELE LEASE MAATSCHAPPIJ UNILEASE B.V. AND SPECIAL LEASE SYSTEMS (SLS) B.V.

History

Universele Lease Maatschappij Unilease B.V ("**Unilease**") was founded in November 1969 as a 50/50 joint venture between Riva Holding N.V. (today Athlon Holding N.V.) and IDM. IDM was a subsidiary of Mees Pierson (today ABN AMRO). In June 2004, after almost 35 years, Athlon obtained full ownership of Unilease after the acquisition of the 50 per cent. share of ABN AMRO in Unilease.

In 1986, Unilease incorporated its 100 per cent. subsidiary Special Lease Systems (SLS) B.V. ("**SLS**"). SLS operates in exactly the same business and uses the same back-office facilities and IT systems as Unilease.

After a rapid market growth, the market stabilised towards the end of the eighties. Unilease decided to reposition itself by focussing on service delivery and quality. The strong focus on service and quality ("putting the customer first") has resulted in above average market growth over the past couple of years.

Today Unilease manages approximately 21,000 lease cars in the Netherlands and 4,000 in Belgium, consisting of so-called closed-end leases, open-end operating lease arrangements and fleet management contracts. Unilease also offers a full range of fleet support services such as maintenance management, fuel credit cards and accident repair management. It exclusively focuses on Dutch corporate lessees.

Unilease is one of the very few leasing companies in the Netherlands that complies with the latest ISO 9001-2000 criteria and was voted best service provider for three consecutive years by the lessees op the top 7 leasing companies in the Netherlands through independent market surveys held by Heliview.

Corporate Structure

As of June 30, 2004, Universele Lease Maatschappij Unilease B.V. has 100 per cent. of the shares of:

- Special Lease Systems (SLS) B.V.
- Combirent B.V. (assets were sold to Athlon Car Lease Rental Services B.V. in December 2004)
- Unilease Belgium N.V. (as of July 2004 100 per cent. of these shares are held by Athlon Car Lease Belgium N.V.)

Management of Unilease

– R. Sikkel (1963), chairman

– W. Polet (1966)

– P.C.M. van Bragt (1954)

Key financial data

The Netherlands

Market	650,000
Leaseplan	143,000
ING Car Lease	78,000
Athlon Car Lease	48,000
Daimler Chrysler Services	37,000
DLL Translease	26,500
Unilease	20,000
Terberg Leasing	20,000
Kroymans Financial Services	15,500
ARMA	15,500
Business Lease	13,300

Unilease

Consolidated balance sheet total	**€ 300 mio.**
In € ’000	
Turnover Lease terms (incl. holder ship tax/fuel)	176
Sale ex lease cars	46
Rental	8
Total	230

Gross margin lease	17,7	(10.0%)
Indirect costs lease	11,1	(6.3%)
Profit before corporate tax lease	6,6	(3.7%)
Gross margin rental	1,9	(23.7%)
Indirect costs rental	1,4	(17.5%)
Profit before corporate tax rental	0,5	(6.2%)

	Unilease	**Athlon Car Lease Nederland**
Numbers of cars lease	20,000	48,000
Number of employees lease	128	243
Ratio	1:156	1:198
Number of cars rental	670	1,050
Number of employees rental	23	34
Ratio	1:29	1:30

Belgium

Market	210,000
Leaseplan	41,500
ALD	26,000
KBL Lease	26,000
ING Car Lease	22,000
Athlon Car Lease	20,000
D’te	16,200
Avis Fleet	13,700
Arval	13,200
PSA	8,300
BMW Finance	7,000
Daimler Chrysler Services	6,500
Unilease	3,600

Unilease

Balance sheet total	**€ 56,5 mio**
In €’000	
Turnover lease terms (incl. holder ship tax/fuel)	22,4
Sale ex-lease cars	8,0
Rental	0,7
Total	31,1

Gross margin lease	4,1	(18.3%)
Indirect costs lease	3,0	(13.4%)
Profit before corporate tax lease	1,1	(4.9%)
Gross margin rental	0,12	(17.1%)
Indirect costs rental	0,07	(10.0%)
Profit before corporate tax rental	0,05	(7.1%)

	Unilease	Athlon Car Lease
Number of cars lease	4,000	20,000
Number of employees lease	30	99
Ratio	1:133	1:202
Number of cars rental	110	1,000
Number of employees rental	—	24
Ratio	—	1:43

403-Statement

For accounting purposes Unilease and SLS are included in the consolidated financial statements of Athlon Holding N.V. and they will not publish its own financial statements. In this context, Athlon Holding N.V. has filed with the Commercial Register a statement to the effect that it assumes joint and several liability for the debts and obligations arising from legal acts entered into by Unilease and SLS pursuant to section 2:403 DCC.

ING BANK N.V.

Profile

ING Bank N.V. is part of ING Groep N.V., also called ING Group. ING Group is the holding company of a broad spectrum of companies (together called ING), offering banking, insurance and asset management products to 60 million private, corporate and institutional clients in more than 50 countries. Originating from the Netherlands, ING now has a workforce of almost 115,000 people worldwide. ING Group is a listed company and holds all shares of ING Bank N.V., which is a non-listed 100% subsidiary of ING Group.

ING Bank N.V. is represented in more than 50 countries around the world through a large network of subsidiaries, offices and agencies. It offers its commercial and retail customers a full range of banking and financial services, including lending, stockbroking, insurance broking, fund management, leasing, factoring, investment banking and the provision of funds for venture capital purposes.

ING Bank N.V. is with more than 60,000 people active through several business units, among others ING Bank, Postbank, and Regio Bank in the Netherlands and mainly ING Direct, ING Belgium (formerly known as BBL), ING BHF-BANK, ING Bank Slaski (participation of 88%) and ING Real Estate outside the Netherlands.

Incorporation and history

ING Bank N.V. was incorporated under Dutch law in the Netherlands on 12 November 1927 for an indefinite duration in the form of a public limited company as Nederlandsche Middenstandsbank nv, also known as NMB Bank.

On 4 October 1989 NMB Bank merged with Postbank, the leading Dutch retail bank. The legal name of NMB Bank was changed into NMB Postbank Groep N.V. On 4 March 1991 NMB Postbank Groep N.V. merged with Nationale-Nederlanden N.V., the largest Dutch insurance group. On that date the newly formed holding company Internationale Nederlanden Groep N.V. honoured its offer to exchange the shares of NMB Postbank Groep N.V. and of Nationale-Nederlanden N.V. NMB Postbank Groep N.V. and Nationale-Nederlanden N.V. continued as sub-holding companies of Internationale Nederlanden Groep N.V. An operational management structure ensures a close co-operation between the banking and insurance activities, strategically as well as commercially. The sub-holding companies remained legally separate. After interim changes of names the statutory names of the above mentioned companies have been changed into ING Groep N.V., ING Bank N.V. and ING Verzekeringen N.V. on 1 December 1995.

Due to a change in the corporate structure in May 2004, ING Bank N.V. will become a direct subsidiary of the newly established ING Bank Holding N.V., itself being a direct subsidiary of ING Groep N.V. The Dutch banking businesses will be concentrated in ING Bank N.V. The non-Dutch banking activities, not being ING Bank branches, will be organised in subsidiaries of ING Bank Holding N.V. The latter will guarantee all standing and future obligations of ING Bank N.V. It is expected that this legal restructuring will be largely completed before year-end 2004.

The registered office is at Amstelveenseweg 500 (ING House), 1081 KL Amsterdam, the Netherlands. ING Bank N.V. is registered at the Chamber of Commerce of Amsterdam under no. 33031431. The articles of association were last amended by notarial deed executed on 22 August 2003. According to its articles of association, the object of the company is to participate in, manage, finance, furnish personal or real security for the obligations of and provide services to other enterprises and institutions of any kind, to conduct banking business in the widest sense, including insurance brokerage, to acquire, build and operate real estate, and to engage in any activity which may be related or conductive to the foregoing.

Supervisory Board and Executive Board

ING Bank has a two-tier board system, consisting of a Supervisory Board and an Executive Board. The Supervisory Board consists of independent non-executives. Its task is to supervise the policy of the Executive Board and the general course of events in the company and to assist the Executive Board by providing advice. The Executive Board is responsible for the daily management of the company. As a consequence of the new legal structure and the establishment of ING Bank Holding N.V. the composition of the Executive Board and the Supervisory Board of ING Bank N.V. has been changed. Their composition is as follows as of 11 May 2004:

– Supervisory Board: Alexander Rinnooy Kan (Chairman), Anneke van Doorne-Huiskes, Cees Izeboud, Hanja Maij-Weggen, Eli Leenaars, Rudy van der Meer;

– Executive Board: Diederik Laman Trip (Chairman until 1 January 2005), Jan Zegering Hadders (Chairman as of 1 january 2005), Dick Boot, Henk Kruidenier, Hans van der Noordaa, Ludo Wijngaarden, Wilbert Buiter.

The business address of all members of the Supervisory Board and Executive Board is: ING Bank N.V., Amstelveenseweg 500 (ING House), P.O. Box 810, 1000 AV Amsterdam, The Netherlands.

FIVE YEARS KEY FIGURES ING BANK

(in € millions) **Balance sheet**	**2003**	**2002**	**2001**	**2000**	**1999**
Group equity	15,890	15,836	16,546	16,104	14,010
Group capital base	31,687	30,244	28,819	26,393	22,693
Deposits and funds borrowed[(1)]	482,280	418,875	386,087	349,349	303,003
Loans and advances	293,987	284,638	255,892	247,440	205,834
Total assets	541,594	477,111	443,356	406,393	349,618
BIS ratio	11.34%	10.98%	10.57%	10.75%	10.38%
Tier-1 ratio	7.59%	7.31%	7.03%	7.22%	7.02%
Results					
Total income	11,508	11,036	10,989	11,958	10,469
Operating expenses	8,272	8,376	8,282	8,860	7,426
Value adjustments to receivables	1,125	1,435	750	400	580
Value adjustments to financial fixed assets	-48	136			
Additions to the Fund for general banking risks	140	140	140	140	114
Result before taxation	2,019	949	1,817	2,558	2,349
Taxation	520	272	426	732	613
Result after taxation	1,499	677	1,391	1,826	1,736
Net profit for the period	1,440	638	1,363	1,781	1,696

(1) Including Banks, Funds entrusted and Debt securities

KEY FIGURES AND HIGHLIGHTS ING BANK NV FIRST SIX MONTHS 2004

Key figures

(in € millions)	First six months 2003	First six months 2004	% change
Income	5,699	6,428	+12.8
Operating expenses	4,001	4,206	+5.1
Gross result	1,698	2,222	+30.9
Value adjustments to receivables	615	265	-56.9
Value adjustments to financial fixed assets	70	87	+24.3
Addition to Fund for general banking risks	70	70	0.0
Profit before tax	943	1,800	+90.9
– of which Wholesale Banking	752	1,170	+55.6
– of which Retail Banking	493	678	+37.5
– of which ING Direct	31	203	+554.8
– of which Other	-333	-251	
Net profit	660	1,256	+90.3

(in € millions)	Year-end 2003	30 June 2004	
Total assets	541.6	619.4	+14.4
Shareholders' equity	14.9	15.5	+4.1
Bank lending	294.0	315.7	+7.4
Funds entrusted	307.8	346.8	+12.7

Net profit of ING Bank NV increased by 90.3% to € 1,256 million compared to the first six months 2003, driven by a 12.8% increase in income, a sharp reduction of the value adjustments to receivables (risk costs), and continued cost control.

Profit before tax rose by € 857 million, or 90.9%, to € 1,800 million. The value adjustments to receivables were € 350 million lower at € 265 million, equal to an annualised 21 basis points of average credit-risk-weighted assets. The gross result rose by € 524 million or 30.9%.

All three business lines (Wholesale Banking, Retail Banking and ING Direct, based on the accounting principles of ING Groep NV) reported higher profits before tax. *Wholesale Banking* posted an increase of 55.6% to € 1,170 million in profit before tax, driven by a sharp reduction in risk costs to € 139 million from € 466 million, an increase of income by 4.2% and an improvement of the cost/income ratio to 57.8% from 59.1%. The wholesale banking business of ING BHF-Bank in Germany posted a € 8 million profit before tax compared with a loss of € 124 million in the first half last year. Profit before tax from *Retail Banking* increased 37.5% to € 678 million, driven by continued growth in income and strict cost control, which led to a 22.6% increase in the gross result. Value adjustments to receivables declined to € 81 million from € 126 million. Profit before tax from *ING Direct* jumped to € 203 million in the first half of 2004 compared with € 31 million in the same period a year earlier as it continued to attract new customers and gain critical mass in the markets where it operates. ING Direct added nearly 1.5 million new customers in the first half of 2004; at the end of June the total number of customers is 10.0 million. Of the eight countries in which ING Direct is active, it is profitable in six. Profit before tax of *Other* improved by € 82 million to a loss of € 251 million. Included in Other are the differences between the accounting principles of ING Group and ING Bank (notably depreciation of real estate in own use, value adjustments to financial fixed assets and the addition to the fund for general banking risks). Furthermore, the line Other includes funding costs of acquisitions and other non-allocated results of ING Bank NV. In the first half of 2004, also capital gains of € 114 million were included on the sale of activities to ING Insurance NV.

Compared with the first half of 2003 the total interest result of ING Bank rose substantially by € 464 million (+12.1%) to € 4,311 million, mainly driven by a € 82 billion higher average balance sheet total. The total interest margin narrowed to 1.50% compared with 1.56% in the same period last year. That was fully attributable to the increased share of the balance sheet total from outside the

Netherlands, where interest margins are lower, mainly triggered by ING Direct, which has an interest margin of about 1%.

Bank lending increased by € 21.7 billion, or 7.4%, from the end of 2003 to € 315.7 billion at the end of June. Corporate lending rose by € 10.7 billion, while personal lending increased by € 11.1 billion. The growth in personal lending was almost entirely due to a € 10.5 billion increase in residential mortgages, of which € 5.7 billion was from ING Direct.

Funds entrusted increased by € 39.0 billion, or 12.7%, to € 346.8 billion, caused to a large extent by the continued growth of ING Direct.

Income from securities and participating interests rose to € 164 million from € 45 million in the first half of 2003. Against a one-off loss in 2004 of € 42 million caused by the discount to net asset value on the sale of the Asian cash equities business, were profits of € 114 million realised on the sale of activities to ING Insurance NV.

Commission

(in € millions)	First six months 2003	First six months 2004	% change
Funds transfer	297	293	-1.3
Securities business	326	390	+19.6
Insurance broking	67	76	+13.4
Management fees	284	381	+34.2
Brokerage and advisory fees	83	49	-41.0
Other	175	163	-6.9
Total	1,232	1,352	+9.7

Total *commission* rose 9.7% to € 1,352 million, mainly driven by higher securities-related commissions. Management fees were up € 97 million, or 34.2%, of which € 44 million was caused by the transfer of activities between ING Insurance NV and ING Bank NV. Commissions from the securities business rose 19.6%, due to higher activity on the stock markets. Brokerage and advisory fees declined 41.0% to € 49 million. Commission from insurance broking rose 13.4% to € 76 million, mainly in the Netherlands.

Results from financial transactions

(in € millions)	First six months 2003	First six months 2004	% change
Result from securities trading portfolio	281	94	-66.5
Result from currency trading portfolio	-27	86	
Other	179	198	+10.6
Total	433	378	-12.7

On balance, *total results from financial transactions* decreased by € 55 million, or 12.7%, to € 378 million. There are strong fluctuations between the separate lines, which are to a large extent interrelated. The total decrease was mainly caused by the loss of € 48 million taken by Postbank in the first quarter of 2004 to compensate customers for a disappointing return on investments related to the unit-linked mortgage product 'MeerWaardehypotheek'. The result from the securities trading portfolio decreased by € 187 million. The decrease occurred mainly in the international wholesale banking units (especially in Amsterdam and in London), due to the very strong Financial Markets results in the first six months of 2003. The result from the currency trading portfolio increased to a profit of € 86 million compared to a loss of € 27 million in the first half last year. The increase is mainly due to the international wholesale banking units in Asia (in the first six months of 2003 big losses made on the depreciation of the Japanese yen and Korean won) and in Amsterdam and to ING Belgium (compensating lower trading results on securities). Other results from financial transactions (including results from derivatives trading) increased from € 179 million in the first half of 2003 to € 198 million this year, despite the loss of € 48 million taken on the unit-linked mortgage

product ''Meerwaardehypotheek''. The increase was mainly due to ING Belgium and the American international wholesale banking activities.

Other revenue increased 57.0% to € 223 million, mainly caused by higher leasing income and higher results from real estate (sales results as well as rental income).

Total operating expenses increased € 205 million, or 5.1%, to € 4,206 million, due in large part to higher expenses to support the growth of ING Direct. One-off expenses had a limited impact in the first half, as € 42 million in costs related to the sale of the Asian cash equities business in the first quarter of 2004 was largely balanced by a provision of € 45 million in the second quarter last year to pay for restructuring at ING BHF-Bank and ING Bank France. Excluding those factors, currency effects, and the impact of transfers of activities between ING Insurance NV and ING Bank NV, operating expenses increased by a modest 2.4%.

Personnel expenses increased by € 105 million, or 4.6%, to € 2,408 million. In the Netherlands the decrease in own staff was offset by the impact of the collective labor agreement, increased pension costs and an increase in third-party staff. Outside the Netherlands personnel expenses increased due to the strong growth of the ING Direct activities and higher bonuses in the international wholesale banking activities. Compared with the first half of 2003, other operating expenses were up € 100 million, or 5.9%. The increase is fully attributable to ING Direct, especially higher marketing expenses.

The cost/income ratio (total operating expenses as a percentage of total income) improved to 65.4% in the first half of 2004, from 70.2% in the first half of 2003 and 71.9% for full-year 2003.

ING Bank added € 265 million to the *provision for loan losses* (value adjustments to receivables) in the first half of 2004, compared with € 615 million in the same period last year. The addition equalled an annualised 21 basis points of average credit-risk-weighted assets, which is well below the long-term average of about 35 basis points. In the full-year 2003, the addition to provision for loan losses was 46 basis points of average credit-risk-weighted assets. Risk costs declined slightly in the second quarter from the first. ING Bank added € 128 million to provisions for loan losses in the second quarter, equal to 20 basis points of credit-risk-weighted assets, compared with € 137 million, or 22 basis points, in the first quarter of 2004.

The *effective tax rate* increased from 27.3% in the first half 2003 to 29.4% in the first half 2004.

The *Risk adjusted Return on Capital* (RAROC) measures performance on a risk-adjusted basis. RAROC is calculated as the economic return divided by economic capital. The economic returns of RAROC are based on the principles of valuation and calculation of results applied in the annual accounts. The credit risk provisioning is replaced by statistically expected losses reflecting average credit losses over the entire economic cycle. ING Group continues to develop and refine the models supporting the RAROC calculations.

The pre-tax RAROC of ING's banking operations improved strongly to 23.9% in the first half of 2004, compared with 18.0% in the year-earlier period, due entirely to higher economic returns. The full-year 2003 RAROC was 17.0%.

Compared with the first half of 2003, the RAROC of Wholesale Banking improved by 4.4%-points to 20.2%. The already good RAROC performance of Retail Banking improved further from 45.3% to 54.9%. The RAROC of ING Direct improved to 19.4% from 9.7% in the first half of 2003, surpassing ING's hurdle of 18.5%.

The *Tier-1 ratio* of ING Bank NV stood at 7.65% on 30 June 2004 up from 7.59% at the end of 2003. The *solvency ratio* (BIS ratio) for the bank fell from 11.34% to 11.27%. Compared with year-end 2003, total risk-weighted assets rose by € 21.4 billion, or 8.5%, to € 272.7 billion. Almost half of the increase was due to the growth of ING Direct.

More information about ING

Extensive information on ING, such as the annual reports of ING Group and ING Bank and financial press releases, is available on www.ing.com/group. The website also gives direct access to the website of ING companies worldwide. Information on ING's website does not form part of this Prospectus.

CONSOLIDATED BALANCE SHEET OF ING BANK N.V.

Before profit appropriation

(in € millions)	31 December 2003	31 December 2002
Assets		
Cash	10,135	8,782
Short-dated government paper	6,521	8,398
Banks	61,060	45,682
Public sector loans and advances	14,917	14,194
Private sector loans and advances	279,070	270,444
Loans and advances	293,987	284,638
Interest-bearing securities	140,032	99,994
Shares	8,882	8,020
Other participating interests	1,613	1,845
Property and equipment	5,720	6,184
Other assets	4,581	5,919
Accrued assets	9,063	7,649
Total assets	541,594	477,111
Equity and Liabilities		
Banks	102,115	96,267
Savings accounts	168,168	115,156
Other funds entrusted	139,625	131,959
Funds entrusted	307,793	247,115
Debt securities	72,372	75,493
Other liabilities	17,400	17,636
Accrued liabilities	8,815	8,759
General Provisions	1,412	1,597
	509,907	446,867
Fund for general banking risks	1,281	1,233
Subordinated liabilities	14,516	13,175
Shareholders' equity	14,868	14,664
Third party interests	553	744
Capital and reserves of Stichting Regio Bank	469	428
Group equity	15,890	15,836
Group capital base	31,687	30,244
Total equity and liabilities	541,594	477,111
Contingent debts	22,810	23,283
Irrevocable facilities	66,640	63,866
Contingent liabilities	89,450	87,149

Breakdown of shareholders' equity of ING BANK N.V.

(in € millions)	31 December 2003	31 December 2002
Share capital	525	525
Preference share premium reserve	3,002	3,002
Share premium reserve	6,839	6,790
Revaluation reserve	235	189
Reserve for participating interests	114	72
Exchange differences reserve	-1,096	-602
Other reserves	3,851	4,093
Profit available for distribution	1,398	595
Shareholders' equity	14,868	14,664

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF ING BANK N.V.

(in € millions)	2003	2002
Interest income	23,600	23,883
Interest expense	15,649	16,405
Interest	7,951	7,478
Income from securities and participating interests	138	197
Commission income	3,085	3,231
Commission expense	621	616
Commission	2,464	2,615
Result from financial transactions	562	454
Other revenue	393	292
Other income	3,557	3,558
Total income	11,508	11,036
Staff costs	4,694	4,787
Other administrative expenses	3,150	3,178
Staff costs and other administrative expenses	7,844	7,965
Depreciation	428	411
Operating expenses	8,272	8,376
Value adjustments to receivables	1,125	1,435
Value adjustments to financial fixed assets	-48	136
	9,349	9,947
Additions to the Fund for general banking risks	140	140
Total expenses	9,489	10,087
Result before taxation	2,019	949
Taxation	520	272
Result after taxation	1,499	677
Third party interests	59	39
Net profit for the period	1,440	638
Non-distributable profit of Stichting Regio Bank	42	43
Profit available for distribution	1,398	595

CONSOLIDATED BALANCE SHEET OF ING BANK N.V.

Before profit appropriation

(in € millions)	30 June 2004*	31 December 2003
Assets		
Cash	9,630	10,135
Short-dated government paper	10,613	6,521
Banks	70,567	61,060
Public sector loans and advances	14,942	14,917
Private sector loans and advances	300,779	279,070
Loans and advances	315,721	293,987
Interest-bearing securities	177,219	140,032
Shares	11,284	8,882
Other participating interests	1,874	1,613
Property and equipment	6,442	5,720
Other assets	6,104	4,581
Accrued assets	9,911	9,063
Total assets	619,365	541,594
Equity and Liabilities		
Banks	131,542	102,115
Savings accounts	200,506	168,168
Other funds entrusted	146,327	139,625
Funds entrusted	346,833	307,793
Debt securities	78,561	72,372
Other liabilities	19,468	17,400
Accrued liabilities	7,310	8,815
General Provisions	1,386	1,412
	585,100	509,907
Fund for general banking risks	1,332	1,281
Subordinated liabilities	16,473	14,516
Shareholders' equity	15,476	14,868
Third party interests	496	553
Capital and reserves of Stichting Regio Bank	488	469
Group equity	16,460	15,890
Group capital base	34,265	31,687
Total equity and liabilities	619,365	541,594
Contingent debts	36,187	22,810
Irrevocable facilities	72,725	66,640
Contingent liabilities	108,912	89,450

* 30 June figures are unaudited

Breakdown of shareholders' equity of ING BANK N.V.

