

**ASSET SECURITIZATION FUND
SANTANDER CONSUMER SPAIN AUTO 2014-1
ISSUE PROSPECTUS
€ 798,000,000**

		DBRS	Fitch
Series A	€ 703,000,000	A (sf)	A (sf)
Series B	€ 27,400,000	BBB (sf)	BBB (sf)
Series C	€ 15,200,000	BB (low) (sf)	BB+ (sf)
Series D	€ 14,400,000	B (low) (sf)	BB (sf)
Series E	€ 38,000,000	C (sf)	CC (sf)

BACKED BY CREDIT RIGHTS ASSIGNED BY

SANTANDER CONSUMER, E.F.C., S.A.



MANAGERS OF THE ISSUE



Paying Agent and Back-Up Servicer Facilitator



Promoted and Administered by:



**SANTANDER DE TITULIZACIÓN,
S.G.F.T., S.A.**

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This document is the information prospectus (hereinafter referred to, without distinction, as the “**Information Prospectus**” or the “**Prospectus**”) for the ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2014-1 (hereinafter, the “**Fund**”) approved and registered in the Spanish National Stock Exchange Commission on 20th November 2014, in accordance with the provisions of the Regulation 809/2004; it includes the following:

1. A description of the main risk factors related to the issue, the securities and the assets that back the issue (hereinafter, the “**Risk Factors**”);
2. A registration document for the securities, drafted in accordance with the schedule established by Annex VII of the Regulation 809/2004 (hereinafter, the “**Registration Document**”);
3. A note on the securities, drafted as established by the provisions of Annex XIII of the Regulation 809/2004 (hereinafter, the “**Securities Note**”);
4. An additional module to the Securities Note, prepared according to the module established by Annex VIII of the Regulation 809/2004 (hereinafter, the “**Additional Module**”); and
5. A glossary with definitions (hereinafter, the “**Definitions**”).

RISK FACTORS

I.- Risk factors specific to the Fund:

(i) Insolvency risk of the Fund:

In the event that the Fund is unable to comply with its payment obligations on a generalized basis, the provisions of article 11 of the Royal Decree 926/1998 will apply, i.e., the Managing Company, after having informed the CNMV, will proceed to the ordered liquidation of the Fund, in accordance with the rules established in this regard by this Prospectus.

The Fund will only be liable for the fulfillment of its obligations up to the amount of its assets.

(ii) Lack of legal personality of the Fund:

The Fund does not have any legal personality. Consequently, the Managing Company will be in charge of its administration and representation and must comply with the legally established obligations in connection with the Fund; should it fail to comply with the said obligations, the Managing Company will be liable to the Bondholders and the rest of ordinary creditors of the Fund up to the limit of its net worth, pursuant to the provisions of Chapter II of the Royal Decree 926/1998.

(iii) Limitation of actions against the Managing Company:

Bondholders and the rest of ordinary creditors of the Fund may only bring an action against the Managing Company of the Fund in the event that the latter has not performed its duties or has failed to comply with the provisions of the Deed of Incorporation or of this Prospectus.

(iv) Compulsory replacement of the Managing Company:

In compliance with article 19 of the Royal Decree 926/1998, regulating the compulsory replacement of the Managing Company in the event that it is declared insolvent and if its administrative authorization is revoked, the Managing Company must be replaced. If, in this case, four (4) months have elapsed since the occurrence of the cause for the compulsory replacement and no other managing company has been appointed to be in charge of the management of the Fund, it will be necessary to proceed to the Early Liquidation of the Fund and to the Early Redemption of the securities issued against the said Fund.

(v) Applicability of the Insolvency Law:

In the event that the Assignor of the Credit Rights is declared insolvent, the assignment of the Credit Rights to the Fund may be subject to restitution in compliance with the provisions of the Insolvency Law 22/2003, of 9th July, and the special regulations applicable to Securitization Funds. By virtue of the 5th Additional Provision of the Law 3/1994, of 14th April, adapting the Spanish Legislation in the field of Credit Entities to the Second Directive on Banking Coordination and introducing other amendments relating to the Financial System, the assignment of the Credit Rights to the Fund may only be cancelled or challenged in compliance with the provisions of article 71 of the Insolvency Law, by the insolvency Administration, which must prove the existence of fraud. Notwithstanding the foregoing, if it is deemed that the assignment agreement complies with the terms established in the 3rd Additional Provision of the Law 1/1999, the assignment of the Credit Rights to the Fund may be cancelled pursuant to the general rules established by article 71 of the

Insolvency Law (and not pursuant to the provisions of the 5th Additional Provision of the Law 3/1994, of 14th April, adapting the Spanish Legislation in the field of Credit Entities to the Second Directive on Banking Coordination and introducing other amendments relating to the Financial System), without prejudice to the provisions of its 5th section, according to which it is not possible, in any case, to terminate the ordinary actions of the business activity of the Assignor that are carried out under normal conditions.