(in € millions)	30 June 2004*	31 December 2003
Share capital[(1)]	525	525
Preference share premium reserve	2,579	3,002
Share premium reserve	6,993	6,839
Revaluation reserve	194	235
Reserve for participating interests	106	114
Exchange differences reserve	-1,030	-1,096
Other reserves	4,872	3,851
Profit available for distribution	1,237	1,398
Shareholders' equity	15,476	14,868

* 30 June figures are unaudited

(1) Issued share capital consists as at 30/6/2004 of 465,035 (*1,000) ordinary shares with a nominal value of € 1.13. Furthermore, 7 preference shares with a nominal value of € 1.13 have been issued. No shares have been issued that have not fully been paid up.

CONSOLIDATED PROFIT AND LOSS ACCOUNT OF ING BANK N.V.

(in € millions)	First six months 2004*	First six months 2003*
Interest income	12,254	12,215
Interest expense	7,943	8,368
Interest	4,311	3,847
Income from securities and participating interests	164	45
Commission income	1,743	1,506
Commission expense	391	274
Commission	1,352	1,232
Result from financial transactions	378	433
Other revenue	223	142
Other income	2,117	1,852
Total income	6,428	5,699
Staff costs	2,408	2,303
Other administrative expenses	1,603	1,498
Staff costs and other administrative expenses	4,011	3,801
Depreciation	195	200
Operating expenses	4,206	4,001
Value adjustments to receivables	265	615
	4,471	4,616
Value adjustments to financial fixed assets	87	70
Additions to the Fund for general banking risks	70	70
Total expenses	4,628	4,756
Result before taxation	1,800	943
Taxation	530	257
Result after taxation	1,270	686
Third party interests	14	26
Net profit for the period	1,256	660
Non-distributable profit of Stichting Regio Bank	19	19
Profit available for distribution	1,237	641

* 30 June figures are unaudited

Capitalisation

The following table sets out the capitalisation of ING Bank N.V. as at 31 December[1]

(in € millions)	**2003**	**2002**
Equity and liabilities		
Banks	102,115	96,267
Savings accounts	168,168	115,156
Other funds entrusted	139,625	131,959
Funds entrusted	307,793	247,115
Debt securities	72,372	75,493
Other liabilities	17,400	17,636
Accrued liabilities	8,815	8,759
General Provisions	1,412	1,597
	509,907	446,867
Fund for general banking risks	1,281	1,233
Subordinated liabilities	14,516	13,175
Shareholders' equity[2]	14,868	14,664
Third party interests	553	744
Capital and reserves of Stichting Regio Bank	469	428
Group equity	15,890	15,836
Group capital base	31,687	30,244
Total equity and liabilities	541,594	477,111
Contingent debts	22,810	23,283
Irrevocable facilities	66,640	63,866
Contingent liabilities	89,450	87,149

(1) There has been no material adverse change in the capitalisation of ING Bank since 31 December 2003.
(2) Breakdown of shareholders' capital has been given as note to the balance sheet.

DESCRIPTION OF THE ASSETS

Introduction

The Vehicles and Associated Leases in the pool have been selected according to criteria set forth in the Master Hire Purchase Agreement and are selected in accordance with such agreement, on or before Closing Date. All of the Leases forming part of the pool were originated by the Seller before January 2005.

Unilease and SLS have concluded so-called master agreements (*mantelovereenkomsten* or *hoofdovereenkomst*) with its lessees containing the conditions under which Unilease or SLS is prepared to lease a Vehicle to the lessee. Unless agreed otherwise, the master agreements are subject to the general terms and conditions (*algemene voorwaarden*) of Unilease or SLS, which are deemed to form an integral part of the relevant master agreements. In respect of each Vehicle, a separate lease contract is entered into between Unilease or SLS and the respective lessee, to which the terms and conditions agreed upon in the master agreement (including the general terms and conditions) will apply.

Leases that are so-called Operational Service Leases (the "**OSL Leases**") contain an obligation on the part of the lessor to pay for or reimburse the lessee for all maintenance services and perform all repairs in respect of the Vehicles. Under Net Operational Leases (the "**NOL Leases**") the lessee is responsible in part or in full to pay for maintenance and repairs. In the case of NOL leases, the residual value risk relating to the Vehicle is in almost all cases borne by the lessee.

Generally, each lease contract has the following common features:

1. Legal ownership of a vehicle remains with the lessor and the lessee will not obtain a security interest in the vehicle.
2. The lessee must return the leased vehicle to the lessor at the end of the agreed lease term unless the lessee has, at any time during the term of the lease or upon termination of the lease, successfully made an offer to the lessor to purchase the leased vehicle. If the lessee does not voluntarily return the vehicle to Unilease or SLS, a charge is levied against it and an action to recover such charge. In addition, all appropriate means are implemented in order to repossess the vehicle without any court order being required (save in certain circumstances where the vehicle has been sold and delivered to a third party that was acting in good faith, which however is unlikely to occur in cases where the vehicles are registered in the name of Unilease or SLS). Following the sale of a vehicle upon the scheduled termination of a Lease:
   - in the case of a so-called "closed-end lease", a lessee is not liable for any negative fluctuations in the value of the vehicle nor does it benefit from any positive fluctuations;
   - in the case of a so-called "open-end lease", a shortfall or surplus relative to the agreed residual value may either be shared between the lessor and the lessee, or the lessee will fully benefit from a surplus while the lessor will fully bear a shortfall; in most cases the surplus or shortfall is determined by reference to the average result of at least five cars leased by the relevant lessee rather than on a car by car basis;
   - in the case of a NOL Lease, the lessee shall bear the risk of any negative fluctuations in the value of the vehicle.
3. A termination of a lease by the lessee prior to the agreed lease termination date will oblige the lessee to reimburse the lessor the loss it incurs due to the early termination of the contract. The amount to be reimbursed by the lessee is equal to the negative difference, if any, between the actual value of the relevant vehicle based on quotes obtained by Unilease or SLS from various sources, such as Autotelex or information obtained from dealerships or traders, and the book value as most recently reported by Unilease or SLS to the lessee plus turnover tax and a service charge.
4. Lease payments are payable in advance of each monthly lease period.
5. The lessee (and the employee) to whom the relevant vehicle is made available are required to ensure regular maintenance and repair of the vehicle and timely replacement of tyres with a dealer of his choice.
6. The lessee is not entitled to net or set-off (*verrekenen*) amounts payable by it to Unilease or SLS, except that in the event that the agreed mileage exceeds the actual mileage, the lessee is entitled to set-off future lease payments, if any, against any amounts due by the lessor to the lessee as a result thereof.

7. The lessor may terminate the lease upon default (including non-payment, bankruptcy, etc.) by a lessee in which case the lessor may reclaim the vehicle without having obtained a court injunction.

Notwithstanding the above, each lease differs per customer, in particular with respect to the tenor of the lease, residual value and applicable interest rates.

Monthly lease instalment

The monthly lease instalment includes the following items:

1. Lease Interest Component;
2. Lease Balance Amortisation Component; and
3. Lease Servicing Component (e.g. administration, insurance, tyres and maintenance).

Furthermore Unilease and SLS separately invoice the lessee for any Lease Additional Amounts (e.g fuel recalculations).

The numerical information set out below relates to the pool that was selected on 1 January 2005. All amounts are in Euro

Description of the Portfolio

Portfolio Cut-Off Date	1 January 2005
Lease Balance at Origination	412,827,852
Total Lease Balance	279,225,629
Number of Leases	17,045
Number of Lessees	1,882
Average number of Leases per Lessee	9.1
Average Lease Balance per Lessee	148,366
Minimum Lease Balance per Lessee	0
Maximum Lease Balance per Lessee	6,047,638
Weighted Average interest rate per Lease	5.1%
Minimum interest rate per Lease	0.0%
Maximum interest rate per Lease	15.4%
Average remaining maturity per Lease (months)	29.3
Average seasoning per Lease (months)	19.4
Total Residual Value at maturity	135,173,636
Minimum Residual Value per Lease	0
Maximum Residual Value per Lease	39,808
Residual Value at maturity as percentage of Total Lease Balance	48.4%

Number of Leases

The table below shows the number of lease contracts outstanding at the Portfolio Cut-off Date per parent company of the Lessees.

Range	Number of Lessees	Proportion of total (%)	Aggregate Outstanding Lease Balance	Proportion of total (%)
0 < Number <= 10	1,584	84.2%	66,468,210	23.8%
10 < Number <= 20	129	6.9%	32,048,839	11.5%
20 < Number <= 30	52	2.8%	19,619,098	7.0%
30 < Number <= 40	23	1.2%	12,223,176	4.4%
40 < Number <= 50	21	1.1%	15,536,432	5.6%
50 < Number <= 60	16	0.9%	14,670,039	5.3%
60 < Number <= 70	8	0.4%	6,749,624	2.4%
70 < Number <= 80	9	0.5%	11,583,906	4.1%
80 < Number <= 90	5	0.3%	9,020,041	3.2%
90 < Number <= 100	5	0.3%	9,236,606	3.3%
100 < Number <= 110	4	0.2%	6,481,814	2.3%
110 < Number <= 120	7	0.4%	11,790,486	4.2%
120 < Number <= 130	2	0.1%	4,897,020	1.8%
130 < Number <= 140	2	0.1%	5,088,775	1.8%
140 < Number <= 150	3	0.2%	5,376,092	1.9%
150 < Number <= 160	1	0.1%	2,747,085	1.0%
160 < Number <= 170	1	0.1%	3,106,521	1.1%
200 < Number <= 210	1	0.1%	3,487,556	1.2%
230 < Number <= 240	2	0.1%	6,574,966	2.4%
240 < Number <= 250	1	0.1%	3,290,291	1.2%
250 < Number <= 260	1	0.1%	6,047,638	2.2%
260 < Number <= 270	1	0.1%	4,102,335	1.5%
290 < Number <= 300	1	0.1%	5,794,018	2.1%
300 < Number <= 310	1	0.1%	4,921,594	1.8%
330 < Number <= 340	1	0.1%	4,037,847	1.4%
370 < Number <= 380	1	0.1%	4,325,619	1.5%
Total	1,882	100.0%	279,225,629	100.0%

Origination Date

The table below shows origination dates of the Lease contracts

Range	Number of Leases	Proportion of total (%)	Aggregate Outstanding Lease Balance	Proportion of total (%)
Origination <= 12/1/00	1,043	6.1%	6,722,105	2.4%
12/1/00 < Origination <= 6/1/01	1,325	7.8%	11,559,469	4.1%
6/1/01 < Origination <= 12/1/01	1,710	10.0%	17,563,461	6.3%
12/1/01 < Origination <= 6/1/02	1,919	11.3%	24,375,549	8.7%
6/1/02 < Origination <= 12/1/02	1,876	11.0%	29,385,028	10.5%
12/1/02 < Origination <= 6/1/03	2,195	12.9%	36,150,647	12.9%
6/1/03 < Origination <= 12/1/03	2,141	12.6%	40,461,306	14.5%
12/1/03 < Origination <= 6/1/04	2,305	13.5%	51,854,195	18.6%
Origination > 6/1/04	2,531	14.8%	61,153,870	21.9%
Total	17,045	100.0%	279,225,629	100.0%

Maturity Date

The table below shows the maturity date of the Lease contracts based on the date of origination and the tenor of the contract.

Range	Number of Leases	Proportion of total (%)	Aggregate Outstanding Lease Balance	Proportion of total (%)
Maturity <= 6/1/05	2,737	16.1%	22,750,394	8.1%
6/1/05 < Maturity <= 12/1/05	2,206	12.9%	24,356,004	8.7%
12/1/05 < Maturity <= 6/1/06	2,156	12.6%	27,686,455	9.9%
6/1/06 < Maturity <= 12/1/06	2,121	12.4%	34,006,707	12.2%
12/1/06 < Maturity <= 6/1/07	1,833	10.8%	33,519,044	12.0%
6/1/07 < Maturity <= 12/1/07	1,716	10.1%	35,885,952	12.9%
12/1/07 < Maturity <= 6/1/08	1,534	9.0%	34,515,685	12.4%
6/1/08 < Maturity <= 12/1/08	1,506	8.8%	34,234,857	12.3%
Maturity > 12/1/08	1,236	7.3%	32,270,532	11.6%
Total	17,045	100.0%	279,225,629	100.0%

Interest Rates

The table below shows the, fixed, interest rates per Lease.

Range	Number of Leases	Proportion of total (%)	Aggregate Outstanding Lease Balance	Proportion of total (%)
Interest <= 4	706	4.1%	13,248,433	4.7%
4 < Interest <= 4.5	2,944	17.3%	58,802,934	21.1%
4.5 < Interest <= 5	3,861	22.7%	75,932,881	27.2%
5 < Interest <= 5.5	2,627	15.4%	45,810,291	16.4%
5.5 < Interest <= 6	2,972	17.4%	38,476,872	13.8%
6 < Interest <= 6.5	2,108	12.4%	25,149,081	9.0%
6.5 < Interest <= 7	996	5.8%	11,936,226	4.3%
Interest > 7	831	4.9%	9,868,911	3.5%
Total	17,045	100.0%	279,225,629	100.0%

Lease Balance

Range	Number of Leases	Proportion of total (%)	Aggregate Outstanding Lease Balance	Proportion of total (%)
Lease balance <= 500,000	1,768	93.9%	116,915,306	41.9%
500,000 < Lease balance <= 3,500,000	107	5.7%	129,539,067	46.4%
3,500,000 < Lease balance <= 6,500,000	7	0.4%	32,771,256	11.7%
Total	1,882	100.0%	279,225,629	100.0%

Brand Names

Brand	Number of Leases	Proportion of total (%)	Aggregate Outstanding Lease Balance	Proportion of total (%)
Renault	1,986	11.7%	32,056,808	11.5%
Volkswagen	1,973	11.6%	29,711,858	10.6%
Peugeot	2,017	11.8%	29,130,067	10.4%
Opel	1,733	10.2%	20,604,483	7.4%
Volvo	862	5.1%	22,200,457	8.0%
Ford	1,539	9.0%	19,587,036	7.0%
Mercedes	681	4.0%	16,195,081	5.8%
Audi	598	3.5%	14,810,103	5.3%
Citroën	1,016	6.0%	12,977,757	4.6%
BMW	395	2.3%	11,553,492	4.1%
Toyota	461	2.7%	8,343,913	3.0%
Alfa Romeo	354	2.1%	5,371,037	1.9%
Other	3,430	20.1%	56,683,537	20.3%
Total	17,045	100.0%	279,225,629	100.0%

ASSET ORIGINATION AND UNDERWRITING

Organisation

The commercial department of Unilease is headed by the CEO/commercial director who will assume commercial responsibilities for all Dutch operations of the Athlon group in due course.

The commercial department is divided in (i) two large account teams (>100 contracts), (ii) two regional account teams and (iii) a specialised team dedicated towards vans/trucks. All teams operate out of the Unilease/SLS head office in Rijswijk with the exception of one regional sales team. Each team consists of a team manager, 1-3 account managers and 3-5 ''binnendienst'' assistants and has direct access to representatives from various back office departments

According to independent customer surveys carries out by Heliview among the top 7 leasing companies in the Netherlands and published in 2004, Unilease is generally regarded as the number one leasing company with respect to customer satisfaction over the past years. 80 per cent. of the customers indicate a high probability that they will renew their lease contracts with Unilease whereas 78 per cent. indicate they will recommend Unilease to others. Both percentages are the highest in the industry.

Currently Unilease and SLS have approximately 1,800 different clients with approximately 21,000 contracts. Unilease focuses on clients with a 20 cars or more potential.

Sales Channels

Unilease and SLS have a direct and indirect sales system in place. Direct sales are concluded through account managers who are working in separate market segments whereas SLS operates exclusively through indirect sales channels. Unilease also makes use of the Internet through its proprietary system ''Autobusiness''. Autobusiness is an internet application, which is used for on-line calculations and order processing.

Credit Application Procedure

Credit Application Process

The credit policy is described in a set of internal guidelines. Persons responsible for evaluating and processing the request for a lease are generally all well experienced and work with Unilease for several years. Unilease and SLS check their clients creditworthiness in order to assess whether its clients are likely to be able to meet their obligations under the lease contracts.

Leasebase, a lease administration system developed by Sofico, Belgian based software company specialised in lease management applications, drives the credit approval process. The credit approval process normally takes between 1 to 3 days. The Leasebase management system is designated to ensure that no cars can be leased unless:

- Unilease or SLS have assessed the credit risk and determined the maximum credit limit; and
- A signed master agreement is received from the client;
- The credit used (book value at risk plus accounts receivable balance) is less than the assigned credit limit; and
- A signed order for an individual car is received from the lessee.

The risk appraisal is primarily done on the basis of the experience of the staff and the assessment by them of the information obtained in the course of the application process, rather than on the basis of scoring techniques. The organisation structure, the low turnover of staff and a good knowledge of the target clientele enable this.

In the case of large accounts the management of Unilease or SLS and the relevant account manager visit the client together prior to approval. It is the experience of Unilease and SLA that this has resulted in relatively few turned down applications.

As part of the internal approval process, management may take into account, among other things:

- payment behaviour (if available);
- solvency ratio (equity vs. debt);
- short term vs. long term debt;
- liquidity;

- profitability over the last three financial years;
- advice of the external credit watch agencies Dun & Bradstreet or Bureau Kredietregistatie regarding payment arrears.

Depending on the analysis of the information above, additional security could be required (e.g. surety).

At least two persons need to approve a request. Approved credit application forms are sent to the accounts receivable department for processing. Main lease documentation includes: (1) the master lease agreement, (2) one or more lease contracts, (3) if applicable, a direct debit authorisation.

Credit acceptance criteria new clients

General:

- Besides the Dun & Bradsteet scores also other available information (including financial information) will be reviewed.
- A client leasing less than 10 vehicles will generally be required to pay by means of direct debit authorisation.
- In certain cases a guarantee from the parent company, if any, is required.
- At least two Unilease signatures are required for both new credit applications and increases of existing credit limits:
  1. New credit applications are reviewed at CEO/CFO level
  2. Increases of existing credit limits are reviewed at controller/head of accounts receivable department level, with a third CFO approval in case the total limit increases above € 500,000.
- In case of an increase of the credit limit an assessment by the head of the accounts receivable department of the payment history of the client.

Additional security:

If no financial and or other relevant information is available or the information obtained shows a (slightly) increased credit risk, additional security will be required which generally take the form of:

- a liability statement of parent and/or other group companies for all debts including early termination charges under the master agreement
- cash deposits of up to six (6) months lease payments per car (including fuel usage)
- an irrevocable bank guarantee in the amount of up to six (6) months lease payments per car (including fuel usage) which can be drawn on first demand.

The required amount of cash deposit are determined on a case-by-case basis. The following rough guidelines apply, however:

- Investment per vehicle less than € 25,000: two lease instalments.
- Investment per vehicle greater than € 25,000: four lease instalments.
- Company existing less than two years: two additional lease instalments.
- Investment per vehicle greater than € 50,000: tailor-made decision.

Credit limit increase

When a client reaches its credit limit, a new credit assessment is done to assess if the credit limit can be increased. This credit approval process is similar to the process for approving credit limits for new clients. Management approves credit approvals for limits higher than € 500,000.

No annual renewal of the credit files takes place as long as the contracts perform well and payments are received on a timely basis. Dun & Bradstreet provides a daily service informing Unilease and SLS of any developments regarding its lessees, including changes in credit ratings assigned by them. Dun & Bradstreet also informs Unilease and SLS if and when annual reports are available. The credit control/collections department analyses this information and seeks contact with the client when necessary (in case of the large accounts). In case of negative changes in the Dun & Bradstreet rating or other relevant information such as payment history, Unilease or SLS can decide:

- to reduce the assigned credit limit, thus preventing the lease of a new car in case one of the lease contracts matures and consequently reducing the number of cars leased to these clients; and/or
- gradually ask for additional guarantees such as liability statements or higher up front deposits; and/or
- increase the margin at each contract renewal.

ADMINISTRATION OF THE ASSETS

Contract Management and Servicing

When a master agreement has been signed, the lessee can order cars through the internet application "Autobusiness" operated by Unilease and SLS (password protected) or through direct contact with their dedicated account team. Once the lessee has made his/her choice, an order form is automatically printed and sent directly to the lessee for authorisation. Upon receipt of the signed order form from the lessee, the car is ordered from an authorised dealer through the purchasing department

Unilease or SLS management decides on requested increases of the standard agreed monthly lease payment of more than € 500 calculated over the total contract duration (*i.e.* approximately € 14 per month in case of a three-year contract. For increases of less than € 500, the account teams can decide autonomously. Each account team has annual targets with respect to both quantity (number of contracts) and profitability of their contract portfolio.

Unilease and SLS service the contract in relation to any third party including the dealerships and garages. In case of any maintenance or repair to the car the relevant garage will contact Unilease or SLS in advance and will ask for permission to carry out the requested repairs. Unilease and SLS can retrieve a specification of the lease contract from Leasebase, and can check which services are included in the lease. The invoice is sent to Unilease or SLS directly.

Collections and doubtful debtors

Methods of Payment

There are two ways of payments:

- direct debit (approximately 75 per cent. of the clients); and
- manual transfer (approximately 25 per cent.); mostly in case of the larger accounts.

All lease instalments are due in advance; invoices are typically issued fourteen (14) days prior to such due date. Different arrangements may exist with respect to Unilease or SLS's largest clients (see below). Basic principle is that each client should give an automatic irrevocable authorisation for collection. However, Unilease may decide (e.g. because of commercial reasons and/or limited credit risk) not to ask for this authorisation or, in case of large accounts a slightly increased payment term, in which case the interest component incorporated in the monthly lease payment will be increased and payment is carried out manually in such case. All lease payments are paid monthly into one of the Unilease or SLS bank accounts at ABN AMRO Bank.

Accounts Receivable Department

Other than in the situation of a dispute, in the event that a direct debit authorisation cannot be processed or overdue balances exist the monthly lease payment must be paid within forty-eight (48) hours and the client will be contacted by the collection department to discuss the reason which led to the non-payment and to agree upon the form and timing of payment. In the event that the lease instalment has not been received on the first day of the next calendar month, the lessee is ordered to pay all due but unpaid monthly lease payments within five (5) business days. During this period, there may be several contacts, which may include (but are not limited to):

- Telephone and mail correspondence by more senior collection agents,
- Actual site visits to the lessee from our special accounts coordinator
- Correspondence with an external lawyer

If the client still fails to make the payment, Unilease or SLS may decide to repossess the underlying lease vehicle(s). All costs in connection with the recovery of the car are invoiced to the lessee. Specialised companies carry out the recovery of the car. The average numbers of cars stolen has been marginal in relation to the total contract portfolio in recent years. In case of overdue payments no newly ordered cars will be approved.

The accounts receivable department prepares a weekly outstanding receivables analysis, which is distributed among the collection agents and reviewed by the controller and CFO. Distribution of the weekly ageing analysis among all collection agents in combination with ageing related targets creates competition between the collection agents resulting in a sound receivables portfolio.

Debtor Monitoring System 'OnGuard'

Unilease uses a debtor monitoring system named 'OnGuard'. This is the same system Athlon Car Lease Nederland uses. The system contains several profiles describing on which moment in time (in relation to the due date of an invoice), which steps have to be taken by the accounts receivable department. Each client is linked to a certain profile. On the basis of the profile the accounts receivable department receives a daily overview of the actual steps to be taken. The outcome of these actions is documented in OnGuard. Basically all profiles are based on two main profiles: (1) one for clients subject to automatic debit, and (2) one for clients not subject to automatic debit.

Main Profile (1)

Day 04 – 07:	Letter 1.
Day 07 – 12:	1 x telephone call.
Day 12 – 15:	Letter 2.
Day 15 – 27:	3 x telephone call.
Day 27 – 30:	Consultation with head accounts receivable department.

Transfer to special accounts collection, bailiff or lawyer.

Main Profile (2)

Day 01 – 06:	Letter 1.
Day 06 – 13:	1 x telephone call.
Day 13 – 18:	Letter 2.
Day 18 – 25:	1 x telephone call.
Day 25 – 30:	Letter 3.
Day 30 – 40:	1 x telephone call.
Day 40 – 45:	Consultation with head accounts receivables department.

Transfer to special accounts collection, bailiff or lawyer.

Residual Value

One of the financial risks to which Unilease and SLS are exposed is a decline in the residual value of the Vehicles. A residual value loss or gain arises when there is a difference between the book value and the (present) market value of the Vehicles. The residual value is expressed as a percentage of the purchase price of the vehicle. The process of setting a residual value is specific to each vehicle type and depends on factors such as the term of the operating lease, expected mileage, expected usage, model, engine size, transmission type and fuel.

A dedicated residual value team meets bi-weekly to discuss the latest developments in (and possibly adjust) the residual value of the Vehicles. Each model is at a minimum reviewed twice a year. In this meeting (i) the latest developments of the residual value, (ii) the selling ability and (iii) general market trends and information per type of car are discussed. Factors considered when setting residual value recommendations include the sales of used cars by Unilease and SLS as well as the sales of non- Unilease or SLS used vehicles in the market. This information is provided by external sources such as traders, dealers, manufacturers, and Autotelex (an external provider of vehicle data in the Netherlands). Views on future economic conditions, new car prices, new car types and other factors likely to influence the used car market are also taken into account.

The Vehicles are valued at actual cost after deduction of annuity-based depreciation, which is generally determined on the basis of the lease term. Most of the contracts have a term of twenty-four (24) to forty-eight (48) months. As the lessee pays an amortisation component based on the same policy, the book value varies in parallel with the cash flow.

The residual value of Vehicles is a very important parameter for the calculation of the monthly lease. The residual value is carefully determined by Unilease and SLS on a monthly basis and immediately amended if necessary in the calculation of all future monthly leases. Unilease and SLS's expertise from over 35 years in the used car market reduces the risk associated with the residual value.

Across its entire portfolio, and calculated on an aggregate and annual basis, Unilease and SLS have never realised a residual value loss. Moreover, the average actual sale price obtained is generally

higher than the average market price. Unilease and SLS's sensitivity to a variation in the residual value of leased cars is limited, as the profit on the sale of leased cars on average represents less than 5 per cent of the Unilease group of companies margin. A provision is taken in case of a loss in residual value.

Approximately 85 per cent of Unilease and SLS's leases are closed-ended and approximately 15 per cent are open-ended. With closed-ended leases Unilease and SLS bear the residual value risk. In principle, with open-ended leases, Unilease and SLS have no residual value risk, as the difference (if any) between the book value and the residual value is for the account of the lessee. With some of its larger customers, however, contracts have been negotiated in which Unilease or SLS bears (part of) the residual value risk. Furthermore, in certain cases, part of a capital gain on the vehicles is shared with the lessee.

Because actual mileage will always differ from that forecasted, each lease contract is recalculated at least once during its term. In this recalculation Unilease and SLS (as all lease companies) will (partly) compensate any negative or positive effect of the actual mileage through an adjustment of the residual value of the underlying lease car. This mitigates the residual value risk. The expected residual value is (re)calculated:

1. at the end of the contract period;
2. in the event that the mileage or some of the other terms show a certain deviation with the contractual mileage or agreed and terms (the mileage shows a deviation of more than 10 per cent., with the contractual mileage; other terms show a deviation of more than 5 per cent., with the contractual terms);
3. upon an early termination: in the case of early termination, the lease payments that were due on the basis of the terminated contract are recalculated in order to establish the lease payments that should have been due in the case that the term of the lease contract was equal to the period running from the effective date of the lease contract up to the date of early termination. In this case the current value of the car will be determined and, depending on commercial considerations, a penalty equal to the difference between the book value and the actual value is invoiced to the lessee including an additional service charge.

IT System Unifocus

Unilease and SLS use Leasebase as their main system. Unilease and SLS have added three (3) reporting and sales applications to Leasebase: ''Autobusiness'', ''Autofocus'' and ''Unifocus''. Autobusiness is an internet application used for on-line calculations and order processing whereas Autofocus is the related internet application providing management information to the lessees. Unilease and SLS consider Autofocus as ''best in its class''.

Whereas the Autobusiness and Autofocus applications are also available to lessees, the Unifocus application is only available for internal use. Unifocus is the internal management information system, providing on line operational and management information based on the Autofocus technology. Unifocus will be rolled out to Athlon Car Lease Nederland in 2005.

Back-up process

A total back up is made on a daily basis and, also on a daily basis, stored offsite in a different part of the country. Unilease has a full contingency plan in place covering all essential business applications and facilities. The restoring capabilities within the contingency plan are tested once a year. In case of an emergency Unilease and SLS are capable of moving its administrative activities within forty-eight (48) hours to its subsidiary in Oss. A full scope test was carried out successfully in 2003.

Conversion to Athlon Car Lease ATLAS IT system

It is expected that in the first half of 2005, the administration of the leases originated by Unilease will convert to the existing ''Atlas'' lease system currently in use at Athlon Car Lease Nederland..

General Hard- and Software Structure

Athlon Car Lease Nederland (formerly known as Interleasing Nederland) implemented 'Atlas' in 1998. Its hardware and software structure is such that small and large lease companies can use it. Through interfaces, which allow information/data exchange, Atlas has access to third party software

systems of parties such as Centraal Beheer (insurances), MTC (fuel) and other standard company software systems for sales, bookkeeping, etc.

Extensive reporting is possible as all data and each file and entry are directly accessible and may be sorted at random. Beside the usual company operational, financial and commercial information flows Athlon Car Lease Nederland is in a position to prepare through Atlas all kind of special reports, such as:

– profitability assessments per client, client range and/or type of lease
– residual value developments per brand, tenor, mileage
– damage (%) compared to actual insurance payments/own risk
– quality of lease portfolio

Back-up Process

A total back up is made on a daily basis on Unix. Separately on a monthly basis data tapes are made, stored outside the premises and kept for one year. In case of an emergency Athlon Car Lease Nederland is capable of moving its administrative activities within twenty-four (24) hours to one of its subsidiaries or to IBM Zoetermeer.

BORROWER

Incorporation

The Borrower is incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) on 25 January 2005. The corporate seat (*statutaire zetel*) of the Borrower is in Hoofddorp, the Netherlands and its registered office is at Wieger Bruinlaan 98, 2132 AX, Hoofddorp, the Netherlands. The Borrower is registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34220239.

Director

Mr. Blink and Mr. Rutgers act as managing directors of the Borrower.

Objectives

The objectives of the Borrower are to hire-purchase or otherwise acquire new and used vehicles owned by or to be purchased by any of the Sellers, together with the lease receivables resulting from the associated lease agreements concluded or to be concluded with respect to these vehicles by such Seller, to exercise all rights and, as the case may be, perform all obligations under such lease agreements, and to conclude finance agreements (as borrower) for the finance and to grant security in connection therewith, and to undertake all that is connected to the foregoing or in furtherance thereof.

Share capital

The Borrower has an authorised share capital of € 90,000, of which € 18,000 (*i.e.* 180 ordinary shares of € 100 par value each) has been issued and is fully paid. Stichting Administratiekantoor holds the entire issued share capital in the Borrower.

Stichting Administratiekantoor is a foundation (*stichting*) established under the laws of the Netherlands on 25 January 2005. The objects of Stichting Administratiekantoor are, *inter alia*, to incorporate, acquire and to hold shares in the share capital of the Borrower and to exercise all rights attached to such shares and to dispose of and encumber such shares. The corporate seat (*statutaire zetel*) of the Stichting Administratiekantoor is in Amsterdam, the Netherlands, and its registered office is at Wieger Bruinlaan 98, 2132 AX, Hoofddorp, the Netherlands. The Stichting Administratiekantoor is registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34220266. The managing directors of Stichting Administratiekantoor are Mr. Slootweg, Mr. Bierstee and ING Management (Nederland) B.V. Mr. Slootweg and Mr. Bierstee resign as managing directors in case of an Insolvency Event (*i.e.* a situation in which (i) Athlon., Athlon Beheer, the Borrower and/or any of the Sellers is declared bankrupt, has filed a petition for bankruptcy, has been granted suspension of payment or filed a petition for a suspension of payments and/or (ii) the obligation of the Borrower to repay the Issuer Facility Principal Amount Outstanding due under Issuer Facility Agreement as described in the Offering Circular falls due in advance pursuant to the provisions therein, in both situations for as long as there are Notes outstanding) and ING Management (Nederland) B.V. resigns, as soon as the Notes are fully redeemed, in both events without any notification or action of the member concerned is required.

Stichting Administratiekantoor has issued (non-voting) depositary receipts (*certificaten*) for all of the 180 shares held by it in the capital of the Borrower. Athlon Beheer holds 179 of such depository receipts and Stichting Holding holds 1 such depositary receipt. The administration conditions (*administratievoorwaarden*) provide that the depositary receipts cannot be exchanged for shares (*geroyeerd*) at the request of the holder thereof, as long as the Borrower has not fulfilled all obligations under the relevant Transaction Documents, including the Issuer Facility, except if such obligation is vis-à-vis any of the Sellers or to any of its group companies.

Capitalisation

The following table shows the capitalisation of the Borrower as of 22 February 2005 as adjusted for the drawing of the Issuer Facility Advance under the Issuer Facility Agreement:

	€
Share capital	
Authorised share capital	90,000
Issued share capital	18,000
Borrowings	
Issuer Facility Advance	252,350,000

Since its incorporation, the Borrower has not traded, no profits and losses have been made or incurred and it has not declared or paid any dividends nor made any distributions, save for the activities related to its establishment and the transaction included in the Offering Circular dated 22 February 2005.

Exempted Credit Institution

The Borrower is not subject to any licence requirement under section 6 of the Act on the Supervision of the Credit System 1992 (*Wet toezicht kredietwezen 1992*), as amended, due to the fact that the Borrower will only attract funds from professional market parties within the meaning of sections 2 and 1(e) of the Exemption Regulation of 26 June 2002 in respect of the Act on the Supervision of the Credit System 1992 (*Vrijstellingsregeling Wet toezicht kredietwezen 1992*), as amended from time to time (the "**Exemption Regulation**") and section 2 of the policy rules of the Dutch Central Bank (*De Nederlandsche Bank N.V.*) on key concepts of market access and enforcement of the Act on the Supervision of the Credit System 1992 published on 29 December 2004 (*Beleidsregel 2005 kernbegrippen markttoetreding en handhaving Wtk 1992*) (such professional market parties "**PMP's**"), and all other repayable funds (*opvorderbare gelden*) obtained by the Borrower are obtained from PMP's. The registration and information requirements of section 4 of the Exemption Regulation are and will continue to be complied with.

403-Statement

For accounting purposes the Borrower will have to be included in the consolidated financial statements of Athlon and it will not publish its own financial statements. In this context, Athlon will file with the Commercial Register a statement to the effect that it assumes joint and several liability for the debts and obligations arising from legal acts entered into by the Borrower pursuant to section 2:403 DCC. Similar 403 statements are in effect with respect to Athlon Beheer Nederland B.V., Athlon Car Lease Nederland B.V. and each of the Sellers. It should be noted, however, that under the terms of the relevant documents relating to the transaction contemplated by the Transaction Documents all parties thereto will be required to waive any rights they might have against Athlon under section 2:403 DCC (except that the lessees of the leased vehicles will not be asked to waive such rights, and furthermore except that the Borrower will not waive any rights it may have against Athlon in respect of amounts payable by any of the Sellers to the Borrower pursuant to the Servicing Agreement and the Residual Value Warranty under the Master Hire Purchase Agreement).

Auditors Report

The following is the text of a report received by the Board of Managing Directors of the Borrower from KPMG Accountants N.V., the auditors to the Borrower:

To the Directors of Athlon Car Lease Finance II B.V.

Amstelveen, 22 February 2005

Dear Sirs:

Athlon Car Lease Finance II B.V. (the "**Company**") was incorporated on 25 January 2005 under number BV 1038718 with an issued share capital of € 18,000. The Company has not yet filed any financial statements.

Yours faithfully,

KPMG Accountants N.V.

ISSUER

Incorporation

The Issuer was incorporated under the laws of the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) on 19 January 2005 under number BV 1305873. The corporate seat (*statutaire zetel*) of the Issuer is in Amsterdam, the Netherlands and its registered office is at Fred. Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands. The Issuer is registered with the Commercial Register of the Chamber of Commerce of Amsterdam under number 34219957.

Director

ATC Management B.V. acts as sole managing director of the Issuer. The managing directors of ATC Management B.V. are J.H. Scholts, G.F.X.M. Nieuwenhuizen, J. Lont and A.G.M. Nagelmaker.

Objectives

The objectives of the Issuer are (i) to grant one or more loans to the Borrower, to finance the obligations of the Borrower in connection with the agreements to be entered into by the Borrower pertaining to the acquisition of new and used vehicles from any of the Sellers, and the assignment of the receivables resulting from the lease agreements entered into by such Seller with respect to these vehicles and to exercise all rights attached to such vehicles and lease agreements; (ii) to raise funds for the financing of the loans mentioned under (i) (including the issue of bonds, promissory notes or other securities) as well as to enter into agreements related thereto, (iii) to invest (including to lend) the funds of the company, (iv) to reduce interest and other financial risks by, amongst others, entering into derivatives agreements, such as swaps and options, (v) in connection with the foregoing (a) to borrow funds, *inter alia*, to fulfil the obligations of the company and (b) to grant security interests; and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

Share capital

The Issuer has an authorised share capital of € 90,000, of which € 18,000 (*i.e.* 180 ordinary shares of € 100 par value each) has been issued and is fully paid. Stichting Holding holds the entire issued share capital in the Borrower.

Stichting Holding is a foundation (*stichting*) established under the laws of the Netherlands on 14 December 2004. The objects of Stichting Holding are, *inter alia*, to incorporate, acquire and to hold shares in the share capital of the Issuer and to exercise all rights attached to such shares and to dispose of and encumber such shares. The corporate seat (*statutaire zetel*) of the Stichting Holding is in Amsterdam, the Netherlands and its registered office is at Fred. Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands. The Stichting Holding is registered with the commercial register of the Chamber of Commerce of Amsterdam under number 34217291. The sole managing director of Stichting Holding is ATC Management B.V.

Capitalisation

The following table shows the capitalisation of the Issuer as of 24 February 2005 as adjusted for the issue of the Notes:

	€
Share capital	
Share capital	
Authorised share capital	90,000
Issued share capital	18,000
Borrowings	
Class A Notes	241,000,000
Class B Notes	3,800,000
Class C Notes	12,600,000

Since its incorporation, the Issuer has not traded, no profits and losses have been made or incurred and it has not declared or paid any dividends nor made any distributions, save for the

activities related to its establishment and the transaction included in the Offering Circular dated 22 February 2005.

Exempted Credit Institution

The Issuer is not subject to any licence requirement under section 6 of the Act on the Supervision of the Credit System 1992 (*Wet toezicht kredietwezen 1992*), as amended, due to the fact that the Notes will be offered solely to PMP's. The Issuer covenants that the registration and information requirements of section 4 of the Exemption Regulation are and will continue to be complied with.

Auditors Report

The following is the text of a report received by the Board of Managing Directors of the Issuer from KPMG Accountants N.V., the auditors to the Issuer:

To the Directors of Athlon Securitisation 2005 B.V.

Amstelveen, 22 February 2005

Dear Sirs:

Athlon Securitisation 2005 B.V. (the "**Company**") was incorporated on 19 January 2005 under number BV 1305873 with an issued share capital of € 18,000. The Company has not yet filed any financial statements.

Yours faithfully,

KPMG Accountants N.V.

USE OF PROCEEDS

The net proceeds from the issue of the Notes (*i.e.* net of payment of certain costs, fees and expenses in connection with the offering issue and distribution of the Notes and the initial contribution to the Excess Spread Account up to the Excess Spread Account Target Level) amount to € 257,350,000 will be applied by the Issuer on the Closing Date to make the Issuer Facility Advance to the Borrower subject to and in accordance with the Issuer Facility Agreement.

On the Closing Date the Borrower shall apply the proceeds of the Issuer Facility Advance to pay the PUA Payment Amounts to the PUA Party in accordance with the Payment Undertaking Agreement and the PUA Loan Agreement in consideration for the PUA Party assuming the Borrower's payment obligations in respect of the (hire) purchase of the Current Vehicles and the Lease Receivables resulting from the Associated Leases from the Sellers pursuant to the Master Hire Purchase Agreement.

BORROWER SECURITY TRUSTEE AND ISSUER SECURITY TRUSTEE

Borrower Security Trustee

Stichting Security Trustee Athlon Car Lease Finance II (*i.e.* the Borrower Security Trustee) is a foundation (*stichting*) established under the laws of the Netherlands on 19 January 2005. The corporate seat (*statutaire zetel*) of the Borrower Security Trustee is in Amsterdam, the Netherlands and its registered office is at Teleportboulevard 140, 1043 EJ, Amsterdam, the Netherlands. The Borrower Security Trustee is registered with the commercial register of the Chamber of Commerce of Amsterdam under number 34219960. The sole managing director of the Borrower Security Trustee is ING Management (Nederland) B.V.

The objects of the Borrower Security Trustee are to act as agent and/or trustee, to acquire security rights as agent and/or trustee and/or for itself, to hold, administer and enforce such security rights, to enter into loan agreements and a management agreement between the foundation and to perform any and all acts which are related, incidental or which may be conducive to the above.

Issuer Security Trustee

Stichting Security Trustee Athlon Securitisation 2005 (*i.e.* the Issuer Security Trustee) is a foundation (*stichting*) established under the laws of the Netherlands on 19 January 2005. The corporate seat (*statutaire zetel*) of the Issuer Security Trustee is in Amsterdam, the Netherlands and its registered office is at Fred. Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands. The Issuer Security Trustee is registered with the commercial register of the Chamber of Commerce of Amsterdam under number 34219992. The sole managing director of the Issuer Security Trustee is Amsterdamsch Trustee's Kantoor B.V.

The objects of the Issuer Security Trustee are to act as agent and/or trustee, to acquire security rights as agent and/or trustee and/or for itself, to hold, administer and enforce such security rights, to enter into loan agreements and a management agreement between the foundation and to perform any and all acts which are rebated, incidental or which may be conducive to the above.

Issuer Trust Deed

The Notes will be secured indirectly, through the Issuer Security Trustee, by the Issuer entering into the Issuer Trust Deed on the Signing Date with the Issuer Security Trustee, acting as security trustee for the Issuer Security Beneficiaries. In the Issuer Trust Deed the Issuer will agree, to the extent necessary in advance, to pay to the Issuer Security Trustee an amount equal to the Issuer Parallel Debt (*i.e.* the aggregate of all its obligations to the Issuer Security Beneficiaries from time to time due in accordance with the terms and conditions of the Transaction Documents, including the Notes), which Issuer Parallel Debt is secured by the Issuer Pledge Agreements.

Issuer Pledge Agreements

Issuer Claims I Pledge Agreement and Issuer Claims II Pledge Agreement

On the Signing Date, the Issuer, the Issuer Security Trustee, the Borrower Security Trustee and the Borrower will enter into a pledge agreement (the "**Issuer Claims I Pledge Agreement**") pursuant to which the Issuer will create a first priority disclosed right of pledge (*openbaar pandrecht, eerste in rang*) over all of the Issuer's monetary claims and rights against the Borrower and the Borrower Security Trustee under or in connection with, respectively, the Issuer Facility Agreement and the Borrower Trust Deed.

Furthermore, on the Signing Date, the Issuer, the Issuer Security Trustee, the Interest Rate Swap Counterparty and the Return Swap Counterparty will enter into a pledge agreement (the "**Issuer Claims II Pledge Agreement**") pursuant to which the Issuer will create a first priority disclosed right of pledge (*openbaar pandrecht, eerste in rang*) over all of the Issuer's monetary claims and rights against the Interest Rate Swap Counterparty and the Return Swap Counterparty under or in connection with, respectively, the Interest Rate Swap Agreement and the Return Swap Agreement.

The rights of pledge to be created pursuant to the Issuer Claims I Pledge Agreement and the Issuer Claims II Pledge Agreement shall be granted in favour of the Issuer Security Trustee for the benefit of the Issuer Security Beneficiaries to secure and provide for the payment of the Issuer Secured Obligations (as defined in the "*Index of Definitions*").

Since the rights of pledge created pursuant to the Issuer Claims I Pledge Agreement and the Issuer Claims II Pledge Agreement have been notified to the relevant obligors (*i.e.* the Borrower Security Trustee, the Borrower, the Interest Rate Swap Counterparty and the Return Swap Counterparty) the Issuer Security Trustee will be entitled to collect the claims pledged thereunder in accordance with section 3:246 DCC. However, under said pledge agreements the Issuer and the Issuer Security Trustee will agree that the Issuer will nevertheless remain authorised to collect the pledged claims and exercise the rights subject to the pledge, until further notice has been given by the Issuer Security Trustee. The authorisation to collect and exercise may be terminated by the Issuer Security Trustee, *inter alia*, upon the Issuer being in default with respect to one or more of the Issuer Secured Obligations or when it is likely in the opinion of the Issuer Security Trustee that the Issuer will be in default with respect to one or more of the Issuer Secured Obligations. Upon the occurrence of a default of the Issuer with respect to the Issuer Secured Obligations, provided notice of termination of the authorisation to collect and exercise has been given, the Issuer Security Trustee shall be entitled to foreclose the relevant rights of pledge and to apply any monies received or recovered by the Issuer Security Trustee under the Issuer Claims I Pledge Agreement and the Issuer Claims II Pledge Agreement towards satisfaction of the Issuer Secured Obligations. The Issuer Security Trustee will divide the amounts received by it in accordance with the provisions of the Issuer Trust Deed.

The Issuer Claims I Pledge Agreement and the Issuer Claims II Pledge Agreement will be governed by the law of the Netherlands.

Issuer Accounts Pledge Agreement

On the Signing Date, the Issuer, the Issuer Security Trustee and the Floating Rate GIC Provider will enter into a pledge agreement (the "**Issuer Accounts Pledge Agreement**") pursuant to which the Issuer will create a first priority disclosed right of pledge (*openbaar pandrecht, eerste in rang*) over all of the Issuer's monetary claims and rights vis-à-vis the Floating Rate GIC Provider in respect of the Issuer Floating Rate GIC and the Issuer Accounts.

The right of pledge to be created pursuant to the Issuer Accounts Pledge Agreement will be granted in favour of the Issuer Security Trustee for the benefit of the Issuer Security Beneficiaries to secure and provide for the payment of the Issuer Secured Obligations.

Although on the basis of section 3:246 DCC the Issuer Security Trustee will be entitled to collect the claims and to exercise the rights pledged pursuant to the Issuer Accounts Pledge Agreement, the parties will agree that the Issuer will remain authorised to collect these claims, to exercise these rights and to give payment orders with respect to the Issuer Accounts, until further notice has been given by the Issuer Security Trustee. The authorisation to collect, to exercise and to give payment orders may be terminated by the Issuer Security Trustee, *inter alia*, upon the Issuer being in default with respect to one or more of the Issuer Secured Obligations or when it is likely in the opinion of the Issuer Security Trustee that the Issuer will be in default with respect to one or more of the Issuer Secured Obligations. Upon the occurrence of a default of the Issuer with respect to the Issuer Secured Obligations, provided notice of termination of the authorisation to collect has been given, the Issuer Security Trustee shall be entitled to collect all monies standing to the credit of the Issuer Accounts or to foreclose the right of pledge created pursuant to the Issuer Accounts Pledge Agreement in accordance with section 3:248 DCC. Any monies received or recovered by the Issuer Security Trustee under the Issuer Accounts Pledge Agreement will be applied towards satisfaction of the Issuer Secured Obligations and will be divided by the Issuer Security Trustee subject to and in accordance with the provisions of the Issuer Trust Deed.

The Issuer Accounts Pledge Agreement will be governed by the laws of the Netherlands.

Borrower Trust Deed

On the Signing Date, the Borrower, Athlon Beheer, the Issuer and the Sellers will enter into the Borrower Trust Deed with the Borrower Security Trustee, under which the Borrower will undertake to pay to the Borrower Security Trustee an amount equal to Borrower Parallel Debt (*i.e.* the aggregate of all its obligations to the Borrower Security Beneficiaries from time to time due in accordance with the terms and conditions of the relevant Transaction Documents, which Borrower Parallel Debt is secured by the Borrower Pledge Agreements and the Sellers Vehicles Pledge Agreement. The Noteholders will, *indirectly*, benefit from the security provided pursuant to the Borrower Pledge Agreements and the Sellers Vehicles Pledge Agreement, since the Issuer will pursuant to the Issuer Claims I Pledge Agreement create a right of pledge over, *inter alia*, all of its claims and rights against the Borrower Security Trustee under or in connection with the Borrower Trust Deed in favour of the Issuer Security Trustee for the benefit of the Issuer Security Beneficiaries, including, without limitation, the Noteholders.

Borrower Pledge Agreements

Borrower Rights Pledge Agreement

On the Signing Date, the Borrower, the Borrower Security Trustee, Unilease (in its capacity as Seller and Servicer) and SLS (in its capacity as Seller) will enter into a pledge agreement (the "**Borrower Rights Pledge Agreement**") pursuant to which the Borrower will create a first priority disclosed right of pledge (*openbaar pandrecht, eerste in rang*) over all of the Borrower's monetary claims and rights against Unilease and SLS under or in connection with the Master Hire Purchase Agreement and the Servicing Agreement.