Likewise, in the event that the Assignor –in its capacity of Administrator– becomes insolvent, the Fund, by acting through the Managing Company, will have a right of separation in respect of the assigned Credit Rights, pursuant to articles 80 and 81 of the said Insolvency Law. Notwithstanding the foregoing, this right of separation will not necessarily extend to the money received by the Assignor, in its capacity of Administrator, and kept by the latter on behalf of the Fund prior to its deposit to the account of the Fund, since, given its fungible nature, it could be subject to the result of the insolvency proceedings according to the majority interpretation of article 80 of the Insolvency Law. For the purposes of mitigating the said risk, certain mechanisms have been established, which are described in sections 3.4.4 (Cash Account, Principal Account, Commingling Reserve and Liquidity Reserve), 3.4.5 (How payments are received in respect of the Credit Rights) and 3.7.1 (5) (Collection Management) of the Additional Module.

In the case of insolvency of the Managing Company, this company must be replaced in accordance with the provisions of article 19 of the Royal Decree 926/1998.

The structure of this securitization transaction does not allow, except in the event that the parties fail to comply with their obligations, the existence of amounts in cash that might be included in the assets of the Managing Company, given that the amounts corresponding to revenues of the Fund must be credited, pursuant to the terms established by this Prospectus, to the accounts opened in the name of the Fund by the Managing Company (which, at the time to open the said accounts, is not only acting as a mere agent, but also as the legal representative of the Fund).

Notwithstanding the foregoing, the insolvency of any of the parties involved (whether Santander Consumer, SCF, Banco Santander, the Managing Company or any other counterparty of the Fund) could affect their contractual relationships with the Fund.

(vi) Breach of contracts by third parties:

The Fund has entered into various contracts with third parties for the provision of certain services relating to the Bonds. Consequently, Bondholders could be damaged in the event that the said third parties fail to comply with the obligations assumed by virtue of any of the aforementioned contracts formalized with third parties.

The contracts signed by the Managing Company in the name of the Fund are described in section 3.1 of the Additional Module.

II.- Risk factors specific to the Credit Rights backing the issue:

(i) Risk of non-payment of the Credit Rights:

The holders of the Bonds issued against the Fund will assume the risk of non-payment of the Credit Rights pooled in the Fund.

Santander Consumer does not assume any liability for non-payment on the part of Debtors, whether of principal, interests or any other amount that they might owe by virtue of the Credit Rights. The Assignor will only be liable for the existence and legitimacy of the Credit Rights at the time of the assignment and pursuant to the terms and conditions contained in the Prospectus, as well as for the legal personality pursuant to which the said assignment is made.

The Managing Company and the Assignor, in accordance with the provisions of sections 2.2.5 and 2.2.8 of the Additional Module, guarantee under the Assignment Agreement and on the occasion of the assignments of Additional Credit Rights, that the Credit Rights to be assigned to the Fund have no pending installments and that there are not any Delinquent Loans.

(ii) Risk of early redemption of the Credit Rights:

The Credit Rights pooled in the Fund may be early redeemed when the Debtors prepay the portion of principal pending repayment, pursuant to the terms established by each one of the Loan Agreements from which the Credit Rights derive.

(iii) Liability:

The Bonds issued by the Fund do not represent an obligation of the Managing Company or the Assignor. The flow of funds used in order to comply with the obligations to which the Bonds give rise is only insured or guaranteed under the specific circumstances and up to the limits described in section 2.2.8 of the Additional Module. With the exception of these guarantees, there are not any other guarantees granted by any public or private entity, including the Assignor, the Managing Company and any of their affiliate companies or investee companies. The Credit Rights pooled in the Fund and the rights that they imply constitute the sole source of income of the Fund and, consequently, of payments to the holders of its liabilities, without prejudice to the credit enhancements described in section 3.4.2 of the Additional Module.