The right of pledge to be created pursuant to the Borrower Rights Pledge Agreement will be granted in favour of the Borrower Security Trustee for the benefit of the Borrower Security Beneficiaries to secure and provide for the payment of the Borrower Secured Obligations (as defined in the "*Index of Definitions*").

The Borrower Rights Pledge Agreement contains provisions similar to those described above in respect of the Issuer Claims I Pledge Agreement and the Issuer Claims II Pledge Agreement.

The Borrower Rights Pledge Agreement will be governed by the laws of the Netherlands.

Borrower Accounts Pledge Agreement

On the Signing Date, the Borrower, the Borrower Security Trustee and ING Bank N.V. will enter into a pledge agreement (the "**Borrower Accounts Pledge Agreement**") pursuant to which the Borrower will create a first priority disclosed right of pledge (*openbaar pandrecht, eerste in rang*) over all of the Borrower's monetary claims and rights vis-à-vis ING Bank N.V. in respect of the Borrower Floating Rate GIC and the Borrower Accounts.

The right of pledge to be created pursuant to the Borrower Accounts Pledge Agreement will be granted in favour of the Borrower Security Trustee for the benefit of the Borrower Security Beneficiaries to secure and provide for the payment of the Borrower Secured Obligations.

The Borrower Accounts Pledge Agreement contains provisions similar to those described above in respect of the Issuer Accounts Pledge Agreement.

The Borrower Accounts Pledge Agreement will be governed by the laws of the Netherlands.

Borrower Lease Receivables Pledge Agreement

On the Signing Date, the Borrower and the Borrower Security Trustee will enter into a pledge agreement (the "**Borrower Lease Receivables Pledge Agreement**") pursuant to which the Borrower will create a first priority non-disclosed right of pledge (*stil pandrecht, eerste in rang*) over all of the Borrower's monetary claims and rights against the Lessees under or in connection with the Leases.

The right of pledge to be created pursuant to the Borrower Lease Receivables Pledge Agreement will be granted in favour of the Borrower Security Trustee for the benefit of the Borrower Security Beneficiaries to secure and provide for the payment of the Borrower Secured Obligations.

The Borrower Security Trustee may notify the right of pledge created pursuant to the Borrower Lease Receivables Pledge Agreement to the relevant Lessees, *inter alia*, upon the Borrower being in default with respect to one or more of the Borrower Secured Obligations or when it is likely in the opinion of the Borrower Security Trustee that the Borrower will be in default with respect to one or more of the Borrower Secured Obligations. Upon notification the Borrower Security Trustee becomes entitled to collect the claims which become due and payable by the Lessees under the Leases. Upon the occurrence of a default of the Borrower with respect to the Borrower Secured Obligations, provided notice of the right of pledge has been given to the respective Lessees, the Borrower Security Trustee is entitled to foreclose the right of pledge created pursuant to the Borrower Lease Receivables Pledge Agreement and to apply all monies received or recovered by the Borrower Security Trustee towards satisfaction of the Borrower Secured Obligations subject to and in accordance with the provisions of the Borrower Trust Deed.

The Borrower Lease Receivables Pledge Agreement will be governed by the laws of the Netherlands.

Borrower Vehicles Pledge Agreement

On the Signing Date, the Borrower and the Borrower Security Trustee will enter into a pledge agreement (the "**Borrower Vehicles Pledge Agreement**") pursuant to which the Borrower will create, or create in advance (*bij voorbaat*), as the case may be, a first priority non-possessory right of pledge (*bezitloos pandrecht, eerste in rang*) over the Vehicles.

The right of pledge to be created pursuant to the Borrower Vehicles Pledge Agreement will be granted in favour of the Borrower Security Trustee for the benefit of the Borrower Security Beneficiaries to secure and provide for the payment of the Borrower Secured Obligations.

Upon the occurrence of a default of the Borrower with respect to the Borrower Secured Obligations, the Borrower Security Trustee is entitled to foreclose on the Vehicles or part thereof over which a right of pledge is created pursuant to the Borrower Vehicles Pledge Agreement and to apply all monies received or recovered by the Borrower Security Trustee towards satisfaction of the Borrower Secured Obligations subject to and in accordance with the provisions of the Borrower Trust Deed.

The Borrower Vehicles Pledge Agreement will be governed by the laws of the Netherlands.

Sellers Vehicles Pledge Agreement

On the Signing Date, the Sellers and the Borrower Security Trustee will enter into a pledge agreement (the "**Sellers Vehicles Pledge Agreement**") pursuant to which the Sellers will create, or create in advance (*bij voorbaat*), as the case may be, a first priority non-possessory right of pledge (*bezitloos pandrecht, eerste in rang*) over the Vehicles.

The right of pledge to be created pursuant to the Sellers Vehicles Pledge Agreement will be granted in favour of the Borrower Security Trustee for the benefit of the Borrower Security Beneficiaries to secure and provide for the payment of the Borrower Secured Obligations.

Upon the occurrence of a default of the Borrower with respect to the Borrower Secured Obligations, the Borrower Security Trustee is entitled to foreclose on the Vehicles or part thereof over which a right of pledge is created pursuant to the Sellers Vehicles Pledge Agreement and to apply all monies received or recovered by the Borrower Security Trustee towards satisfaction of the Borrower Secured Obligations subject to and in accordance with the provisions of the Borrower Trust Deed.

The Sellers Vehicles Pledge Agreement will be governed by the laws of the Netherlands.

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions substantially in the form in which they will be endorsed on the Definitive Notes if they are issued and which will be incorporated by reference into each Temporary Global Note and Global Note, provided that the effect of the Terms and Conditions may be modified as set Out under ''The Global Notes'' hereafter.

The € 241,000,000 Senior Class A Secured Floating Rate Notes due December 2014 (the ''**Class A Notes**''), the € 3,800,000 Junior Class B Secured Floating Rate Notes due December 2014 (the ''**Class B Notes**''), and the € 12,600,000 Subordinated Class C Secured Floating Rate C Notes due December 2014 (the ''**Class C Notes**'', and, together with the Class A Notes and the Class B Notes, the ''**Notes**'') in each case in denominations of € 100,000, are issued under a trust deed, dated 22 February 2005 (the ''**Signing Date**''), by and between Athlon Securitisation 2005 B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands (the ''**Issuer**''), and Stichting Security Trustee Athlon Securitisation 2005, a foundation (*stichting*) established under the laws of the Netherlands, (the ''**Issuer Security Trustee**'') (the ''**Issuer Trust Deed**'').The issue of the Notes was authorised by a resolution of the sole managing director of the Issuer passed on 14 February 2005. The Notes will be issued on 24 February 2005 (or such later date as may be agreed between the Joint Lead Managers and the Issuer) (the ''**Closing Date**'').

Under a paying agency agreement dated the Signing Date (the ''**Paying Agency Agreement**'') by and between the Issuer, the Security Trustee, The Bank of New York, as principal paying agent (the ''**Principal Paying Agent**''), ING Bank N.V. as paying agent (the ''**Paying Agent**'' and together with the Principal Paying Agent, the ''**Paying Agents**'') and The Bank of New York, as reference agent (the ''**Reference Agent**'', and together with the Paying Agents, the ''**Agents**'') provision is made for, among other things, the payment of principal and interest in respect of the Notes.

The statements in these terms and conditions (the ''**Conditions**'') include summaries of, and are subject to, the detailed provisions of (i) the Paying Agency Agreement, (ii) a master hire purchase agreement, dated the Signing Date, by and between Universele Lease Maatschappij Unilease B.V. and Special Lease Systems (SLS) B.V., as sellers (each a ''**Seller**'' and collectively, the ''**Sellers**''), Athlon Car Lease Finance II B.V., as buyer (the ''**Buyer**'') and Stichting Security Trustee Athlon Car Lease Finance II (the ''**Borrower Security Trustee**''), (the ''**Master Hire Purchase Agreement**''), (iii) a limited recourse credit facility, dated the Signing Date, by and between Athlon Car Lease Finance II B.V., as borrower (the ''**Borrower**''), the Issuer, as lender, the Borrower Security Trustee and the Issuer Security Trustee (the ''**Issuer Facility Agreement**''); (iv) the Issuer Trust Deed, (v) a trust deed, dated the Signing Date, by and between the Borrower Security Trustee, the Issuer, Athlon Beheer Nederland B.V., the Borrower and the Sellers (the ''**Borrower Trust Deed**''), (vi) a pledge agreement, dated the Signing Date, by and between the Sellers and the Borrower Security Trustee (the ''**Sellers Vehicles Pledge Agreement**''), (vii) several pledge agreements, each dated the Signing Date, by and between, *inter alia*, the Borrower and the Borrower Security Trustee (the ''**Borrower Pledge Agreements**''), (viii) several pledge agreements, each dated the Signing Date, by and between, *inter alia* the Issuer and the Issuer Security Trustee (the ''**Issuer Pledge Agreements**''), (ix) a servicing agreement, dated the Signing Date, by and between Universele Lease Maatschappij Unilease B.V., as servicer (the ''**Servicer**''), the Borrower and the Borrower Security Trustee (the ''**Servicing Agreement**''), (x) an administration agreement, dated the Signing Date, by and between Universele Lease Maatschappij Unilease B.V., as administrator (the ''**Borrower Administrator**''), the Borrower and the Borrower Security Trustee (the ''**Borrower Administration Agreement**''), (xi) a limited recourse credit facility, dated the Signing Date, by and between Athlon Beheer Nederland B.V. and the Borrower (the ''**Athlon Facility Agreement**''), (xii) a payment undertaking agreement, dated the Signing Date, by and between the Borrower, Stichting Defeasance Athlon Securitisation 2005, the Sellers, Athlon Beheer Nederland B.V., the Issuer and the Borrower Security Trustee (the ''**Payment Undertaking Agreement**''), (xiii) a loan agreement, dated the Signing Date, by and between Stichting Defeasance Athlon Securitisation 2005, the Sellers and the Borrower Security Trustee (the ''**PUA Loan Agreement**''), (xiv) an interest rate swap agreement, dated the Signing Date, by and between the Issuer, the Security Trustee and ING Bank N.V. (the ''**Interest Rate Swap Counterparty**'') (the ''**Interest Rate Swap Agreement**''), (xv) a return swap agreement, dated the Signing Date, by and between the Issuer, the Security Trustee and ING Lease (Nederland) B.V. (the ''**Return Swap Counterparty**'') (the ''**Return Swap Agreement**'', and together with the Interest Rate Swap Agreement, the ''**Swap Agreements**''), (xvi) a master definitions agreement between all relevant parties to the transaction dated the Signing Date (the ''**Master Definitions Agreement**''), and (xvii) certain other

agreements (all aforementioned agreements and the Notes, including such modifications as from time to time enacted in accordance with the provisions therein contained and any other document expressed to be supplemental thereto as from time to time so modified, collectively to be referred to as the "**Transaction Documents**").

Certain capitalised words and expressions used below have the meanings as defined in the Master Definitions Agreement and shall, except where the context requires otherwise, have the same meanings in these Conditions. If the terms or definitions in the Master Definitions Agreement would conflict with terms or definitions used herein, as regards the holders of the Notes, the terms and definitions of these Conditions shall prevail. As used herein, "**Class**" means either, the Class A Notes, the Class B Notes or the Class C Notes, as the case may be.

Copies of the deed of incorporation of the Issuer, the Master Hire Purchase Agreement, the Paying Agency Agreement, the Borrower Trust Deed, the Issuer Trust Deed, the Issuer Facility, the Athlon Facility, the Sellers Vehicles Pledge Agreement, the Borrower Pledge Agreements, the Issuer Pledge Agreements, the Servicing Agreement, the Borrower Administrator Agreement, the Payment Undertaking Agreement, the PUA Loan Agreement, the Swap Agreements, the Master Definitions Agreement and certain other agreements are available for inspection by the Noteholders at the specified office of the Paying Agent and the office for the time being of the Issuer Security Trustee, being at the date hereof Fred. Roeskestraat 123, 1076 EE, Amsterdam, the Netherlands. The Noteholders are entitled to the benefit of, are bound by and are deemed to have notice of, all the provisions of and definitions contained in the Master Definitions Agreement, the Paying Agency Agreement, the Issuer Trust Deed, the Issuer Pledge Agreements and the documents referred to in each of them.

1. **Denomination, Form, and Title**

(a) Global Notes

Each Class of the Notes shall initially be represented by (i) in the case of the Class A Notes, a Temporary Global Class A Note in bearer form, without interest coupons attached, in the principal amount of € 241,000,000, (ii) in the case of the Class B Notes, a Temporary Global Class B Note in bearer form, without interest coupons attached, in the principal amount of € 3,800,000, and (iii) in the case of the Class C Notes, a Temporary Global Class C Note in bearer form, without interest coupons attached, in the principal amount of € 12,600,000 (each a "**Temporary Global Note**"). Each Temporary Global Note will be deposited with a common depository (the "**Common Depository**") for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") on or about 24 February 2005. Upon deposit of each such Temporary Global Note, Euroclear or Clearstream, Luxembourg, as the case may be, will credit each purchaser of the Notes represented by such Temporary Global Note with the principal amount of the relevant Class of Notes equal to the principal amount thereof for which it purchased and paid. Interests in each Temporary Global Note will be exchangeable, not earlier than forty (40) days after the Closing Date (the "**Exchange Date**") and provided that certification of non-U.S. beneficial ownership by the Noteholders has been received, for interests in, respectively, the Permanent Global A Note, the Permanent Global B Note and the Permanent Global C Note, each in bearer form without interest coupon attached, to be deposited with the Common Depository (each a "**Permanent Global Note**" and together with each Temporary Global Note, the "**Global Notes**"). Title to the Global Notes will pass by delivery. Each Permanent Global Note will be exchangeable for Definitive Notes (as defined below) only in the limited circumstances described below.

For so long as the Notes are represented by a Global Note, the Notes shall be transferable in accordance with the rules and procedures of Euroclear or Clearstream, Luxembourg, as appropriate.

(b) Definitive Notes

If after the Exchange Date (i) the Notes become immediately due and payable by reason of accelerated maturity following a Notes Event of Default, or (ii) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of fourteen (14) days (other than by reason of holiday, statutory or otherwise) or announces an intention to cease business permanently and no alternative clearance system satisfactory to the Issuer Security Trustee is available, or (iii) as a result of any amendment to, or change in the laws or regulations of the Netherlands (or any political sub-division thereof) or of any authority therein or thereof having power to tax, or in the interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or any of the Paying Agents is or will be required to make any deduction or

withholding on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will at its sole cost and expense, issue:

(i) Class A Notes in definitive form (the "**Class A Definitive Notes**") in exchange for the whole outstanding interest in the Permanent Global A Note;

(ii) Class B Notes in definitive form (the "**Class B Definitive Notes**") in exchange for the whole outstanding interest in the Permanent Global B Note; and

(iii) Class C Notes in definitive form (the "**Class C Definitive Notes**" and together with the Class A Definitive Notes and the Class B Definitive Notes, the "**Definitive Notes**") in exchange for the whole outstanding interest in the Permanent Global C Note,

in each case within thirty (30) days of the occurrence of the relevant event, subject in each case to certification as to non-U.S. beneficial ownership.

(c) Denomination Definitive Notes

The Definitive Notes shall be in denominations of € 100,000 each and will be in bearer form serially numbered with interest coupons (each a "**Coupon**") attached on issue. Under Dutch law, title transfer of bearer notes is effected by the physical delivery (*levering*) thereof to the transferee.

(d) Holders of Definitive Notes

The Issuer, the Issuer Security Trustee and the Paying Agents may, to the fullest extent possible by law, treat the holder of any Definitive Note as its absolute owner for all purposes (whether or not payment under such Definitive Note shall be overdue and notwithstanding any notice of ownership or writing thereon or any notice of previous loss or theft thereof), including payment, and no person shall be liable for so treating such holder. The holder of any Coupon (whether or not such Coupon is attached to the relevant Definitive Note) in his capacity as such shall be subject to and bound by all the provisions contained in the Definitive Note.

(e) Legend on Definitive Notes

The Definitive Notes and the Coupons will bear the following legend: "*Any United States Person (as defined in the Internal Revenue Code), who holds this obligation will be subject to the limitations under the United States income tax laws, including limitations provided in section 165(j) and 1287(a) of the Internal Revenue Code*". The sections referred to in the legend provide that such a United States Person will not, with certain exception, be permitted to deduct any loss, and will not be eligible for favourable capital gains treatment with respect to any gain, realised on a sale, exchange or redemption of a Definitive Note or Coupon.

(f) Signatures

The signatures on the Notes will be in facsimile.

(g) Definitions for the purpose of these Conditions

"**Noteholders**" means (i) in relation to any Notes represented by a Global Note, each person (other than Euroclear and Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular Principal Amount Outstanding (as defined in Condition 6), for which purpose any certificate or other document issued by Euroclear or Clearstream, Luxembourg, as to the Principal Amount Outstanding of the Notes standing to the account of any person will be conclusive and binding on the basis that that person shall be treated by the Issuer, the Issuer Security Trustee, the Paying Agents and all other persons as the holder of that Principal Amount Outstanding of those Notes for all purposes other than for the purpose of payments in respect of those Notes, the right to which shall be vested, as against the Issuer, solely in the bearer of the relevant Global Note, who shall be regarded as the Noteholder for that purpose; and (ii) in relation to any Definitive Notes issued under Condition 1(b), the bearers of those Definitive Notes; and related expressions shall be construed accordingly.

Any reference to the Notes shall include the Global Notes and where applicable, the Definitive Notes.

2. Status, Relationship between the Notes and Security

(a) Status

The Class A Notes constitute direct and unconditional obligations of the Issuer and rank *pari passu* and rateably without any preference or priority amongst themselves. The Class B Notes

constitute direct and unconditional obligations of the Issuer and rank *pari passu* and rateably without preference amongst themselves. Payments of interest on the Class A Notes will be made in priority to payments of interest on the Class B Notes. Prior to enforcement of the Issuer Pledges, payments of principal on the Class A Notes will be made after payment of interest on the Class B Notes, but in priority to payments of principal on the Class B Notes. In the event of the Issuer Pledges being enforced, payments of principal on the Class A Notes will be made in priority to payments of interest and principal on the Class B Notes. The Class C Notes constitute direct and unconditional obligations of the Issuer and rank *pari passu* and rateably without preference amongst themselves but the Class A Notes and the Class B Notes will rank in priority to the Class C Notes in the event of the Issuer Pledges being enforced. Payments of principal and interest on the Class C Notes are subordinated to, *inter alia*, payments of principal and interest on the Class A Notes and the Class B Notes as provided herein.

(b) Security

The holders of the Class A Notes, the Class B Notes and the Class C Notes will benefit from the security for the obligations of the Issuer towards the Issuer Security Trustee (the "**Security**"), which will be created pursuant to, and on the terms set out in, the Issuer Trust Deed and the Issuer Pledge Agreements. The Class A Notes will rank in priority senior to the Class B Notes and the Class C Notes and the Class B Notes will rank in priority senior to the Class C Notes. Where there is a conflict between the interest of the Class A Noteholders, the interests of the Class B Noteholders, and the interests of the Class C Noteholders, the Issuer Security Trustee will be required to give preference to the interests of the Class A Noteholders and, if there are no Class A Notes outstanding, to the interests of the Class B Noteholders. In addition the Issuer Security Trustee shall have regard to the interests of the other Issuer Security Beneficiaries, provided that in case of a conflict of interest between the Issuer Security Beneficiaries, the priority of payments set forth in the Issuer Trust Deed determines which interest of which Issuer Security Beneficiary prevails. Further, under the terms of the Issuer Trust Deed, there will be limitations on the Class B Noteholders and the Class C Noteholders to pass any resolutions or request or direct the Issuer Security Trustee to take any actions which may adversely affect the Class A Noteholders. Any resolution passed or request or direction given to the Issuer Security Trustee will, in respect of each Class of Notes and subject to the preceding paragraph, require a majority of two-thirds of the holders of each Class of Notes.

3. Covenants of the Issuer

So long as any of the Notes remain outstanding, the Issuer shall carry out its business in accordance with proper and prudent Dutch business practice and in accordance with the requirements of Dutch law and accounting practice and shall not, except to the extent permitted by the Transaction Documents or with the prior written consent of the Issuer Security Trustee:

(i) carry out any business other than as described in this Offering Circular, dated 22 February 2005, relating to the issue of the Notes and as contemplated in the Transaction Documents;

(ii) incur or permit to subsist any indebtedness in respect of borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness or of any obligation of any other person, except as expressly contemplated in the Transaction Documents;

(iii) create, promise to create or permit to subsist any mortgage, charge, pledge, lien or other security interest whatsoever over any of its assets, present or future or transfer, sell, lend, part with or otherwise dispose of or deal with, or grant any option present or future or to acquire a present or future right over any of its assets, except as expressly contemplated in the Transaction Documents;

(iv) create a right of re-pledge (*herpandrecht*) or permit to create a right of re-pledge over any of the assets in respect of which it has acquired a right of pledge, except as expressly contemplated in the Transaction Documents;

(v) consolidate or merge with any other person or convey or transfer all or substantially all of its properties or assets to one or more persons be it in one transaction or in a series of transactions;

(vi) permit the validity or effectiveness of the Issuer Trust Deed, the Issuer Pledge Agreements, or the priority of the Issuer Pledges pursuant thereto to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of such issuer Pledges to be released from such obligations, except as expressly contemplated in the Transaction Documents;

(vii) have any employees or premises or have any subsidiary or subsidiary undertaking (as defined in section 2:24a DCC);

(viii) have an interest in any bank account other than the Issuer Transaction Account, the Excess Spread Account and the Liquidity Reserve Escrow Account, unless all rights in relation to such account will be pledged to the Issuer Security Trustee in accordance with the Issuer Trust Deed;

(ix) amend, supplement or otherwise modify its articles of association or other constitutive documents;

(x) pay any dividend or make any other distribution to its shareholder(s) or issue any further shares; and/or

(xi) engage in any activity whatsoever which is not incidental to or necessary in connection with, any of the activities which the Transaction Documents provide or envisage that the Issuer will engage in.

4. Interest

(a) Period of Accrual

Each Note (other than the Class C Notes) shall bear floating rates of interest on its Principal Amount Outstanding (as defined in Condition 6) from the date of issue of such Note onwards. Each Note (or, in the case of the redemption of part only of a Note, that part only of such Note) shall cease to bear interest from its due date for redemption unless, upon due presentation, payment of the relevant amount of principal or any part thereof is improperly withheld or refused. In such event, interest will continue to accrue thereon (before as well as after any judgement) at the rate applicable to such Note up to (but excluding) the date on which, on presentation of such Note, payment in full of the relevant amount of principal is made or (if earlier) the seventh day after notice is duly given to the holder thereof (either in accordance with Condition 13 or individually) that, upon presentation thereof being duly made, such payment will be made, provided that upon presentation thereof being duly made, payment is in fact made.

(b) Interest Payment Dates and Interest Periods

(i) Interest on the Notes is payable quarterly in arrears on each 26th day of March, June, September and December of each calendar year starting with 26 June 2005 or if such day is not a Business Day, then on the next following Business Day unless that day falls in the next calendar month, in which case the date will be the first preceding day that is a Business Day (each a "**Notes Quarterly Payment Date**").

(ii) In these Conditions, "**Notes Quarterly Interest Period**" shall mean each period from and including a Notes Quarterly Payment Date until but excluding the next succeeding Notes Quarterly Payment Date. For the avoidance of doubt, the first Notes Quarterly Interest Period begins on the Closing Date and ends on, but excludes, the Notes Quarterly Payment Date falling in June 2005 and "**Business Day**" shall mean a day on which the banks in Amsterdam, Dublin and London are open for general business (including dealing in foreign exchange and foreign currency deposits), provided that such day is also a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System or any successor thereof is open for the settlement of payments in Euro.

(iii) The interest due in respect of any Note (other than the Class C Notes) shall be calculated on the basis of a 360 day year and the actual number of days elapsed. The resulting figure of any such calculation will be rounded to the nearest € 0.01 (0.005 being rounded upwards).

(c) Interest on the Class A Notes

Interest on the Class A Notes for the first Notes Quarterly Interest Period shall accrue at a rate per annum equal to the linear interpolation of the Euribor for four-months deposits in Euros and the Euribor for five-months deposits in Euros plus a margin of 0.12 per cent. per annum. Interest on the Class A Notes for each subsequent Notes Quarterly Interest Period shall accrue at a rate per annum equal to the Euribor for three-months deposits plus a margin of 0.12 per cent. per annum.