(iv) Protection:

An investment in Bonds may be affected, among other things, by any deterioration in the general economic conditions having a negative effect on payments of the Credit Rights that support the issue of the Fund. In the event that non-payments reach a high level, they could reduce, or even eliminate, the protection against losses in the Loan portfolio enjoyed by the Bonds as a result of the existence of the credit enhancements described in section 3.4.2 of the Additional Module. Notwithstanding the foregoing, the Bondholders have their risk mitigated by the Ranking described in section 3.4.6.(1)(b) of the Additional Module.

(v) Geographical Concentration Risk

As specified in section 2.2.2. k) of the Additional Module, the Autonomous Regions representing the greatest concentration in terms of residence of the debtors for the loans selected for assignment to the Fund upon its incorporation are, according to the percentage of the principal pending maturity, the following: Andalusia (19.8%), Madrid (15.1%), Catalonia (14.0%) and Valencia (10.5%), together representing 59.4%.

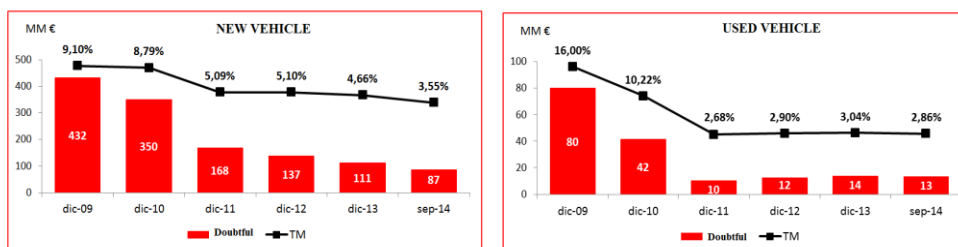
(vi) Date of formalization and depreciation of the vehicle

97.6% of the Outstanding Balance of the loans selected for their assignment to the Fund has been formalized between 2013 (41.5%) and 2014 (56.1%), as set forth in section 2.2.2.i) of the Additional Module.

The immediate depreciation suffered by a vehicle at the time that it leaves the corresponding dealer approximately represents 20% of its value, whereas 40.78% of the balance of the loans in the Preliminary Portfolio earmarked for the acquisition of vehicles has an average down payment lower than 20%. Moreover, it is also necessary to take into account the average monthly depreciation, which is approximately 2% of the market value of the vehicle at each time (in any case, the depreciation depends on the vehicle model and these percentages do not apply equally) for the first year, 1% for the second and third years, and 0.5% for the fourth and subsequent years.

(vii) Default risk of the assignor

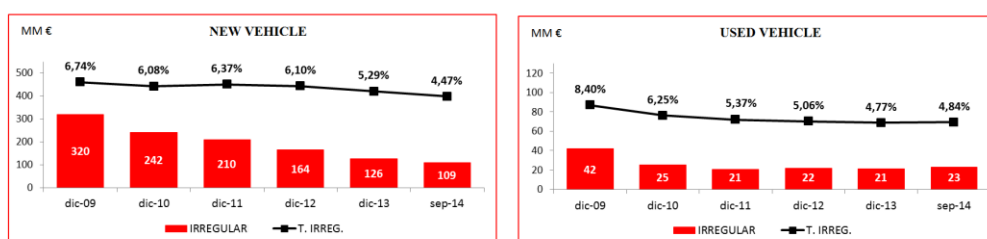
The graphs below show data corresponding to the evolution of doubtful loans, together with the historic default ratios (this is the percentage of loans deemed as “doubtful” as compared to the total amount of the portfolio¹ managed by the Assignor).



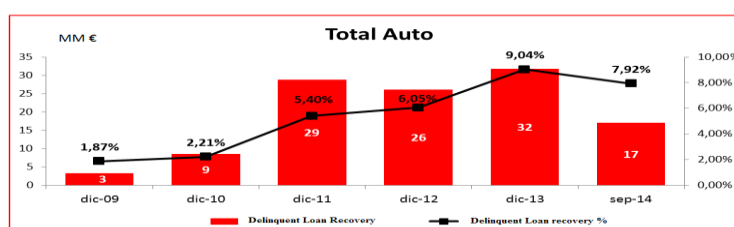
The consideration of doubtful loans is given to those loans that have unpaid amounts for more than three (3) months, and those loans that have not exceeded the said 3 months, but that have been classified as such for reasons “other than delinquency”, as established by the regulations of the Bank of Spain.

The evolution of doubtful assets since the year 2009 shows the widespread deterioration in the economic environment that affected the whole financial system and that Santander Consumer, however, managed to apply a quite active administration of the risks and recoveries, which has allowed to reduce the delinquency ratios: 3.55% (new vehicle) and 2.86% (used vehicle) in September 2014.