(d) Interest on the Class B Notes

Interest on the Class B Notes for the first Notes Quarterly Interest Period shall accrue at a rate per annum equal to the linear interpolation of the Euribor for four-months deposits in Euros and the Euribor for five-months deposits in Euros plus a margin of 0.25 per cent. per annum. Interest on the

Class B Notes for each subsequent Notes Quarterly Interest Period shall accrue at a rate per annum equal to the Euribor for three-months deposits plus a margin of 0.25 per cent. per annum.

(e) Interest on the Class C Notes

The Class C Notes will bear an interest (the "**Class C Notes Interest**") equal to the balance standing to the credit of the Issuer Transaction Account on any Notes Quarterly Payment Date after payment of prior ranking payments in accordance with the Issuer Pre-Enforcement Priority of Payments or the Issuer Post-Enforcement Priority of Payments, as the case may be, as set forth in the Issuer Trust Deed.

(f) Euribor

For the purpose of Conditions (c) and (d), Euribor will be determined as follows:

(i) The Reference Agent will obtain for each Notes Quarterly Interest Period the rate equal to Euribor for three-months deposits in Euros except in respect of the first Notes Quarterly Interest Period for which the Reference Agent will obtain the rate equal to Euribor for four-months deposits and the Euribor for five-months deposits. The Reference Agent shall use the Euribor rate as determined and published by the European Banking Federation and ACI – The Financial Market Association and which appears for information purposes on the Telerate Page 248 (or, if not available, any other display page on any screen service maintained by any registered information vendor (including, without limitation, the Reuter Monitor Money Rate Service, the Dow Jones Telerate Service and the Bloomberg Service) for the display of the Euribor rate selected by the Reference Agent) as at or about 11.00 am (Central European Time) on the day that is two (2) Business Days preceding the first day of each Notes Quarterly Interest Period (each an "**Notes Interest Determination Date**").

(ii) If, on the relevant Notes Interest Determination Date, such Euribor rate is not determined and published jointly by the European Banking Association and ACI – The Financial Market Association, or if it is not otherwise reasonably practicable to calculate the rate under (i) above, the Reference Agent will:

(A) request the principal Euro-zone office of each of four major banks in the Euro-zone interbank market (the "**Reference Banks**") to provide a quotation for the rate at which three months euro deposits are offered by it in the Euro-zone interbank mark at approximately 11.00 am (Central European time) on the relevant Notes Interest Determination Date to prime the Euro-zone interbank market in an amount that is representative for a single transaction at that time; and

(B) determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upward) of such quotation as is provided; and

(iii) if fewer than two (2) such quotations are provided as requested, the Reference Agent will determine the arithmetic mean (rounded, if necessary, to the fifth decimal place with 0.000005 being rounded upwards) of the rates quoted by major banks, of which there shall be at least two in number, in the Euro-zone, selected by the Reference Agent, at approximately 11.00 am (Central European time) on the relevant Notes Interest Determination Date for three-months deposits to leading Euro-zone banks in an amount that is representative for a single transaction at that time, and Euribor for such Notes Quarterly Interest Period shall be the rate per annum equal to (a) the Euro interbank offered rate for euro deposits as determined in accordance with this paragraph (f), provided that if the Reference Agent is unable to determine Euribor in accordance with the above provision in relation to any Notes Quarterly Interest Period, Euribor applicable to the relevant Class of Notes during such Notes Quarterly Interest Period will be Euribor last determined in relation thereto.

(g) Determination of Floating Rates of Interest and Calculation of Interest Amounts

The Reference Agent will, as soon as practicable after 11:00 a.m. (Central European Time) on each Notes Interest Determination Date, determine the floating rates of interest referred to in paragraphs (c) and (d) above for each relevant Class of Notes (each a "**Floating Rate of Interest**"), and calculate the amount of interest payable on each such Class of Notes on the relevant Notes Quarterly Payment Date (a "**Floating Interest Amount**"), by applying the relevant Floating Rate of Interest to the Principal Amount Outstanding of each Class of Notes. The determination of the Floating Rates of Interest and each Floating Interest Amount by the Reference Agent shall, in the absence of manifest error, be final and binding on all parties.

(h) Notification of Floating Rates of Interest and Interest Amounts

The Reference Agent will cause the relevant Floating Rates of Interest and the relevant Floating Interest Amounts to be notified to the Issuer, the Issuer Security Trustee, the Director of the Issuer, Euronext Amsterdam N.V. ("**Euronext Amsterdam**") and to the Noteholders, by an advertisement in the English language in the Euronext Amsterdam Daily Official List (*Officiële Prijscourant*) of Euronext Amsterdam as soon as possible after the determination thereof. The Floating Rates of Interest and the Floating Interest Amounts so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice, in the event of an extension or shortening of the relevant period for which the Floating Rates of Interest were determined.

(i) Determination or Calculation by the Issuer Security Trustee

If the Reference Agent at any time for any reason does not determine the relevant Floating Rates of Interest, or fails to calculate the relevant Floating Interest Amounts in accordance with Conditions 4(f) and 4(g) above, the Issuer Security Trustee shall determine the relevant Floating Rates of Interest at such rate as, in its absolute discretion, it shall deem fair and reasonable under the circumstances, or, as the case may be, the Issuer Security Trustee shall calculate the Floating Interest Amounts in accordance with Conditions 4(f) and 4(g) above, and each such determination or calculation shall be final and binding on all parties.

(j) Reference Agent

The Issuer will procure that, as long as any of the Notes remains outstanding, there will at all times be a Reference Agent. The Issuer has, subject to obtaining the prior written consent of the Issuer Security Trustee, the right to terminate the appointment of the Reference Agent by giving at least ninety (90) days' notice in writing to that effect. Notice of any such termination will be given to the holders of the relevant Class of Notes in accordance with Condition 13. If the Reference Agent shall be unable or unwilling to continue to act as the Reference Agent or if the appointment of the Reference Agent shall be terminated, the Issuer will, with the prior written consent of the Issuer Security Trustee, appoint a successor Reference Agent to act in its place, provided that neither the resignation nor removal of the Reference Agent shall take effect until a successor approved in writing by the Issuer Security Trustee has been appointed.

5. Payments

(a) Global Notes

For so long as the Notes are represented by a Global Note, payments of principal and interest will be made in Euro to Euroclear and Clearstream, Luxembourg, as the case may be, for the credit of the respective accounts of the Noteholders.

(b) Definitive Notes

Payment of principal and interest in respect of Definitive Notes will be made upon presentation of the Definitive Note and against surrender of the relevant Coupon appertaining thereto, at any specified office of the Paying Agents in cash or by transfer to a Euro account maintained by the payee with a bank in the Netherlands or in Luxembourg, as the holder may specify. All such payments are subject to any fiscal or other laws and regulations applicable in the place of payment.

(c) Presentation of Definitive Notes

At the Notes Final Maturity Date, or such earlier date the Notes become due and payable, the Definitive Notes should be presented for payment together with all unmatured Coupons appertaining thereto, failing which the full amount of any such missing unmatured Coupons (or, in the case of payment not being made in full, that proportion of the full amount of such missing unmatured Coupons which the sum of principal so paid bears to the total amount of principal due) will be deducted from the sum due for payment. Each amount so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon at any time before the expiry of five years following the due date for payment of such principal (whether or not such Coupons would have become unenforceable pursuant to Condition 9).

(d) Business Day

If the relevant Notes Quarterly Payment Date is not a day on which banks are open for business in the place of presentation of the relevant Note or appropriate Coupon, the holder thereof shall not be entitled to payment until the next following day on which banks are open for business in

the place of presentation of the relevant Note or appropriate Coupon, or to any interest or other payment in respect of such delay, provided that in the case of payment by transfer to a Euro account as referred to above, the Paying Agents shall not be obliged to credit such account until the day on which banks in the place of such account are open for business immediately following the day on which banks are open for business in the Netherlands. The name of the Paying Agent and the addresses of its offices are set out on the last page of the Offering Circular.

(e) Termination appointment Paying Agents

The Issuer reserves the right at any time to vary or terminate the appointment of the Paying Agents and to appoint additional or other paying agents provided that no paying agent located in the United States of America will be appointed and that the Issuer will at all times maintain a paying agent having a specified office in the European Union which, for as long as the Notes are listed on Euronext Amsterdam shall be located in the Netherlands, and provided further that, if the European Council Directive 2004/48 or any other directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 is brought into force, the Issuer will maintain a paying agent in an EU Member State that will not be obliged to withhold or deduct any tax pursuant to such directive. Notice of any termination or appointment of the Principal Paying Agent or the Paying Agent and of any changes in the specified offices of the Paying Agents will be given to the Noteholders in accordance with Condition 13.

6. Redemption and Acceleration

(a) Final Redemption

Unless previously redeemed in full as provided in this Condition 6, the Issuer shall, subject to Condition 7(b), redeem any remaining Notes at their Principal Amount Outstanding (as defined below) on the Notes Quarterly Payment Date falling in December 2014 (the "**Notes Final Maturity Date**"). The Issuer may not redeem the Class A Notes, the Class B Notes and the Class C Notes in whole or in part prior to that date except as expressly provided below in this Condition 6.

In these Conditions the "**Principal Amount Outstanding**" means, with respect to a Note, the principal amount of such Note upon issue less the aggregate amount of all Note Principal Redemption Amounts (as defined below) in respect of that Note that have been paid since the date of issue of such Note.

(b) Mandatory Redemption

Prior to delivery of an Issuer Enforcement Notice (as defined in Condition 10) and subject to and in accordance with the provisions of the Issuer Trust Deed, on each Notes Quarterly Payment Date, the Issuer shall be obliged to apply the Notes Redemption Available Amount (as defined below) to redeem (or partially redeem), subject to Condition 7(b), on a *pro rata* basis, the Notes in the following order: (i) firstly, the Class A Notes up to an amount equal to the Class A Notes Redemption Available Amount (as defined below), until fully redeemed and, thereafter, (ii) the Class B Notes up to an amount equal to the Class B Notes Redemption Available Amount (as defined below), until fully redeemed and, thereafter, (iii) the Class C Notes up to an amount equal to the Class C Notes Redemption Available Amount (as defined below). The principal amount so redeemable in respect of each relevant Note (each a "**Note Principal Redemption Amount**") on the relevant Notes Quarterly Payment Date (as defined below) shall be the aggregate amount (if any) of the amounts calculated to be available for payment of principal on the relevant Class of Notes, in accordance with the provisions of the Issuer Trust Deed, on the relevant Notes Quarterly Calculation Date for such Notes Quarterly Payment Date, divided by the number of Notes of the relevant Class subject to such redemption (rounded down to the nearest Euro, 0.5 being rounded upwards), provided always that the Note Principal Redemption Amount may never exceed the Principal Amount Outstanding of the relevant Note of the relevant Class. Following application of the Note Principal Redemption Amount to redeem a Note as set forth above, the Principal Amount Outstanding of such Note shall be reduced accordingly.

In these Conditions the "**Notes Redemption Available Amount**" means the aggregate of the Class A Notes Redemption Available Amount, the Class B Notes Redemption Available Amount and the Class C Notes Redemption Available Amount, whereby in this Conditions each of these terms have the following meaning:

"**Class A Notes Redemption Available Amount**" means, on any Notes Quarterly Calculation Date, the aggregate of (1) amounts received or to be received by the Issuer as Issuer Facility

Principal Redemption Available Amount in respect of the Notes Quarterly Interest Period in which the relevant Notes Quarterly Calculation Date falls, (2) amounts to be received as Return Swap Claim Payments on the Quarterly Return Swap Settlement Date falling on the immediately succeeding Notes Quarterly Payment Date, (3) amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Notes Quarterly Payment Date, and (4) the positive difference, if any, on the relevant Notes Quarterly Calculation Date between the balance standing to the credit of the Excess Spread Account and the Excess Spread Account Target Level.

"**Class B Notes Redemption Available Amount**" means on any Notes Quarterly Calculation Date, the aggregate of (1) amounts received or to be received by the Issuer as Issuer Facility Principal Redemption Available Amount in respect of the Notes Quarterly Interest Period in which the relevant Notes Quarterly Calculation Date falls, (2) amounts to be received as Return Swap Claim Payments on the Quarterly Return Swap Settlement Date falling on the immediately succeeding Notes Quarterly Payment Date, (3) amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Notes Quarterly Payment Date, and (4) the positive difference, if any, on the relevant Notes Quarterly Calculation Date between the balance standing to the credit of the Excess Spread Account and the Excess Spread Account Target Level *less* the amount paid under item (g) of the Issuer Pre-Enforcement Priority of Payments on the immediately succeeding Notes Quarterly Payment Date.

"**Class C Notes Redemption Available Amount**" means on any Notes Quarterly Calculation Date, the aggregate of (1) amounts received or to be received by the Issuer as Issuer Facility Principal Redemption Available Amount in respect of the Notes Quarterly Interest Period in which the relevant Notes Quarterly Calculation Date falls, (2) amounts to be received as Return Swap Claim Payments on the Quarterly Return Swap Settlement Date falling on the immediately succeeding Notes Quarterly Payment Date, (3) amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Notes Quarterly Payment Date, and (4) the positive difference, if any, on the relevant Notes Quarterly Calculation Date between the balance standing to the credit of the Excess Spread Account and the Excess Spread Account Target Level *less* the amount paid under item (g) and/or item (i) of the Issuer Pre-Enforcement Priority of Payments on the immediately succeeding Notes Quarterly Payment Date.

Furthermore, in these Conditions the "**Notes Quarterly Calculation Date**" means, with respect to a Notes Quarterly Payment Date, the third Business Day prior to such Notes Quarterly Payment Date.

(c) Determination of Note Principal Redemption Amount and Principal Amount Outstanding

On each Notes Quarterly Calculation Date, the Issuer shall determine (or shall cause to be determined) (x) the (i) Class A Notes Redemption Available Amount; (ii) Class B Notes Redemption Available Amount and (iii) Class C Notes Redemption Available Amount (y) the amount of the Note Principal Redemption Amount due for the relevant Class of Notes on the relevant Notes Quarterly Payment Date; and (z) the Principal Amount Outstanding of the relevant Note on the first day following the Notes Quarterly Payment Date. Each determination by or on behalf of the Issuer of any Note Principal Redemption Amount or the Principal Amount Outstanding of a Note shall in each case (in the absence of manifest error) be final and binding on all persons.

(d) Notification of Note Principal Redemption Amounts and Principal Amounts Outstanding

The Issuer shall on each Notes Quarterly Calculation Date forthwith notify (or shall cause to be notified) the result of the determination of a Note Principal Redemption Amount and Principal Amount Outstanding of the Notes to the Issuer Security Trustee, the Paying Agents, Euroclear and Clearstream, Euronext Amsterdam and to the Noteholders by an advertisement in the English language in the Euronext Amsterdam Daily Official List (*Officiële Prijscourant*) of Euronext Amsterdam as soon as possible after the determination thereof. If no Note Principal Redemption Amount is due to be made on the Notes on any applicable Notes Quarterly Payment Date a notice to this effect will be given to the Noteholders in accordance with Condition 13.

(e) Optional redemption

Commencing on the first Notes Quarterly Payment Date, and on each Notes Quarterly Payment Date thereafter, on which the aggregate Principal Amount Outstanding of the Notes, other than the Class C Notes, is less than fifteen (15) per cent. of the aggregate Principal Amount Outstanding of the Notes (excluding the Class C Notes) on the Closing Date (each an "**Optional Redemption Date**"), the Issuer has the option (the "**Clean-up Call Option**") to redeem, subject to Condition 7(b), all (but

not only part) of the Notes in the following order: (a) the Class A Notes, until fully redeemed, at their Principal Amount Outstanding; and thereafter, (b) the Class B Notes, until fully redeemed ate their Principal Amount Outstanding; and thereafter, (c) the Class C Notes, at their Principal Amount Outstanding.

(f) Redemption for tax reasons

In the event of (a) certain tax changes affecting the Notes, including in the event that the Issuer is or will be obliged to make any withholding or deduction from payments in respect of the Notes (although the Issuer will not have any obligation to pay additional amounts in respect of any such withholding or deduction), or (b) certain tax changes affecting the amounts paid or to be paid to the Issuer by the Borrower under the Issuer Facility Agreement, including in the event that the Borrower is or will be obliged to make any withholding or deduction from payments in respect of the Issuer Facility (although the Borrower will not have any obligation to pay additional amounts in respect of any such withholding or deduction), the Issuer has the option (the "**Tax Call Option**") to redeem, subject to Condition 7(b), all (but not only part) of the Notes at their Principal Amount Outstanding together with accrued interest thereon up to and including the date of redemption, subject to and in accordance with the Conditions. No Class of Notes may be redeemed under such circumstances unless the other Classes of Notes (or such of them as are then outstanding) are also redeemed at their respective Principal Amount Outstanding at the same time.

7. Principal Deficiency and Subordination

(a) Interest

Interest on the Class B Notes and on the Class C Notes shall be payable in accordance with the provisions of Condition 4, subject to the terms of this Condition, and to the provisions of the Issuer Trust Deed.

In respect of the Class B Notes, in the event that on any Notes Quarterly Calculation Date the Issuer Available Amount is, subject to the provisions of Clause 11.1 or Clause 12.2, as the case may be, of the Issuer Trust Deed, not sufficient to satisfy in full the aggregate amount of interest which is, subject to this Conditions, due on the Notes on the next Notes Quarterly Payment Date, the Issuer Available Amount shall, subject to the provisions of Clause 11.1 or Clause 12.2, as the case may be, of the Issuer Trust Deed, first be used to pay amounts of interest and costs ranking higher in priority in accordance with the applicable priority of payments as set forth in the Issuer Trust Deed, including the amounts of interest due on the relevant Notes Quarterly Payment Date to the Class A Noteholders and thereafter to pay, *pro rata*, the interest due on such Notes Quarterly Payment Date to the Class B Noteholders. Any further remaining amounts shall, subject to the provisions of Clause 11.1 or Clause 12.2, as the case may be, of the Issuer Trust Deed, be used to pay, *pro rata*, the interest due on such Notes Quarterly Payment Date to the Class C Noteholders.

In these Conditions the "**Issuer Available Amount**" means on any Notes Quarterly Calculation Date the sum of the following amounts received or to be received by the Issuer during the Notes Quarterly Interest Period in which such Notes Quarterly Calculation Date falls:

(a) as payments credited to the Issuer Transaction Account pursuant to the terms of the Issuer Facility Agreement and the other relevant Transaction Documents;

(b) as interest to be credited to the Issuer Transaction Account on the immediately succeeding Notes Quarterly Payment Date;

(c) as interest to be credited to the Excess Spread Account and the Liquidity Reserve Escrow Account, and to be paid to the Issuer Transaction Account on the immediately succeeding Notes Quarterly Payment Date;

(d) as amounts to be drawn from the Excess Spread Account and to be paid to the Issuer Transaction Account on the immediately succeeding Notes Quarterly Payment Date;

(e) as amounts to be drawn under the Liquidity Facility (other than Liquidity Facility Stand-by Drawings) on the immediately succeeding Notes Quarterly Payment Date;

(f) as amounts to be received from the Return Swap Counterparty pursuant to the Return Swap Agreement on the immediately succeeding Notes Quarterly Payment Date; and

(g) as amounts to be received from the Interest Rate Swap Counterparty pursuant to the Interest Rate Swap Agreement on the immediately succeeding Notes Quarterly Payment Date.

(b) Principal

Principal on the Notes shall be payable in accordance with the provisions of Condition 4, subject to the terms of this Condition, and to the provisions of the Issuer Trust Deed.

As from the Closing Date the Principal Amount Outstanding of the Class A Notes will be redeemed in accordance with the provisions of Condition 6, provided that if, on any Notes Quarterly Payment Date, there is a balance on the Class A Principal Deficiency Ledger, then notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class A Note on such Notes Quarterly Payment Date shall not exceed its Principal Amount Outstanding less the relevant Principal Shortfall on such date. The Class A Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class A Notes after the earlier of (i) the Notes Final Maturity Date or (ii) the date on which the principal amount outstanding under the Issuer Facility has been redeemed in full and there are no balances standing to the credit of the Issuer Accounts.

In respect of the Class B Notes, until the date on which the Principal Amount Outstanding of all Class A Notes is reduced to zero, the Class B Noteholders will not be entitled to any repayment of principal in respect of the Class B Notes. As from that date the Principal Amount Outstanding of the Class B Notes will be redeemed in accordance with the provisions of Condition 6, provided that if, on any Notes Quarterly Payment Date, there is a balance on the Class B Principal Deficiency Ledger, then notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class B Note on such Notes Quarterly Payment Date shall not exceed its Principal Amount Outstanding less the relevant Principal Shortfall on such date. The Class B Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class B Notes after the earlier of (i) the Notes Final Maturity Date or (ii) the date on which the principal amount outstanding under the Issuer Facility has been redeemed in full and there are no balances standing to the credit of the Issuer Accounts.

In respect of the Class C Notes, until the date on which the Principal Amount Outstanding on all of the Class A Notes and on all of the Class B Notes is reduced to zero, the Class C Noteholders will not be entitled to any repayment of principal in respect of the Class C Notes. As from that date the Principal Amount Outstanding of the Class C Notes will be redeemed in accordance with the provisions of Condition 6, provided that if, on any Notes Quarterly Payment Date, there is a balance on the Class C Principal Deficiency Ledger, then notwithstanding any other provisions of these Conditions, the principal amount payable on redemption of each Class C Note on such Notes Quarterly Payment Date shall not exceed its Principal Amount Outstanding less the relevant Principal Shortfall on such date. The Class C Noteholders shall have no further claim against the Issuer for the Principal Amount Outstanding on the Class C Notes after the earlier of (i) the Notes Final Maturity Date or (ii) the date on which the principal amount outstanding under the Issuer Facility has been redeemed in full and there are no balances standing to the credit of the Issuer Accounts.

In these Conditions, the "**Principal Shortfall**" means, with respect to any Notes Quarterly Payment Date, an amount equal to the quotient of the balance on the relevant sub-ledger of the Principal Deficiency Ledger divided by the number of the Notes of the relevant Class on such Notes Quarterly Payment Date.

(c) General

In the event of a winding-up (*vereffening*), bankruptcy (*faillissement*), moratorium or suspension of payments (*surseance van betaling*) of the Issuer, all payments to (i) the Class B Noteholders shall only be made after all Class A Notes and all other obligations under the Transaction Documents ranking in priority above the Class B Notes admissible in such winding-up, bankruptcy or moratorium of payments of the Issuer have been satisfied in full or a settlement or composition (*akkoord*) has been made with the Class A Noteholders and all other creditors on the basis of the Transaction Documents pursuant to which they have granted full and final discharge (*finale kwijting*) against payment of their claims or part thereof, and (ii) the Class C Noteholders shall only be made after all Class B Notes and all other obligations under the Transaction Documents ranking in priority above the Class C Notes admissible in such winding-up, bankruptcy or suspension of payments of the Issuer have been satisfied in full or a settlement or composition (*akkoord*) has been made with the Class B Noteholders and all other creditors on the basis of the Transaction Documents pursuant to which they have granted full and final discharge (*finale kwijting*) against payment of their claims or part thereof. In the event that the Security in respect of the Notes has been fully enforced and the proceeds of such enforcement, after payment of all other claims ranking under the Issuer Trust Deed

in priority to the Class B Notes and/or the Class C Notes, as the case may be, are insufficient to pay in full all principal and interest and other amounts whatsoever due in respect of the Class B Notes and/or the Class C Notes, as the case may be, the Class B Noteholders or the Class C Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts.

8. Taxation

All payments of, or in respect of, principal of and interest on the Notes will be made without withholding of, or deduction for, or on account of any present or future taxes, duties, assessments or charges of whatsoever nature imposed or levied by or on behalf of the State of the Netherlands, any authority therein or thereof having power to tax unless the withholding or deduction of such taxes, duties, assessments or charges are required by law unless the Issuer is required by applicable law to make any payment in respect of the Notes subject to any such withholding or deduction. In that event, the Issuer will make the required withholding or deduction of such taxes, duties, assessments or charges for the account of the Noteholders, as the case may be, and shall not be obliged to pay any additional amounts to such Noteholders in respect of such withholding or deduction.

9. Prescription

Claims against the Issuer for payment in respect of the Notes and Coupons shall become prescribed unless made within five years from the date on which such payment first becomes due.

10. Notes Events of Default and Acceleration

The Issuer Security Trustee at its discretion may, and, if so directed by an extraordinary resolution of the Class A Noteholders, or if no Class A Notes are outstanding, by an extraordinary resolution of the Class B Noteholders, or if no Class B Notes are outstanding by an extraordinary resolution of the Class C Noteholders (in each case, the "**Relevant Class**"), shall (but in the case of the occurrence of any of the events mentioned in subparagraph (i) up to and including (vi) below (each such event a "**Notes Event of Default**"), only if the Issuer Security Trustee shall have certified in writing to the Issuer that such an event is, in its opinion, materially prejudicial to the Noteholders of the Relevant Class) give notice (an "**Issuer Enforcement Notice**") to the Issuer that the Notes are, and each Note shall become, immediately due and payable at their or its Principal Amount Outstanding, together with accrued interest, if any of the following shall occur:

(i) the Issuer is in default for a period of fifteen (15) days or more with regards to its obligation to make any payment to any Noteholder under the Notes; or

(ii) the Issuer fails to perform any of its other obligations under the Notes of the relevant Class or any of the Transaction Documents to which it is a party and, except where such failure, in the reasonable opinion of the Issuer Security Trustee, is incapable of remedy, such default continues for a period of thirty (30) days after written notice by the Issuer Security Trustee to the Issuer requiring the same to be remedied; or

(iii) if a conservatory attachment (*conservatoir beslag*) or an executory attachment (*executoriaal beslag*) is made on any material part of the Issuer's assets and such attachment is not discharged or released within a period of thirty (30) days; or

(iv) if any order shall be made by any competent court or other authority or a resolution passed for the dissolution or winding-up of the Issuer or for the appointment of a liquidator or receiver of the Issuer or of all or substantially all of its assets; or

(v) the Issuer makes an assignment for the benefit of, or enters into any general assignment (*akkoord*) with, its creditors; or

(vi) the Issuer files a petition for a suspension of payments (*surseance van betaling*) or for bankruptcy (*faillissement*) or is declared bankrupt or becomes subject to any other regulation having a similar effect,

provided, however, that, if any Class A Notes are outstanding, no Issuer Enforcement Notice may or shall be given by the Issuer Security Trustee to the Issuer in respect of the Class B Notes, unless an Issuer Enforcement Notice in respect of the Class A Notes has been given by the Issuer Security Trustee, and provided further that, if any Class A Notes and/or Class B Notes are outstanding, no Issuer Enforcement Notice may or shall be given by the Issuer Security Trustee to the Issuer in respect of the Class C Notes, unless an Issuer Enforcement Notice in respect of the Class A Notes and/or the Class B Notes has been given by the Issuer Security Trustee. In exercising its discretion as to whether or not to give an Issuer Enforcement Notice to the Issuer in respect of the Class A Notes

and or the Class B Notes, as the case may be, the Issuer Security Trustee shall not be required to have regard to the interests of the Class B Noteholders and/or the Class C Noteholders, as the case may be.

11. Enforcement of Security

(a) Enforcement

At any time after the Notes of any Class become due and payable, the Issuer Security Trustee may, at its discretion and without further notice, take such steps and/or institute such proceedings as it may think fit to enforce the Security, including the making of a demand for payment thereof, but it need not take any such proceedings unless (i) it shall have been directed by an extraordinary resolution of the Class A Noteholders, or if no Class A Notes are outstanding, by an extraordinary resolution of the Class B Noteholders, or if no Class A Notes and Class B Notes are outstanding, by an extraordinary resolution of the Class C Noteholders and (ii) it shall have been indemnified to its satisfaction in accordance with the relevant provisions of the Issuer Trust Deed. The Issuer Security Trustee will enforce the Security pursuant to the terms of the Issuer Trust Deed and the Issuer Pledge Agreements for the benefit of all Issuer Security Beneficiaries, including, but not limited to, the Noteholders, and will apply the net proceeds received or recovered towards satisfaction of the Issuer Parallel Debt. The Issuer Security Trustee shall distribute such net proceeds to the Issuer Security Beneficiaries in accordance with the Issuer Post-Enforcement Priority of Payments set forth in the Issuer Trust Deed.

(b) No action against Issuer by Noteholders

No Noteholder may proceed directly against the Issuer unless the Issuer Security Trustee, having become bound to so proceed, fails to do so within a reasonable time and such failure is continuing.

(c) Undertaking Noteholders and Issuer Security Trustee

The Noteholders and the Issuer Security Trustee may not institute against, or join any person in instituting against, the Issuer any bankruptcy, winding-up, reorganisation, arrangement, insolvency or liquidation proceeding until the expiry of a period of at least one (1) year after the latest maturing Note is paid in full.

(d) Limitation of Recourse

The Noteholders accept and agree that the only remedy of the Issuer Security Trustee against the Issuer after any of the Notes have become due and payable pursuant to Condition 10 above is to enforce the Issuer Pledges.

12. Indemnification of the Security Trustee

The Issuer Trust Deed contains provisions for the indemnification of the Issuer Security Trustee and for its relief from responsibility. The Issuer Security Trustee is entitled to enter into commercial transactions with the Issuer and/or any other party to the Transaction Documents without accounting for any profit resulting from such transaction.

13. Notices

With the exception of the publications of the Reference Agent in Condition 4 and of the Issuer in Condition 6, all notices to the Noteholders will only be valid if published in at least one daily newspaper of wide circulation in the Netherlands, in the *Financial Times* (London), or, if any such newspaper shall cease to be published or timely publication therein shall not be practicable, in such newspaper as the Issuer Security Trustee shall approve having a general circulation in Europe and, as long as the Notes are listed on the Official Segment of the Stock Market of Euronext Amsterdam, in the English language in the Euronext Amsterdam Daily Official List (*Officiële Prijscourant*) of Euronext Amsterdam. Any such notice shall be deemed to have been given on the first date of such publication.

14. Meetings of Noteholders; Modification; Consents; Waiver

(a) Meetings of Noteholders

The Issuer Trust Deed contains provisions for convening meetings of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders to consider matters affecting the interests, including the sanctioning by extraordinary resolution, of such Noteholders of the Relevant Class, of a change of any of these Conditions or any provisions of the Transaction Documents, provided that no

change of certain terms by the Noteholders of any Class including the date of maturity of the Notes of the Relevant Class, or a change which would have the effect of postponing any day for payment of interest in respect of such Notes, reducing or cancelling the amount of interest or principal payable in respect of such Notes or altering the majority required to pass an extraordinary resolution or any alteration of the date or priority of redemption of such Notes (any such change in respect of any such Class of Notes referred to below as a "**Basic Terms Change**") shall be effective, except that, if the Issuer Security Trustee is of the opinion that such a Basic Terms Change is being proposed by the Issuer as a result of, or in order to avoid, a Notes Event of Default, such Basic Terms Change may be sanctioned by an extraordinary resolution of the Noteholders of the Relevant Class of Notes as described below.

A meeting as referred to above may be convened by the Issuer or by Noteholders of any Class holding not less than ten (10) per cent. in the Principal Amount Outstanding of the Notes of such Class. The quorum for any meeting convened to consider an extraordinary resolution for any Class of Notes will be two-thirds of the Principal Amount Outstanding of the Notes of the Relevant Class, as the case may be, and at such a meeting an extraordinary resolution is adopted with not less than a two-thirds majority of the validly cast votes, except that the quorum required for an extraordinary resolution which includes the sanctioning of a Basic Terms Change shall be at least seventy-five (75) per cent, of the amount of the Principal Amount Outstanding of the Notes of the Relevant Class and the majority required shall be at least seventy-five (75) per cent. of the validly cast votes at that extraordinary resolution. If at such meeting the aforesaid quorum is not represented, a second meeting of Noteholders of the Relevant Class shall be held within one month, with due observance of the same formalities for convening the meeting which governed the convening of the first meeting. At such second meeting an extraordinary resolution is adopted with not less than a two-thirds majority of the validly cast votes, except that for an extraordinary resolution including a sanctioning of a Basic Terms Change the majority required shall be seventy-five (75) per cent. of the validly cast votes, regardless of the Principal Amount Outstanding of the Notes of the Relevant Class then represented, except if the extraordinary resolution relates to the removal and replacement of any or all of the managing directors of the Issuer Security Trustee in which case at least thirty (30) per cent. of the Notes of the Relevant Class should be represented.

No extraordinary resolution to sanction a change which would have the effect of accelerating or increasing the maturity of the Class A Notes, the Class B Notes or the Class C Notes, or any date for payment of interest thereon, increasing the amount of principal or the rate of interest payable in respect of the Class A Notes, the Class B Notes or the Class C Notes shall take effect unless it shall have been sanctioned with respect to the Class A Notes by an extraordinary resolution of the Class B Noteholders and/or the Class C Noteholders.

An extraordinary resolution of the Class B Noteholders and/or the Class C Noteholders, as the case may be, shall only be effective when the Issuer Security Trustee is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders and/or the Class B Noteholders, as the case may be, or it is sanctioned by an extraordinary resolution of the Class A Noteholders. The Issuer Trust Deed imposes no such limitations on the powers of the Class A Noteholders, the exercise of which will be binding on the Class B Noteholders and the Class C Noteholders, irrespective of the effect on their interests.

Any extraordinary resolution duly passed shall be binding on all Noteholders of the Relevant Class (whether or not they were present at the meeting at which such resolution was passed).

(b) Modifications, authorisations and waivers without consent of Noteholders

The Issuer Security Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Transaction Documents which is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except if prohibited in the Transaction Documents), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Transaction Documents which is in the opinion of the Issuer Security Trustee not materially prejudicial to the interests of the Noteholders, provided that (a) the Issuer Security Trustee has notified the Rating Agencies and (b) the Rating Agencies have confirmed that the then current rating of the Notes will not be adversely affected by any such modification, authorisation or waiver. Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Issuer Security Trustee so requires, such modification shall be notified to the Noteholders in accordance with Condition 13 as soon as practicable thereafter.

(c) No indemnification for individual Noteholder

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Issuer Security Trustee shall have regard to the interests of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders, each as a Class and shall not have regard to the consequences of such exercise for individual Noteholders and the Issuer Security Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

15. Replacement of Notes and Coupons

Should any Note or Coupon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the office of the Principal Paying Agent or the Paying Agent upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered, in case of Notes together with all unmatured Coupons appertaining thereto, in case of Coupons together with the Note and all unmatured Coupons to which they appertain (*mantel en blad*), before replacements will be issued.

16. Governing Law

The Notes are governed by, and will be construed in accordance with, the laws of the Netherlands. In relation to any legal action or proceedings arising out of or in connection with the Notes, the Issuer irrevocably submits to the jurisdiction of the Court in Amsterdam, the Netherlands. This submission is made for the exclusive benefit of the Noteholders and the Issuer Security Trustee and shall not affect their right to take such action or bring such proceedings in any other courts of competent jurisdiction.

17. Additional Obligations

For as long as the Class A Notes and the Class B Notes are listed on the Official Segment of the stock Market of Euronext Amsterdam, the Issuer shall comply with the provisions set forth in Article 2.1.20 Section a-g of Schedule B of the Listing and Issuing Rules (*Fondsenreglement*) of Euronext Amsterdam or any amended form of the said provisions as in force at the date of issue of the Class A Notes and the Class B Notes.

GLOBAL NOTES

Each Class of the Notes shall be initially represented by (i) in the case of the Class A Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of € 241,000,000, (ii) in the case of the Class B Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of € 3,800,000, and (iii) in the case of the Class C Notes a Temporary Global Note in bearer form, without coupons, in the principal amount of € 12,600,000. Each Temporary Global Note will be deposited with a common depository (the "**Common Depository**") for Euroclear and Clearstream, Luxembourg on or about 24 February 2005. Upon deposit of each such Temporary Global Note, Euroclear and Clearstream, Luxembourg will credit each purchaser of Notes represented by such Temporary Global Note with the principal amount of the relevant Class of Notes equal to the principal amount thereof for which it has purchased and paid. Interests in each Temporary Global Note will be exchangeable (provided certification of non-U.S. beneficial ownership by the Noteholders has been received) not earlier than forty (40) days after the issue date of the Notes (the "**Exchange Date**") for interests in a Permanent Global Note, in bearer form, without coupons, in the principal amount of the Notes of the relevant Class (the expression "**Global Notes**" meaning the Temporary Global Notes of each Class and the Permanent Global Notes of each Class and the expression "**Global Note**" means any of them, as the context may require). On the exchange of a Temporary Global Note for a Permanent Global Note of the relevant Class, the Permanent Global Note will remain deposited with the Common Depository.

The Global Notes will be transferable by delivery. Each Permanent Global Note will be exchangeable for Definitive Notes only in the circumstances described below. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note will be entitled to receive any payment made in respect of that Note in accordance with the respective rules and procedures of Euroclear or, as the care may be, Clearstream, Luxembourg. Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes, which must be made by the holder of a Global Note, for so long as such Global Note is outstanding. Each person must give a certificate no earlier than the fifteenth day before the Exchange date, as to non-U.S. beneficial ownership as of the date on which the Issuer is to exchange a Temporary Global Note for a Permanent Global Note, which date shall be no earlier than the Exchange Date, in order to obtain any payment due on the Notes.

For so long as any Notes are represented by a Global Note, such Notes will be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as appropriate.

Notwithstanding Condition 13 (*Notices*), while all the Notes are represented by the Permanent Global Note and the Permanent Global Note is deposited with the Common Depository for Euroclear and Clearstream, Luxembourg, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication to the relevant accountholders and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 13 (*Notices*) on the fifth Business Day after delivery to Clearstream and Euroclear; provided however, that, so long as the Notes are listed on the Euronext Amsterdam any publication requirement of this stock exchange will also be met.

For so long as a Class of the Notes is represented by a Global Note, each person who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular principal amount of that Class of Notes will be treated by the Issuer and the Security Trustee as a holder of such principal amount of that Class of Notes and the expression 'Noteholder' shall be construed accordingly, but without prejudice to the entitlement of the bearer of relevant Global Note to be paid principal thereon and interest with respect thereto in accordance with and subject to its terms. Any statement in writing issued by Euroclear or Clearstream, Luxembourg as to the persons shown in its records as being entitled to such Notes and the respective principal amount of such Notes held by them shall be conclusive for all purposes.

If after the Exchange Date (i) the Notes become immediately due and payable by reason of accelerated maturity following a Notes Event of Default, or (ii) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of fourteen (14) days (other than by reason of holiday, statutory or otherwise) or announces an intention permanently to cease business and no alternative clearance system satisfactory to the Issuer Security Trustee is available, or (iii) as a result of any amendment to, or change in the laws or regulations of the Netherlands (or of any political sub-division thereof) or of any authority therein or thereof having power to tax, or in the

interpretation or administration of such laws or regulations, which becomes effective on or after the Closing Date, the Issuer or any of the Paying Agents is or will be required to make any deduction or withholding on account of tax from any payment in respect of the Notes which would not be required were the Notes in definitive form, then the Issuer will at its sole cost and expense, issue:

(i) Class A Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class A Notes;

(ii) Class B Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class B Notes;

(iii) Class C Notes in definitive form in exchange for the whole outstanding interest in the Permanent Global Note in respect of the Class C Notes.

in each case within thirty (30) days of the occurrence of the relevant event, subject in each case to certification as to non-U.S. beneficial ownership.

TAXATION IN THE NETHERLANDS

This is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investor should consult his own tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in his particular circumstances.

This taxation summary solely addresses the principal Dutch tax consequences of the acquisition, the ownership and disposition of Notes. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law.

This summary is based on the tax laws of the Netherlands as they are in force and in effect on the date of this Offering Circular. The laws upon which this summary is based are subject to change, perhaps with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such changes. This summary assumes that each transaction with respect to Notes is at arm's length and that the full beneficial interest in all shares in the capital of the Issuer that are, at any time and from time to time, issued and outstanding will be held by Stichting Athlon Securitisation 2005.

Withholding Tax

All payments under the Notes may be made free from withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Taxes on Income and Capital Gains

The summary set out in this section "*Taxes on income and capital gains*" only applies to a holder of Notes who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch income tax or corporation tax, as the case may be, and, in the case of an individual, has not elected to be treated as a resident of the Netherlands for Dutch income tax purposes (a "**Non-Resident holder of Notes**").

General

A Non-Resident holder of Notes will not be subject to income taxation in the Netherlands by reason only of the execution (*ondertekening*), delivery (*overhandiging*) and/or enforcement of the documents relating to the issue of the Notes or the performance by the Issuer of its obligations thereunder or under the Notes.

Individuals

A Non-Resident holder of Notes who is an individual will not be subject to any Dutch taxes on income or capital gains in respect of any benefit derived or deemed to be derived from Notes, including any payment under the Notes and any gain realised on the disposal of Notes, provided that both of the following conditions are satisfied.

1. If he derives profits from an enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of such enterprise, other than as an entrepreneur or a shareholder, which enterprise is either managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, as the case may be, his Notes are not attributable to such enterprise.
2. He does not derive benefits and is not deemed to derive benefits from Notes that are taxable as benefits from miscellaneous activities in the Netherlands (*resultaat uit overige werkzaamheden in Nederland*).

A Non-Resident holder of Notes who is an individual and who satisfies condition 1. above may, *inter alia*, derive benefits from Notes that are taxable as benefits from miscellaneous activities in the following circumstances, if such activities are performed or deemed to be performed in the Netherlands:

a. if his investment activities go beyond the activities of an active portfolio investor, for instance in case of the use of insider knowledge (*voorkennis*) or comparable forms of special knowledge; or
b. if he makes Notes available or is deemed to make Notes available, legally or in fact, directly or indirectly, to certain parties as meant in articles 3.91 and 3.92 of the Dutch Income Tax Act 2001 under circumstances described there.

Entities

A Non-Resident holder of Notes other than an individual will not be subject to any Dutch taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain realised on the disposal of Notes, provided that if such Non-Resident holder of Notes derives profits from an enterprise that is either managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of such enterprise (other than as an entrepreneur or as a holder of securities), the Notes are not attributable to such enterprise.

Gift and Inheritance Taxes

A person who acquires Notes as a gift, in form or in substance, or who acquires or is deemed to acquire Notes on the death of an individual, will not be subject to Dutch gift tax or to Dutch inheritance tax, as the case may be, unless:

(i) the donor is, or the deceased was resident or deemed to be resident in the Netherlands for purposes of gift or inheritance tax, as the case may be; or

(ii) the Notes are or were attributable to an enterprise or part of an enterprise that the donor or the deceased carried on through a permanent establishment or a permanent representative in the Netherlands at the time of the gift or of the death of the deceased; or

(iii) the donor made a gift of Notes, then became a resident or deemed resident of the Netherlands, and died as a resident or deemed resident of the Netherlands within one-hundred-eighty (180) days after the date of the gift.

Other Taxes and Duties

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, will be payable by a holder of Notes in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the issue of Notes or the performance by the Issuer of its obligations thereunder or under the Notes.

SUBSCRIPTION AND SALE

The Joint Lead Managers have, pursuant to a subscription agreement dated the Signing Date (the "**Subscription Agreement**"), severally agreed with the Issuer, subject to certain conditions, to purchase the Class A Notes and the Class B Notes at their issue price. The Issuer has agreed to indemnify and reimburse the Joint Lead Managers against certain liabilities and expenses in connection with the issue of the relevant Class of Notes.

United Kingdom

Each of the Joint Lead Managers has represented, warranted and agreed that (i) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom and (ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the lssuer.

United States

The Notes have not been and will not be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") or any other applicable securities law. Subject to certain exceptions, the Notes may not be offered, sold, or delivered within the United States or to, or for the account or benefit of, U.S. persons.

Each of the Joint Lead Managers has agreed that it will not offer, sell or deliver the Notes within the United States or to or for the account of U.S. persons except as permitted by applicable law and the Subscription Agreement. In addition, until forty (40) days after the purchase, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the purchase) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144 or Rule 144A under the Securities Act. As applicable, terms used in these paragraphs have the meanings given to them by Regulation S under the Securities Act.

France

Any delivery of this Offering Circular shall not under any circumstances be deemed to constitute an offer to sell financial instruments to the French public within the meaning of Article L. 411-1 of the Financial and Monetary Code nor to trigger the application of French solicitation rules within the meaning of Article L. 341-1 and seq of the same Code. With respect to the foregoing, this Offering Curcular has not been and will not be submitted to the prior approval ("visa") of the French Autorité des Marchés Financiers (Authority of Financial Markets, AMF). In France, the notes may only be offered, sold or delivered to qualified investors, acting for their own account, within the meaning of Article 411-2 of the French Financial and Monetary Code and Article 1 of Decree No. 98-880 dated 1st October, 1998.

Germany

Each of the Joint Lead Managers has acknowledged that the Notes are issued under the "Euro 40,000 Exemption" pursuant to Section 2 No. 4 of the Securities Selling Prospectus Act of the Federal Republic of Germany (*Wertpapier-Verkaufsprospektgesetz*) of September 9, 1998, as amended (the "**Securities Selling Prospectus Act**") and that no Securities Sales Prospectus (*Wertpapier-Verkaufsprospekt*) has been published. Each Manager represents and agrees that it has offered and sold and will offer and sell the Notes only (i) in denominations of at least € 40,000 or (ii) for an aggregate purchase price per purchaser of at least € 40,000 (or foreign currency equivalent), or (iii) if the selling price for all Notes offered does not exceed € 40,000 or such other amount as may be stipulated from time to time by applicable German law.

Notice to investors

The Notes have not been and will not be registered under the Securities Act or any other applicable securities laws, and may not be offered or sold in the United States except pursuant to an effective registration statement or in accordance with an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and such other laws.

Accordingly, the Notes (and any interests therein) are being offered and sold outside the United States to non-U.S. persons in compliance with Regulation S under the Securities Act.

The Notes will be represented upon issuance by a temporary global security which is not exchangeable for definitive securities until the expiration of the 40-day distribution compliance period and, in the case of persons other than distributors, until certification of beneficial ownership of the Notes by a non-U.S. person or a U.S. person who purchased the Notes in a transaction that does not require registration under the Securities Act.

The Notes will bear a legend to the following effect:

"THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE 'SECURITIES ACT'), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND PRIOR TO THE DATE THAT IS FORTY (40) DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE ISSUE DATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A US PERSON (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES."

Because of the foregoing restrictions, purchasers of Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of such securities offered and sold.

General

The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law; persons into whose possession this Offering Circular comes are required by the Issuer and the Joint Lead Managers to inform themselves about and to observe any such restrictions. This Offering Circular does not constitute an offer, or an invitation to subscribe for or purchase any Notes.

GENERAL INFORMATION

1. The issue of the Notes has been authorised by a resolution of the managing director of the Issuer adopted on 14 February 2005.
2. The Class A Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through the Clearnet S.A. Amsterdam Branch Stock Clearing and will bear common code 021187054 and ISIN XS0211870547 and Fondscode 15159.
3. The Class B Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through the Clearnet S.A. Amsterdam Branch Stock Clearing and will bear common code 021187135 and ISIN XS0211871354 and Fondscode 15160.
4. The Class C Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through the Clearnet S.A. Amsterdam Branch Stock Clearing and will bear common code 021187186 and ISIN XS0211871867.
5. There has been no material adverse change in the financial position or prospects of the Issuer since 19 January 2005.
6. KPMG Accountants N.V., auditors of the Borrower, has given and not withdrawn its written consent to the inclusion herein of its report in the form and context in which it appears on page 100.
7. KPMG Accountants N.V., auditors of the Issuer, has given and not withdrawn its written consent to the inclusion herein of its report in the form and context in which it appears on page 102.
8. Since its incorporation, the Borrower has not been involved in any legal or arbitration proceedings which may have a significant effect on the Borrower's financial position for, so far as the Borrower is aware, are any such proceedings pending or threatened against the Borrower.
9. Since its incorporation, the Issuer has not been involved in any legal or arbitration proceedings which may have a significant effect on the Issuer's financial position nor, so far as the Issuer is aware, are any such proceedings pending or threatened against the Issuer.
10. Copies of the following documents may be inspected at the specified offices of the Borrower Security Trustee and the Issuer Security Trustee during normal business hours:
    (i) the Deed of Incorporation of the Borrower;
    (ii) the Deed of Incorporation of the Issuer;
    (iii) the Paying Agency Agreement;
    (iv) the Master Hire Purchase Agreement;
    (v) the Payment Undertaking Agreement;
    (vi) the PUA Loan Agreement;
    (vii) the Borrower Trust Deed;
    (viii) the Issuer Trust Deed;
    (ix) the Issuer Security Beneficiaries Agreement;
    (x) the Issuer Facility Agreement;
    (xi) the Athlon Facility Agreement;
    (xii) the Sellers Vehicles Pledge Agreement;
    (xiii) the Borrower Pledge Agreements;
    (xiv) the Issuer Pledge Agreements;
    (xv) the Servicing Agreement;
    (xvi) the Borrower Administration Agreement;
    (xvii) the Return Swap Agreement;
    (xviii) the Interest Rate Swap Agreement;
    (xix) the Borrower Floating Rate GIC;
    (xx) the Issuer Floating Rate GIC;
    (xxi) the Liquidity Facility Agreement;

(xxii) the Master Definitions Agreement.