These measures include the creation of a specific unit specializing in collections and recoveries (the Recovery Business Unit) and the establishment of restrictive risk policies, together with the implementation of new tools and decision-making models for the credit admission of customers, which has given rise to the reduction both in terms of delinquency and in terms of management of irregular positions (non-payments with an age ranging from 1 to 90 days).



As regards the management of the delinquent portfolio (delinquent loans are deemed to be those that have amounts unpaid for a period of time equal to or longer than 12 months or those that the Assignor considers or has considered unrecoverable), it can be noted that recovery actions in percentage terms², carried out for the “delinquent stock”, show a positive behavior since the creation of the Recovery Business Unit in 2009.



¹ This includes the following concepts: capital pending redemption + amount not paid and not collected – interest accrued since the time at which the uncollected non-payments became defaulted.

² Without bearing in mind the recovery due to sales of delinquent portfolios.

(viii) Reservations of title

In order to guarantee the Credit Rights, as established in section 2.2.2 e.2 of the Additional Module, all the Loans (from which the Credit Rights are derived) contain reservation of title clauses (although not all the reservation of title clauses are registered in the Register of Installment Sales of Movable Properties, but those representing 32.9% of the balance in the Preliminary Portfolio). By including the said clause, Santander Consumer, in its capacity of creditor, becomes the owner of the asset that is the subject matter of the granted credit until this credit has been completely paid. Likewise, so that these clauses may be enforced against third parties, it will be necessary to register them in the Register of Installment Sales of Movable Properties, therefore, until their registration, those representing 67.1% of the Preliminary Portfolio may not be enforceable against third parties. Notwithstanding the foregoing, the vehicles subject matter of the loans granted remain in the possession of the Debtors, who may in fact instigate the loss of the vehicles, without prejudice to the resulting liability that they might incur. Likewise, the nature of the goods registered in the Register of Installment Sales of Movable Properties is such that, although from a legal point of view, the protection is similar to that of real estates, in practice, the level of protection may be lower.

The current policy relating to the registration of the reservation of title has been adapted in view of the better performance of the portfolios created in 2013 and 2014. So, the Preliminary Portfolio shows a lower number of Loans that have the reservation of title registered, as compared to more recent securitizations of Santander Consumer. However, the current processes of Santander Consumer envisage the immediate registration of the reservation of title for all those Loans that, at any time, have any non-payment. This policy will remain valid, even after the assignment of the Credit Rights to the Fund.

III.- Risk factors specific to securities:

(i) Limited liquidity:

Given that the Bonds have been subscribed by the Subscribers, as established in item 4.1.(b) of the Securities Note, in the event that they are sold, there is no guarantee that the Bonds may be traded on the market with a minimum frequency or volume.

There is no commitment for intervention in secondary trading on the part of any entity, thereby giving liquidity to the Bonds through the offering of consideration.

Furthermore, the Fund may not in any case repurchase the Bonds from their holders, although the said Bonds may be early redeemed in their entirety, in the case of Early Liquidation of the Fund, pursuant to the terms established under section 4.4.c.1) of the Registration Document.

Price

(ii) The Bonds are issued to be subscribed by the Subscribers, as established in item 4.1. b) of the Securities Note. The Subscriber of the Series A Bonds, after having subscribed them, has the intention of using them as guarantee assets for Eurosystem credit transactions, without this limiting any other use of the Bonds or their eventual disposal.

Given that all the Bonds will be subscribed by the Subscribers and, consequently, their price will not be subject to comparison through market transaction, it is not possible to affirm that the economic conditions of the Bonds correspond to those applicable conditions on the secondary market on the Date of Incorporation. This consideration about the assessment of the Bonds is made for the purposes of informing third parties, in particular, investors or holders of the Bonds by way of guarantee, as it happens with the European Central Bank in Eurosystem credit transactions.

(iii) Yield:

The calculation of the average life, yield and term of the Bonds is subject, among other things, to hypotheses relating to early redemption rates of the Credit Rights that may or may not materialize. The early redemption rate may be affected by a variety of geographic, economic and social factors, such as seasonal variation, market interest rates, the sectoral distribution of the portfolio and, in general, the level of the economic activity.

(iv) Late payment interest:

The existence of any delays in the payment of interests or repayment of the principal to the Bondholders may not result, in any case, in the accrual of late payment interest in their favor.