(xxiii) the 403 Waiver

11. All the audited annual financial statements of the Borrower and the Issuer, to the extent not older than three years, shall be made available, free of charge, at the specified offices of the Issuer Security Trustee and the Paying Agent.

12. The Articles of Association of the Borrower and the Issuer are incorporated herein by reference and shall be made available, free of charge, at the office of the Borrower and the Issuer, respectively.

13. This Offering Circular constitutes a prospectus for the purpose of the Listing and Issuing Rules of Euronext Amsterdam.

INDEX OF DEFINITIONS

Unless the context indicates otherwise, references to the singular include references to the plural and vice versa and reference to any pronoun shall include the corresponding masculine, feminine or neuter

The following expressions, as used in the Offering Circular, have the following meanings:

"**2004 Syndicated Loan Facility Agreement**" means the term and revolving facilities agreement and the subordinated term facility agreement, both dated 14 December 2004, by and between, *inter alia*, Athlon Holding N.V. as borrower, ABN AMRO Bank N.V., The Governor and Company of the Bank of Scotland, BNP Paribas, Fortis Bank (Nederland) N.V., ING Bank N.V., Banque LBLux S.A., Natexis Banques Populaires, NIB Capital Bank N.V. and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., as mandated lead arrangers, and Fortis Bank (Nederland) N.V. as agent, as amended, restated and supplemented from time.

"**403 Waiver**" means the waiver by (i) the Issuer, the Borrower Security Trustee, Stichting Defeasance and the Issuer Security Trustee of any rights they may have against Athlon under section 2:403 DCC in respect of the statement issued by Athlon pursuant to such provision, and (ii) the Borrower of any rights it may have against Athlon under section 2:403 DCC other than the rights it might have against Athlon in respect of amounts payable by any of the Sellers to the Borrower pursuant to the Servicing Agreement and the Residual Value Warranty under the Master Hire Purchase Agreement.

"**Actual Turn-in Date**" means the date on which a Vehicle is returned to the Servicer (acting on behalf of the Buyer) by the Lessee upon termination of the Associated Lease.

"**Additional Advance Account**" means the account with account number 66.00.44.625, or such other account approved by the Borrower Security Trustee, in the name of the Borrower at the Floating Rate GIC Provider.

"**Agreed Residual Value**" means the Expected Residual Value with respect to a Vehicle as calculated in accordance with the Servicer's standard guidelines and agreed upon between the Lessor and Lessee upon the entering into the Associated Lease.

"**Arrears Amounts**" means, with respect to a Lessee, the aggregate amounts that have become due and payable by the Lessee under or in connection with the Leases concluded with such Lessee, but which remained unpaid for a period between thirty (30) and sixty (60) days and which are not Delinquent Amounts or Defaulted Amounts.

"**Assets**" means the Vehicles, the Lease Receivables and the Associated Leases.

"**Associated Lease**" means, with respect to a Vehicle, the Current Lease or the Future Lease concluded by the relevant Seller in respect of such Vehicle.

"**Athlon Facility**" means the credit facility made available by Athlon Beheer to the Borrower upon the terms and conditions of Athlon Facility Agreement.

"**Athlon Facility Agreement**" means the credit facility agreement entered into by and between Athlon Beheer, the Borrower and the Borrower Security Trustee dated the Signing Date, as amended, restated and supplemented from time.

"**Athlon Facility Final Maturity Date**" means the Borrower Monthly Payment Date falling in December 2014.

"**Athlon Facility Principal Amount Outstanding**" means, at any time, the principal amount outstanding under the Athlon Facility.

"**Athlon Facility Share in Borrower Accounts Interest Collections**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

A *minus* B, whereby

A = the sum of the interest accrued to the balance standing to the credit of each of the Additional Advance Account, the Borrower Transaction Account, the Vehicle Acquisition Escrow Account, and the Maintenance Escrow Account during the Borrower Monthly Calculation Period in which such Borrower Monthly Calculation Date falls;

B = the Issuer Facility Share in Borrower Accounts Interest Collections for the Borrower Monthly Calculation Period in which such Borrower Monthly Calculation Date falls.

"**Athlon Facility Share in Lease Interest Collections**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

A *minus* B, whereby

A = the aggregate amount of Lease Interest Collections received with respect to the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

B = the Issuer Facility Share in Lease Interest Collections for the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

"**Athlon Facility Share in Lease Net Principal Collections**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

A *minus* B, whereby

A = the aggregate amount of Lease Net Principal Collections received with respect to the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

B = the Issuer Facility Share in Lease Net Principal Collections for the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

"**Book Value**" means (i) the book value of a Vehicle as calculated from time to time by the Servicer in accordance with the Servicer's standard guidelines minus (ii) subsidies, premiums and other similar monies received by the relevant Seller in respect of the purchase of such Vehicle, if and to the extent such amounts have not been recorded in the books of such Seller as a reduction of the book value of the relevant Vehicle.

"**Borrower Accounts**" means the Borrower Transaction Account, the Vehicle Acquisition Escrow Account, the Additional Advance Account and the Maintenance Escrow Account.

"**Borrower Administration Agreement**" means the administration agreement entered into by and between the Borrower Administrator, the Borrower and the Borrower Security Trustee dated the Signing Date, as amended, restated and supplemented from time.

"**Borrower Event of Default**" has the meaning ascribed to it in Clauses 12.1 and 10.1 of the Issuer Facility Agreement and the Athlon Facility Agreement, respectively.

"**Borrower Floating Rate GIC**" means the floating rate guaranteed investment contract entered into by and between the Floating Rate GIC Provider, the Borrower and the Borrower Security Trustee with respect to the Borrower Accounts dated the Signing Date.

"**Borrower Management Agreements**" means the management agreements entered into or to be entered into, as the case may be, by and between (i) the Borrower, Stichting Administratiekantoor, the PUA Party and the Borrower Security Trustee and (ii) the Borrower Directors dated the Signing Date, as amended, restated and supplemented from time.

"**Borrower Monthly Calculation Date**" means in respect of a Borrower Monthly Payment Date, the third Business Day prior to such Borrower Monthly Payment Date.

"**Borrower Monthly Calculation Period**" means, in respect of a Borrower Monthly Calculation Date, the period commencing on (and including) the Borrower Monthly Payment Date immediately preceding such Borrower Monthly Calculation Date, and ending on (but excluding) the Borrower Monthly Payment Date immediately succeeding such Borrower Monthly Calculation Date, except for the first Borrower Monthly Calculation Period which shall commence on (and include) the Closing Date and end on (but exclude) the Borrower Monthly Calculation Date falling in March 2005.

"**Borrower Monthly Payment Date**" means the 26th day of each calendar month, commencing on 26 March 2005 and if such day is not a Business Day, the next succeeding Business Day.

"**Borrower Secured Obligations**" means (i) any and all existing and future indebtedness of the Borrower to the Borrower Security Trustee under or in connection with the Borrower Parallel Debt, including but not limited to, the obligation to pay interest under or in connection with the Borrower Parallel Debt and (ii) any costs, expenses, charges, monies and liabilities payable to the Borrower Security Trustee by the Borrower, or to be discharged by the Borrower, under or in connection with the Borrower Parallel Debt and the relevant Borrower Pledge Agreement.

"**Borrower Security Account**" means the account to be opened by the Borrower Security Trustee in its name at a bank having at least the Short Term Requisite Rating and/or the Long Term Requisite Rating promptly upon the occurrence of a Borrower Event of Default.

"**Borrower Security Beneficiaries**" means ING Management (Nederland) B.V., the Issuer, Athlon Beheer, the Borrower Administrator and the Servicer.

"**Borrower Transaction Account**" means the account with account number 65.99.38.359, or such other account approved by the Borrower Security Trustee, in the name of the Borrower at the Floating Rate GIC Provider.

"**Borrower Trust Deed**" means the borrower trust deed entered into by and between the Borrower Security Trustee, the Issuer, Athlon Beheer, the Borrower, the Sellers and ING (Management) Nederland B.V. dated the Signing Date.

"**Calculated Residual Value**" means the Expected Residual Value with respect to a Vehicle as recalculated by the Servicer in accordance with the Servicer's standard guidelines after the date the Associated Lease was entered into.

"**Calculated Turn-in Residual Value**" means the Expected Residual Value of a Vehicle as calculated by the Servicer in accordance with the Servicer's standard guidelines using the Actual Turn-in Date.

"**Class A Notes Redemption Available Amount**" means on any Notes Quarterly Calculation Date, the aggregate of (1) amounts received or to be received by the Issuer as Issuer Facility Principal Redemption Available Amount in respect of the Notes Quarterly Interest Period in which the relevant Notes Quarterly Payment Date falls, (2) amounts to be received as Return Swap Claim Payments on the Quarterly Return Swap Settlement Date falling on the immediately succeeding Notes Quarterly Payment Date, (3) amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Notes Quarterly Payment Date, and (4) the positive difference, if any, on the relevant Notes Quarterly Calculation Date between the balance standing to the credit of the Excess Spread Account and the Excess Spread Account Target Level.

"**Class B Notes Redemption Available Amount**" means on any Notes Quarterly Calculation Date, the aggregate of (1) amounts received or to be received by the Issuer as Issuer Facility Principal Redemption Available Amount in respect of the Notes Quarterly Interest Period in which the relevant Notes Quarterly Calculation Date falls, (2) amounts to be received as Return Swap Claim Payments on the Quarterly Return Swap Settlement Date falling on the immediately succeeding Notes Quarterly Payment Date, (3) amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Notes Quarterly Payment Date, and (4) the positive difference, if any, on the relevant Notes Quarterly Calculation Date between the balance standing to the credit of the Excess Spread Account and the Excess Spread Account Target Level *less* the amount paid under item (g) of the Issuer Pre-Enforcement Priority of Payments on the immediately succeeding Notes Quarterly Payment Date.

"**Class C Notes Redemption Available Amount**" means on any Notes Quarterly Calculation Date, the aggregate of (1) amounts received or to be received by the Issuer as Issuer Facility Principal Redemption Available Amount in respect of the Notes Quarterly Interest Period in which the relevant Notes Quarterly Payment Date falls, (2) amounts to be received as Return Swap Claim Payments on the Quarterly Return Swap Settlement Date falling on the immediately succeeding Notes Quarterly Payment Date, (3) amounts to be credited to the Principal Deficiency Ledger on the immediately succeeding Notes Quarterly Payment Date, and (4) the positive difference, if any, on the relevant Notes Quarterly Calculation Date between the balance standing to the credit of the Excess Spread Account and the Excess Spread Account Target Level *less* the amount paid under item (g) and/or item (i) of the Issuer Pre-Enforcement Priority of Payments on the immediately succeeding such Notes Quarterly Payment Date.

"**Concentration Limits**" means the following limits:

With respect to the Lessees:

	Concentration Limit
	(as % of aggregate Book Value outstanding)
Top 5:	2.00 per cent. each
Top 6-30	1.00 per cent. each
Others:	0.75 per cent. each

with respect to all Lessees:

	Concentration Limit
	(as % of aggregate Book Value outstanding)
Current Lease Balance/Book Value	
Open-end Leases	20 per cent.
Vehicles with an investment value of three times the average investment value of the Vehicles	5 per cent.
Used Vehicles:	20 per cent.
Trucks	5 per cent.
Forklift Trucks	3 per cent.

	Concentration Limit
	(weighted average remaining maturity in months)
All Leases	15 to 40

(weighted average remaining life of the Leases then outstanding; maximum months)	**Concentration Limit** *(weighted average Expected Residual Value as % of the original Book Value)*
36	50 per cent.
39	45 per cent.
42	41 per cent.
45	38 per cent.
48	36 per cent.
51	33 per cent.

"**Covered Vehicle**" means, at any time, any and each Reference Vehicle as specified in the Return Swap Confirmation which is not an Excluded Vehicle at such time.

"**Current Vehicles**" means the Vehicles as specified in Schedule 4 to the Master Hire Purchase Agreement.

"**DCC**" means the Dutch Civil Code.

"**Deemed Non-Eligible Amounts**" means, with respect to a Lessee, the aggregate amount owed by the Lessee under or in connection with any Lease that Athlon Beheer wants to consider as deemed non-eligible in addition to the Non-Eligible Lease Balance outstanding on the relevant Lessee as notified by Athlon Beheer to the Borrower Administrator pursuant to Clause 5.1 of the Athlon Facility Agreement.

"**Defaulted Amounts**" means, with respect to a Lessee, the aggregate amount that has become due and payable by the Lessee under or in connection with the Leases concluded with such Lessee, but which remained unpaid for a period between ninety (90) and one-hundred-twenty (120) days, and/or the aggregate amount not due but in respect of which specific provisions have been made in the accounts

of the Borrower or which has been written off in the Borrower's accounts in accordance with the applicable accounting principles, provided that in the event a Lessee has been declared bankrupt or has been granted a suspension of payments all amounts that have become due and payable under or in connection with the Leases concluded with such Lessee are considered to be Defaulted Amounts, irrespective of the date on which such amounts have become due and payable.

"**Default Ratio**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

[(A/B) x C] x D, whereby

A = the aggregate of the Defaulted Amounts outstanding and which have been outstanding (therefore on a cumulative basis) with respect to the relevant Lessees on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

B = the initial Pool Balance;

C = the fraction calculated on the relevant Borrower Monthly Calculation Date by application of the following formula:

1 (one) minus [(NE/PB) x (PA)], whereby

NE = the Non-Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

PB = the Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

PA = the lower of (i) the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date divided by (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date and (ii) 1 (one).

D = the fraction calculated on the relevant Borrower Monthly Calculation Date by application of the following formula, provided that the outcome of such calculation shall not exceed one (1):

(IF/EPB), whereby

IF = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date;

EPB = the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

"**Delinquent Amounts**" means, with respect to a Lessee, the aggregate amount that has become due and payable by the Lessee under or in connection with the Leases concluded with such Lessee, but remained unpaid between sixty (60) days and ninety (90) days and which are not Defaulted Amounts.

"**Delinquency Ratio**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

[((A/PB) x B) x C], whereby

A = the aggregate of the amounts calculated on the relevant Borrower Monthly Calculation Date with respect to each Lessee by application of the following formula:

(DA/LSC) x LB, whereby

DA = the Delinquency Amounts outstanding in with respect of such Lessee on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date, provided that DA shall not exceed LSC;

LSC = the Lease Scheduled Collections for such Lessee in the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date; and

LB = the aggregate Lease Balance outstanding in respect of such Lessee on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

PB = the Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

B = the fraction calculated on the relevant Borrower Monthly Calculation Date by application of the following formula:

1 (one) minus [(NE/PB) x (PA)], whereby

NE = the Non-Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

PB = the Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

PA = the lower of (i) the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date divided by (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date and (ii) 1 (one).

C = the fraction calculated on the relevant Borrower Monthly Calculation Date by application of the following formula, provided that the outcome of such calculation shall not exceed one (1):

(IF/EPB), whereby

IF = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date;

EPB = the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

"**Early Amortisation Event**" has the meaning set forth in Clause 4.4 of the Issuer Facility Agreement.

"**Early Termination Lease**" means an Associated Lease that terminates on a Lease Early Termination Date.

"**Effective Date**" means with respect to a Vehicle and the Associated Lease, the date on which a Hire Purchase Contract in respect of such Vehicle becomes or has become effective.

"**Eligible Pool Balance**" means,

with respect to the Closing Date:

the difference between (a) the Pool Balance on the Portfolio Cut-Off Date, and (b) the Non-Eligible Pool Balance on the Portfolio Cut-Off Date; and

with respect to each Borrower Monthly Calculation Date:

the difference between (a) the Pool Balance on the first day of the immediately preceding Lease Monthly Calculation Period, and (b) the Non-Eligible Pool Balance on the first day of the immediately preceding Lease Monthly Calculation Period.

"**Euronext Amsterdam**" means the Official Segment of the stock market of Euronext Amsterdam N.V.

"**Excess Pool Balance**" means,

with respect to the Closing Date:

(i) the aggregate Lease Balances that are in excess of the Concentration Limits outstanding on the Portfolio Cut-Off Date *minus* (ii) amounts that are covered by a guarantee of a bank having at least the Short Term Requisite Rating and/or the Long Term Requisite Rating; and

with respect to each Borrower Monthly Calculation Date:

(i) the aggregate Lease Balances that are in excess of the Concentration Limits outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date *minus* (ii) amounts that are covered by a guarantee of a bank having at least the Short Term Requisite Rating and/or the Long Term Requisite Rating.

"**Excess Spread Account**" means the account with account number 65.93.51.889, or such other account approved by the Issuer Security Trustee, in the name of the Issuer at the Floating Rate GIC Provider.

"**Excess Spread Account Target Level**" means, on the Closing Date, an amount equal to Euro 5,000,000, and, on any succeeding Notes Quarterly Calculation Date, an amount equal to (A) the higher of (1) 2.0425% of the aggregate Principal Amount Outstanding of the Class A and Class B Notes on each Notes Quarterly Calculation Date; and (2) the lesser of (a) Euro 2,500,000, and (b) the aggregate Principal Amount Outstanding of the Class A Notes and the Class B Notes; or (B) zero, if on the immediately succeeding Notes Quarterly Payment Date the Notes will be redeemed in full.

"**Excluded Vehicle**" means, at any time, a Reference Vehicle which is redesignated as an Excluded Vehicle pursuant to Clause 7 of the Return Swap Confirmation.

"**Expected Residual Value**" means (i) the Book Value of a Vehicle at the end of the term of the Associated Lease as (re)calculated by the Servicer in accordance with the Servicer's standard guidelines and subject to the terms and conditions of the Associated Lease *minus* (ii) subsidies, premiums and other similar monies received by a Seller in respect of the purchase of such Vehicle, which amounts have not been recorded in the books of such Seller as a reduction of the book value of the relevant Vehicle.

"**Final Hire Purchase Instalment**" means, with respect to a Hire Purchase Contract, the final hire purchase instalment, owed by the Buyer to a Seller under such Hire Purchase Contract, as calculated in accordance with Clause 2.3 of the Master Hire Purchase Agreement.

"**Fixed Return Swap Fee**" means, with respect to a Quarterly Return Swap Calculation Period, an amount in Euro equal to the product of: (i) the Fixed Return Swap Fee Percentage; (ii) the Return Swap Notional Amount determined by the Return Swap Calculation Agent on the Quarterly Return Swap Calculation Date falling within such Quarterly Return Swap Calculation Period; and (iii) the actual number of days in such Quarterly Return Swap Calculation Period divided by 360, rounding the resulting figure to the nearest euro (half a euro being rounded upwards).

"**Future Vehicles**" means the Vehicles in respect of which a Hire Purchase Contract is entered into by and between any of the Sellers and the Buyer pursuant to the Master Hire Purchase Agreement after the Closing Date.

"**Hire Purchase Calculation Date**" means, with respect to a Hire Purchase Payment Date, the third Business Day prior to such Hire Purchase Payment Date.

"**Hire Purchase Contract**" means with respect to a Vehicle, the hire purchase agreement entered into by and between any of the Sellers and the Buyer pursuant to the Master Hire Purchase Agreement.

"**Hire Purchase Date**" means, with respect to a Hire Purchase Contract entered into in relation to a Future Vehicle, the date on which the Lease associated with the Vehicle subject to such Hire Purchase Contract becomes or has become effective, unless agreed otherwise between the relevant Seller and the Buyer in the relevant Vehicle Offer Notice.

"**Hire Purchase Instalment**" means, with respect to a Hire Purchase Contract, each and any hire purchase instalment, excluding the Final Hire Purchase Instalment, owed by the Buyer to a Seller under such Hire Purchase Contract as calculated in accordance with Clause 2.3 of the Master Hire Purchase Agreement.

"**Hire Purchase Payment Date**" means the 18th day of each calendar month, commencing on 18 March 2005 and if such day is not a Business Day, the next succeeding Business Day.

"**Initial Return Swap Notional Amount**" means, on the Closing Date, an amount equal to € 25,235,000.

"**Issuer Accounts**" means the Issuer Transaction Account, the Excess Spread Account and the Liquidity Reserve Escrow Account.

"**Issuer Facility**" means the credit facility made available by the Issuer to the Borrower upon the terms and conditions the Issuer Facility Agreement.

"**Issuer Facility Advance**" means the term advance made by the Issuer to the Borrower pursuant to the Issuer Facility Agreement in the amount of € 252,350,000.

"**Issuer Facility Agreement**" means the credit facility agreement entered into by and between the Issuer, the Borrower, the Borrower Security Trustee and the Issuer Security Trustee dated the Signing Date, as amended, restated and supplemented from time.

"**Issuer Facility Final Maturity Date**" means the Borrower Monthly Payment Date falling in December 2014.

"**Issuer Facility Principal Amount Outstanding**" means, at any time, the principal amount outstanding under the Issuer Facility.

"**Issuer Facility Share in Borrower Accounts Interest Collections**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

A x B, whereby

A = the interest accrued to the balance standing to the credit of each of the Additional Advance Account, the Borrower Transaction Account, the Vehicle Acquisition Escrow Account and the Maintenance Escrow Account, during the Borrower Monthly Calculation Period in which such Borrower Monthly Calculation Date falls;

B = the fraction calculated on the relevant Borrower Monthly Calculation Date by application of the following formula, provided that the outcome of such calculation shall not exceed one (1):

(IF/EPB), whereby

IF = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date;

EPB = the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

"**Issuer Facility Share in Lease Interest Collections**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

A x B, whereby

A = the aggregate amount of Lease Interest Collections with respect to the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

B = the fraction calculated on the relevant Borrower Monthly Calculation Date by application of the following formula, provided that the outcome of such calculation shall not exceed one (1):

(IF/EPB), whereby

IF = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date;

EPB = the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

"**Issuer Facility Share in Lease Net Principal Collections**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

A x B, whereby

A = the aggregate amount of Lease Net Principal Collections with respect to the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

B = the fraction calculated on the relevant Borrower Monthly Calculation Date by application of the following formula, provided that the outcome of such calculation shall not exceed one (1):

(IF/EPB), whereby

IF = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date;

EPB = the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

"**Issuer Facility Share in Lease Scheduled Interest Collections**" is calculated on each Borrower Monthly Calculation Date by application of the following formula:

A x B, whereby

A = the aggregate amount of Lease Scheduled Interest Collections with respect to the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

B = the fraction calculated on the relevant Borrower Monthly Calculation Date by application of the following formula, provided that the outcome of such calculation shall not exceed one (1):

(IF/EPB), whereby

IF = (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date;

EPB = the Eligible Pool Balance on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date.

"**Issuer Floating Rate GIC**" means the floating rate guaranteed investment contract entered into by and between the Floating Rate GIC Provider, the Issuer Security Trustee and the Issuer with respect to the Issuer Accounts dated the Signing Date.

"**Issuer Management Agreements**" means the management agreements entered into or to be entered into, as the case may be, by and between, respectively (i) the Issuer, Stichting Holding and the Issuer Security Trustee and (ii) the Issuer Directors dated the Signing Date, as amended, restated and supplemented from time.

"**Issuer Pledge Agreements**" means the Issuer Accounts Pledge Agreement, the Issuer Claims I Pledge Agreement and the Issuer Claims II Pledge Agreement, as amended, restated and supplemented from time.

"**Issuer Pledges**" means any and all security rights created by the Issuer pursuant to and under the terms and conditions of the Issuer Trust Deed and the Issuer Pledge Agreements.

"**Issuer Principal Obligations**" means all obligations of the Issuer to all Issuer Security Beneficiaries from time to time due in accordance with the terms and conditions of the Transaction Documents to which the Issuer is a party, including the Notes.

"**Issuer Secured Obligations**" means (i) any and all existing and future indebtedness of the Issuer to the relevant pledgee under or in relation with the Issuer Parallel Debt including the obligation to pay interest under or in relation to the Issuer Parallel Debt and (ii) any costs, expenses, charges, monies and liabilities payable to the relevant pledgee by the Issuer, or to be discharged by the Issuer, under or in relation to the Issuer Parallel Debt and the relevant Issuer Pledge Agreement.

"**Issuer Security Account**" means the account to be opened by the Issuer Security Trustee in its name at a bank having at least the Short Term Requisite Rating and/or the Long Term Requisite Rating promptly upon the occurrence of a Notes Event of Default.

"**Issuer Security Beneficiaries**" means the Issuer Directors, the Paying Agents, the Reference Agent, the Return Swap Counterparty, the Interest Rate Swap Counterparty, the Liquidity Facility Provider and the Noteholders.

"**Issuer Transaction Account**" means the account with account number 66.92.75.786, or such other account approved by the Issuer Security Trustee, in the name of the Issuer at the Floating Rate GIC Provider.

"**Lease Additional Amount**" means each and any amount, other than a Lease Component, which is or becomes due and payable by a Lessee under or in connection with a Lease.

"**Lease Additional Amount Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate Lease Additional Amounts actually collected during such Lease Monthly Calculation Period.

"**Lease Balance**" means, with respect to a Lease, an amount equal to the Book Value of the Vehicle in respect of which such Lease has been concluded.

"**Lease Balance Amortisation Component**" means the amortisation component included in a Lease Monthly Instalment calculated in accordance with the Servicer's standard guidelines.

"**Lease Collections**" means the aggregate of (a) the Lease Servicing Collections, (b) the Lease Interest Collections, (c) the Lease Principal Collections and (d) the Lease Additional Amount Collections.

"**Lease Components**" means the Lease Servicing Components, the Lease Interest Components, and the Lease Balance Amortisation Components.

"**Lease Early Termination Date**" means any date on which a Lease terminates prior to the Lease Original Termination Date while triggering an early termination penalty payable by the Lessee subject to the terms and conditions of the Lease.

"**Lease Interest Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate Lease Interest Components and any early termination penalties relating to interest actually collected during such Lease Monthly Calculation Period.

"**Lease Interest Component**" means the interest component included in a Lease Monthly Instalment calculated in accordance with the Servicer's standard guidelines.

"**Lease Monthly Calculation Date**" means, in respect of a Lease Monthly Payment Date, the third Business Day prior to such Lease Monthly Payment Date.

"**Lease Monthly Calculation Period**" means, with respect to a Lease, the period commencing on (and including) the first day of a calendar month and ending on (but excluding) the first day of the next succeeding calendar month, except for the first Lease Monthly Calculation Period which shall commence on (and include the Portfolio Cut-Off Date and end on (but exclude) 1 February 2005.

"**Lease Monthly Instalment**" means the monthly lease instalment payable by the Lessee in respect of a Lease calculated in accordance with the Servicer's standard guidelines.

"**Lease Monthly Payment Date**" means the l8th day of each calendar month, commencing on 18 March 2005 and if such day is not a Business Day, the next succeeding Business Day.

"**Lease Net Principal Collections**" means the Lease Principal Collections minus the Sales Commission, if any.

"**Lease Original Termination Date**" means the termination date as agreed upon between the Lessor and the Lessee upon the entering into the Lease, as amended during the term of the Lease, as the care may be.

"**Lease Principal Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate of (a) the Lease Balance Amortisation Components included in a Lease Monthly Instalment calculated in accordance with the Servicer's standard guidelines, (b) the Residual Value Warranty Payments, (c) the Vehicle Realisation Proceeds and (d) any early termination penalties relating to principal, actually collected during such Lease Monthly Calculation Period.

"**Leases**" means Current Leases and Future Leases.

"**Lease Receivables**" means, with respect to a Lease, any and all monetary claims and rights of the relevant Seller against the Lessee under or in connection with such Lease.

"**Lease Scheduled Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate of (a) the Lease Scheduled Interest Collections, (b) the Lease Scheduled Amortisation

Collections, (c) the Lease Scheduled Servicing Collections and (d) the Lease Scheduled Additional Amounts Collections.

"**Lease Scheduled Additional Amounts Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate Lease Additional Amounts scheduled to be received from a Lessee during such Lease Monthly Calculation Period.

"**Lease Scheduled Amortisation Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate Lease Balance Amortisation Components scheduled to be received from a Lessee during such Lease Monthly Calculation Period.

"**Lease Scheduled Interest Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate Lease Interest Components scheduled to be received from a Lessee during such Lease Monthly Calculation Period.

"**Lease Scheduled Servicing Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate Lease Servicing Components scheduled to be received from a Lessee during such Lease Monthly Calculation Period.

"**Lease Servicing Collections**" means, with respect to a Lease Monthly Calculation Period, the aggregate Lease Servicing Components actually collected during such Lease Monthly Calculation Period.

"**Lease Servicing Component**" means the servicing component included in a Lease Monthly Instalment calculated in accordance with the Servicer's standard guidelines.

"**Lease Termination Date**" means a Lease Original Termination date or a Lease Early Termination Date, as the case may be, as specified by the Servicer.

"**Lessee**" means with respect to a Lease, the customer that has entered into such Lease with a Seller, provided that customers which belongs to the same group of companies are considered to be one Lessee.

"**Liquidity Facility Agreement**" means the liquidity facility agreement to be entered into by the issuer, the Liquidity Facility Provider and the Issuer Security Trustee dated the Signing Date, as amended, restated and supplemented from time.

"**Liquidity Facility Maximum Amount**" means, on any Notes Quarterly Calculation Date, an amount equal to the greater of (i) 4.4 per cent. of the aggregate Principal Amount Outstanding of the Class A and Class B Notes (taking into account any debit balances on the Class A Principal Deficiency Ledger and the Class B Principal Deficiency Ledger) on the first day of the Notes Quarterly Interest Period in which such Notes Quarterly Calculation Date falls and (ii) 0.5 per cent. of the aggregate Principal Amount Outstanding of the Class A and B Notes on the Closing Date.

"**Liquidity Facility Subordinated Amount**" means an amount equal to the interest due and payable to the Liquidity Facility Provider in respect of a Liquidity Facility Stand-by Drawing minus the interest due and payable in respect of the balance standing to the credit of the Liquidity Reserve Escrow Account pursuant to the Issuer Floating Rate GIC.

"**Liquidity Reserve Escrow Account**" means the account with account number 65.94.44.100, or such other account approved by the Issuer Security Trustee, in the name of the Issuer at the Floating Rate GIC Provider.

"**Long Term Requisite Rating**" means a rating of not less than:

(i) in respect of the Interest Rate Swap Counterparty, A1 by Moody's and A by Fitch;

(ii) in respect of ING in its capacity as (indirect) holder of the share capital of the Return Swap Counterparty, Aa3 by Moody's; and

(iii) in respect of the Return Swap Counterparty a rating commensurate with A by Fitch.

"**Loss Amount**" means, with respect to a Loss Vehicle, the difference, if positive, between the Calculated Turn-in Residual Value and the Vehicle Realisation Proceeds, with a maximum of twenty (20) per cent. of the relevant Calculated Turn-in Residual Value.

"**Maintenance Escrow Account**" means the account with account number 66.00.66.882, or such other account approved by the Borrower Security Trustee, in the name of the Borrower at the Floating Rate GIC Provider.

"**Master Hire Purchase Agreement**" means the master hire purchase agreement entered into by and between the Sellers, the Buyer and the Borrower Security Trustee dated the Signing Date, as amended, restated and supplemented from time.

"**Monthly Return Swap Calculation Date**" means each day which is a Lease Monthly Calculation Date.

"**Monthly Return Swap Calculation Period**" means the period commencing on (and including) the first day of a calendar month and ending on (but excluding) the first day of the next succeeding calendar month, except for the first Monthly Return Swap Calculation Period which shall commence on (and include) the Portfolio Cut-Off Date and end on (but exclude) 1 February 2005.

"**Monthly Return Swap Claim Status Report**" has the meaning set forth in Clause 5(ii) of the Return Swap Confirmation.

"**Net Pool Balance**" means,

with respect to the Closing Date:

the difference between (a) the Eligible Pool Balance on the Portfolio Cut-Off Date, and (b) the Excess Pool Balance on the Portfolio Cut-Off Date; and

with respect to each Borrower Monthly Calculation Date:

the difference between (a) the Eligible Pool Balance on the first day of the immediately preceding Lease Monthly Calculation Period, and (b) the Excess Pool Balance on the first day of the immediately preceding Lease Monthly Calculation Period.

"**Non-Eligible Lease Balance**" is calculated with respect to each Lessee on the Closing Date and on each Borrower Monthly Calculation Date by application of the following formulas:

On the Closing Date:

A + B + C whereby

A = (X *multiplied by* xLB), whereby

X = the Arrears Amounts outstanding with respect to such Lessee on the Portfolio Cut-Off Date divided by the Lease Scheduled Collections for such Lessee in the calendar month immediately preceding the Portfolio Cut-Off Date, provided that X does not exceed one (1):

xLB = the aggregate Lease Balance with respect to such Lessee on the Portfolio Cut-Off Date;

B = xLB, if (y + z)/LSC exceeds 0.1, whereby

y = the aggregate Delinquent Amounts outstanding with respect to such Lessee on the Portfolio Cut-Off Date;

z = the aggregate Defaulted Amounts outstanding with respect to such Lessee on the Portfolio Cut-Off;

LSC = the Lease Scheduled Collections for such Lessee in the calendar month immediately preceding the Portfolio Cut-Off Date;

C = the aggregate Lease Balance in respect of such Lessee on the Portfolio Cut-Off Date under Leases in respect of which, or in respect of the Vehicles subject thereto, a disclosure is made in a Disclosure Letter as referred to in Clause 5.1.1 of the Master Hire Purchase Agreement in respect of the representations and warranties set forth therein.

On each Borrower Monthly Calculation Date:

A + B + C + D, whereby

A = (X *multiplied by* xLB), whereby

X = the Arrears Amounts outstanding with respect to such Lessee on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date divided by the Lease Scheduled Collections for such Lessee in the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date, provided that X does not exceed one (1):

xLB = the aggregate Lease Balance with respect to such Lessee on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

B = xLB, if (y + z)/LSC exceeds 0.1, whereby

y = the aggregate Delinquent Amounts outstanding with respect to such Lessee on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

z = the aggregate Defaulted Amounts outstanding with respect to such Lessee on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

LSC = the Lease Scheduled Collections for such Lessee in the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

C = the Deemed Non-Eligible Amounts designated by Athlon Beheer with respect to such Lessee on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date;

D = the aggregate Lease Balance in respect of such Lessee on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Borrower Monthly Calculation Date under Leases in respect of which, or in respect of the Vehicles subject thereto, a disclosure is made in a Disclosure Letter as referred to in Clause 5.1.1 of the Master Hire Purchase Agreement in respect of the representations and warranties set forth therein and/or it has appeared after the Closing Date that a Seller has breached such representations and warranties.

"**Non-Eligible Pool Balance**" means,

With respect to the Closing Date:

A *minus* B, whereby

A = the aggregate of all Non-Eligible Lease Balances as determined on the Portfolio Cut-Off Date;

B = (5% *multiplied by* LB), whereby

LB = the aggregate Lease Balances outstanding on the Portfolio Cut-Off Date,

provided that B cannot exceed the aggregate outcome of the calculation under the definition of Non Eligible Lease Balance, letter A, part (X *multiplied by* xLB) for all relevant Lessees.

With respect to each Borrower Monthly Calculation Date:

A *minus* B, whereby

A = the aggregate of all Non-Eligible Lease Balances as determined on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date;

B = (5% *multiplied by* LB), whereby

LB = the aggregate Lease Balances outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date,

provided that B cannot exceed the aggregate outcome of the calculation under the definition of Non-Eligible Lease Balance, letter A, part (X *multiplied by* xLB) for all relevant Lessees.

"**Noteholders**" means the Class A Noteholders, the Class B Noteholders and the Class C Noteholders.

"**Notes Quarterly Calculation Date**" means, in respect of a Notes Quarterly Payment Date, the third Business Day prior to such Notes Quarterly Payment Date.

"**Notes Quarterly Interest Period**" means a period commencing on (and including) a Notes Quarterly Payment Date and ending on (but excluding) the next succeeding Notes Quarterly Payment Date, except for the first Notes Quarterly Interest Period which will commence on (and including) the Closing Date and end on (but excluding) the Notes Quarterly Payment Date falling in June 2005.

"**Notes Redemption Available Amount**" means the amount equal to the aggregate of the Class A Notes Redemption Available Amount, the Class B Notes Redemption Available Amount and the Class C Notes Redemption Available Amount.

"**Original Termination Lease**" means a Lease that terminates on a Lease Original Termination Date.

"**Party B's Share in the Quarterly Corrected Net Loss Amount**" means the Quarterly Corrected Net Loss Amount *multiplied by* the lower of (X) (1) (a) with respect to the first Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the Closing Date, and (b) with respect to each following Borrower Monthly Calculation Date, the Issuer Facility Principal Amount Outstanding on the first day of the immediately preceding Lease Monthly Calculation Period *divided by* (2) the Eligible Pool Balance outstanding on the first day of the immediately preceding Lease Monthly Calculation Period, and (Y) one (1).

"**Payment Undertaking Agreement**" means the payment undertaking agreement entered into by and between the PUA Party, the Sellers, the Buyer, the Borrower Security Trustee, the Issuer and Athlon Beheer dated the Signing Date, as amended, restated and supplemented from time.

"**Pool Balance**" means,

with respect to the Closing Date:

the aggregate of all Lease Balances outstanding on the Portfolio Cut-Off Date.

with respect to each Borrower Monthly Calculation Date:

the aggregate of all Lease Balances outstanding on the first day of the Lease Monthly Calculation Period immediately preceding such Borrower Monthly Calculation Date.

"**Portfolio Cut-Off Date**" means 1 January 2005.

"**Profit Amount**" means, with respect to a Profit Vehicle, the difference, if positive, between the Vehicle Realisation Proceeds and the Calculated Turn-in Residual Value.

"**PUA Loan Agreement**" means the loan agreement entered into by and between the PUA Lender, the PUA Borrowers and the Borrower Security Trustee dated the Signing Date, as amended, restated and supplemented from time.

"**PUA Party**" means Stichting Defeasance Athlon Securitisation 2005, a foundation (*stichting*) established under the laws of the Netherlands.

"**PUA Payment Amount**" means, with respect to a Hire Purchase Contract, an amount equal to the Book Value of the Vehicle subject to such Hire Purchase Contract as specified, in the case of a Current Vehicle, in the List of Current Vehicles attached to the Master Hire Purchase Agreement or, in the case of a Future Vehicle, in the relevant Vehicle Offer Notice.

"**Quarterly Corrected Net Loss Amount**" means, with respect to a Quarterly Return Swap Calculation Date, the difference, if positive, between the Quarterly Net Loss Amount calculated by the Calculation Agent with respect to the Quarterly Return Swap Calculation Period immediately preceding such Quarterly Return Swap Calculation Date and the Quarterly Warranty Payments determined with respect to such Quarterly Return Swap Calculation Period.

"**Quarterly Net Loss Amount**" has the meaning set forth in Clause 5(iii)(a) of the Return Swap Confirmation.

"**Quarterly Net Profit Amount**" has the meaning set forth in Clause 5(iii)(f) of the Return Swap Confirmation.

"**Quarterly Return Swap Calculation Date**" means, in respect of a Quarterly Return Swap Settlement Date, the third Business Day prior to such Quarterly Return Swap Settlement Date.

"**Quarterly Return Swap Calculation Period**" means, in relation to a Quarterly Return Swap

Calculation Date, the three (3) successive Monthly Return Swap Calculations Periods immediately preceding such Quarterly Return Swap Calculation Date, except for the first Quarterly Return Swap Calculation Period which will commence on (and include) the Portfolio Cut-Off Date and end on (but exclude) the Quarterly Return Swap Calculation Date falling June 2005.

"**Quarterly Return Swap Settlement Date**" means the 26th day of March, June, September, and December of each calendar year, commencing on 26 June 2005, and if such day is not a Business Day, the next succeeding Business Day.

"**Quarterly Return Swap Settlement Statement**" has the meaning set forth in Clause 5(iii) of the Return Swap Confirmation.

"**Quarterly Warranty Payments**" has the meaning set forth in Clause 5(iii)(g) of the Return Swap Confirmation.

"**Reference Pool**" means, at any time, the pool of Reference Vehicles subject to the Return Swap Confirmation.

"**Reference Vehicle**" means any Vehicle designated from time to time as a reference vehicle pursuant to Clause 6 of the Return Swap Confirmation.

"**Residual Value Warranty**" means the warranty provided by each of the Sellers pursuant to Clause 8 of the Master Hire Purchase Agreement.

"**Residual Value Warranty Payment**" means, in relation to Vehicle which has been sold following a Lease Termination Date, the higher of (i) in case of an Original Termination Lease, an amount equal to the difference, if positive, between the relevant Agreed Residual Value and the relevant Vehicle Realisation Proceeds, or, in case of an Early Termination Lease, an amount equal to the difference, if positive, between the relevant Calculated Residual Value and the relevant Vehicle Realisation Proceeds, and (ii) an amount equal to the difference, if positive, between an amount equal to seventy-five (75) per cent. of the Book Value of the relevant Vehicle outstanding on the first day of the Lease Monthly Calculation Period immediately preceding the relevant Lease Termination Date and the relevant Vehicle Realisation Proceeds.

"**Return Swap Calculation Agent**" means Unilease and, upon consummation of the Unilease Merger, Athlon Car Lease Nederland B.V. in its capacity as calculation agent under the Return Swap Agreement.

"**Return Swap Cash Collateral Account**" means the account with account number 65.94.66.767, or such other account approved by the Issuer Security Trustee, in the name of the Issuer at the Floating Rate GIC Provider.

"**Return Swap Claim Payment**" means any payment made by the Return Swap Counterparty under the Return Swap Agreement.

"**Return Swap Notional Amount**" means, on any Quarterly Return Swap Calculation Date, an amount equal to the *lower of* (A) the Initial Return Swap Notional Amount *minus* the aggregate Return Swap Claim Payments made prior to such Quarterly Return Swap Calculation Date, or (B) (i) the Principal Amount Outstanding of the Class A and B Notes on the first day of the Notes Quarterly Interest Period in which such Quarterly Return Swap Calculation Date falls *divided by* the Principal Amount Outstanding of the Class A and B Notes on the Closing Date, *multiplied by* (ii) the Initial Return Swap Notional Amount.

"**Return Swap Period**" means, with respect to the Return Swap Agreement, the period commencing on the Closing Date and ending on the Return Swap Termination Date.

"**Revolving Period**" means the period as of the Closing Date up to, but excluding the Revolving Period Termination Date.

"**Sales Commission**" means a sales commission equal to the difference, if positive, between (i) the Vehicle Realisation Proceeds of the relevant Vehicle and (ii) in the case of an Original Termination Lease, the Agreed Residual Value of the relevant Vehicle or in the case of an Early Termination Lease, the Book Value of the relevant Vehicle outstanding on such date and before a recalculation of such Book Value has taken place in accordance with the Servicer's standard guidelines, provided that such positive difference will be reduced with any amounts due and payable, but unpaid, under or in connection with the relevant Lease on the date of the sale of the relevant Vehicle.

"**Servicer Collection Accounts**" means the account with account number 51.99.24.460 and 51.90.52.455, or such other account approved by the Borrower Security Trustee, in the name of the Servicer at ABN AMRO Bank N.V. and the account with account number 25.62.58.503 and 24.00.57.368, or such other account approved by the Borrower Security Trustee, in the name of the Servicer at Fortis Bank (Nederland) N.V. collectively.

"**Short Term Requisite Rating**" means a rating of not less than:

(i) in respect of the Interest Rate Swap Counterparty, the Liquidity Facility Provider and the Floating Rate GIC Provider P-1 by Moody's and F1 by Fitch; and

(ii) in respect of the Return Swap Counterparty a rating commensurate with F1 by Fitch.

"**Three Month Rolling Average Delinquency Ratio**" means, on a Borrower Monthly Calculation Date, an amount equal to (A) the sum of (i) the Delinquency Ratio on such Borrower Monthly Calculation Date and (ii) the Delinquency Ratios calculated on the two (2) preceding Borrower Monthly Calculation Dates *divided by* (B) three (3).

"**Transaction Accounts**" means the Servicer Collection Accounts, the Borrower Transaction Account, the Vehicle Acquisition Escrow Account, the Additional Advance Account, the Maintenance Escrow Account, the Issuer Transaction Account, the Excess Spread Account and the Liquidity Reserve Escrow Account.

"**Transaction Documents**" means the Master Definitions Agreement, the Master Hire Purchase Agreement, the Payment Undertaking Agreement, the PUA Loan Agreement, the Servicing Agreement, the Back-up Servicing Agreement, the Borrower Administration Agreement, the Sellers Vehicles Pledge Agreement, the Borrower Pledge Agreements, the Issuer Pledge Agreements, the Issuer Facility Agreement, the Athlon Facility Agreement, the Borrower Trust Deed, the Issuer Trust Deed, the Borrower Floating Rate GIC, the Issuer Floating Rate GIC, the Liquidity Facility Agreement, the Interest Rate Swap Agreement, the Return Swap Agreement, the Borrower Management Agreements, the Issuer Management Agreements, the Paying Agency Agreement, the Subscription Agreement, the Issuer Security Beneficiaries Agreement, the 403 Waiver and any further documents relating to the transaction envisaged in the above mentioned documents, including, without limitation, this Offering Circular.

"**Unilease Merger**" means the contemplated legal merger (*juridische fusie*) between Universele Lease Maatschappij Unilease B.V. (as disappearing entity) and Athlon Car Lease Nederland B.V. (as acquiring entity) which is expected to be effected on or around [1 July 2005].

"**Vehicles**" means the Current Vehicles and Future Vehicles.

"**Vehicle Acquisition Escrow Account**" means the account with account number 65.99.92.949, or such other account approved by the Borrower Security Trustee, in the name of the Borrower at the Floating Rate GIC Provider.

"**Vehicle Offer Notice**" means the vehicle offer notice in the form or substantially in the form as set out in Schedule 1 to the Master Hire Purchase Agreement.

"**Vehicle Realisation Proceeds**" is calculated with respect to a Vehicle by application of the following formula:

A *minus* B, whereby,

A = the sum (i) the proceeds realised upon a sale of such Vehicle to take place after a Lease Original Termination Date or a Lease Early Termination Date, as the case may be, (ii) insurance payments, if any, received with respect to such Vehicle, and (iii) other proceeds, if any, received with respect to such Vehicle as a substitute thereof;

B = the direct costs made in connection with the realisation of the proceeds referred to under A.

"**Weekly Vehicle Realisation Proceeds Advance**" is calculated on the first Business Day of each Lease Monthly Calculation Period by application of the following formula:

$$\frac{ERV \times [IFPAO/(IFPAO+AFPAO)]}{4}$$ whereby

ERV = the Expected Residual Value of Vehicles expected to be returned during the relevant Lease Monthly Calculation Period;

IFPAO = the Issuer Facility Principal Amount Outstanding on the first day of the relevant Lease Monthly Calculation Period;

AFPAO = the Athlon Facility Principal Amount Outstanding on the first day of the relevant Lease Monthly Calculation Period.

ANNEX A

EXPECTED AMORTISATION PROFILE OF THE NOTES

Period	Principal Balance A-Notes	Principal Balance B-Notes	Principal Balance C-Notes
February-2005	241,000,000	3,800,000	12,600,000
June-2005	241,000,000	3,800,000	12,600,000
September-2005	241,000,000	3,800,000	12,600,000
December-2005	241,000,000	3,800,000	12,600,000
March-2006	241,000,000	3,800,000	12,600,000
June-2006	241,000,000	3,800,000	12,600,000
September-2006	241,000,000	3,800,000	12,600,000
December-2006	241,000,000	3,800,000	12,600,000
March-2007	241,000,000	3,800,000	12,600,000
June-2007	241,000,000	3,800,000	12,600,000
September-2007	241,000,000	3,800,000	12,600,000
December-2007	241,000,000	3,800,000	12,600,000
March-2008	241,000,000	3,800,000	12,600,000
June-2008	241,000,000	3,800,000	12,600,000
September-2008	215,293,777	3,800,000	12,600,000
December-2008	186,194,455	3,800,000	12,600,000
March-2009	159,455,242	3,800,000	12,600,000
June-2009	135,827,254	3,800,000	12,600,000
September-2009	115,129,277	3,800,000	12,600,000
December-2009	95,714,254	3,800,000	12,600,000
March-2010	77,838,051	3,800,000	12,600,000
June-2010	61,557,217	3,800,000	12,600,000
September-2010	48,202,467	3,800,000	12,600,000
December-2010	34,265,542	3,800,000	12,600,000
March-2011	—	—	—

Assumptions

Prepayment Rate of 7% per annum

Revolving Period of 42 months

Exercise of Cleanup Call

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