(v) Duration:

The calculation of the average life and term of the Bonds of each Series specified in section 4.10 of the Securities Note is subject, among other assumptions, to the early redemption and default rates of the Credit Rights, which may or may not materialize. The fulfillment of the early redemption rate of the Credit Rights is influenced by a variety of economic and social factors that hinder their predictability, such as the evolution of market interest rates, the economic situation of the Debtors and the overall level of the economic activity.

(vi) Ratings of the Bonds:

The credit risk of the Bonds issued against the Fund has been assessed by the rating agencies DBRS Ratings Limited and Fitch Ratings España, S.A.U.

The final ratings assigned may be revised, suspended or withdrawn at any time by the aforementioned rating agencies in view of any information that might become known to them.

Their ratings are not and cannot, in any case, be interpreted to be an invitation, recommendation or encouragement to investors to carry out any kind of transaction in respect of the Bonds and, in particular, to acquire, hold, encumber or sell the said Bonds.

(vii) Subordination of Series:

The Series A, B, C and D Bonds will be redeemed sequentially. Therefore, the payment of interest and the reimbursement of principal for the Series B Bonds are subordinated to those for the Series A Bonds; the payment of interest and the reimbursement of principal for the Series C Bonds are subordinated to those for the Series A and Series B Bonds; and, the payment of interest and the reimbursement of principal for Series D Bonds are subordinated to those for the Series A, Series B and Series C Bonds.

As regards the redemption of Series E: this Series will be redeemed against the partial release of the Reserve Fund. In view of the current scenarios of delinquency and the hypotheses contained in this Prospectus, the redemption of the Series E will start once that the Outstanding Balance of the Credit Rights represents 50% of the Maximum Amount of the Credit Rights.

Subordination rules for the various Series, both for the payment of interest and the reimbursement of principal, are established by the Ranking and by the Post-Enforcement Ranking of the Fund, pursuant to item 3.4.6 of the Additional Module.

REGISTRATION DOCUMENT

This Registration Document has been prepared according to Annex VII of Regulation (EC) no. 809/2004 and has been approved by the Spanish National Stock Exchange Commission on 20th November 2014.

1. PERSONS RESPONSIBLE

1.1. Persons responsible for the information contained in the Registration Document.

Mr IGNACIO ORTEGA GAVARA, acting in the name and on behalf of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., with business address at: Ciudad Grupo Santander, Avda. de Cantabria s/n 28660, Boadilla del Monte (Madrid), assumes responsibility for the information contained in this Registration Document.

Mr IGNACIO ORTEGA GAVARA acts in his capacity of General Manager of the Managing Company and exercises the powers that were expressly conferred to him for the incorporation of the Fund by the Board of Directors of the Managing Company at its meeting held on the 15th day of September 2014.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is the promoter of the ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2014-1 and will be in charge of its administration and legal representation.

1.2. Statement granted by those responsible for the Registration Document.

Mr IGNACIO ORTEGA GAVARA states that, after having taken all reasonable care to ensure that such is the case, the information contained in this Registration Document is, to the best of his knowledge and belief, in accordance with the facts and does not omit anything that could affect its content.

2. ACCOUNT AUDITORS OF THE FUND

2.1. Name and address of the account auditors of the Fund.

In accordance with the provisions of section 4.4 of this Registration Document, the Fund does not have any historical financial information.

Nevertheless, during the term of the Fund, the annual financial statements will be audited on an annual basis by the account auditors.

The Board of Directors of the Managing Company, at its meeting that was held on the 15th day of September 2014 and that made the decision to incorporate this Fund, appointed the following audit firm as the Account Auditor of the Fund: Deloitte, S.L., whose particulars are detailed in section 5.2 h) of this Registration Document.

The Managing Company will inform the CNMV and the Rating Agencies of any change that might take place in the future as regards the appointment of the auditors of the Fund.

2.2. Fiscal years and presentation of annual financial statements.

The fiscal year of the Fund will coincide with the calendar year. However, as an exception, the first fiscal year will start on the Date of Incorporation and will end on 31st December 2014, and the last fiscal year of the Fund will end on the date of cancellation of the Fund.

The Managing Company will submit the annual financial statements of the Fund to the CNMV, together with the audit report prepared in respect the said annual financial statements, within four (4) months following the closing date of the fiscal year of the Fund (i.e. prior to 30th April of each year).

The annual financial statements of the Fund and their corresponding audit report will be submitted to the Commercial Register on an annual basis.

Revenues and expenses will be recognized by the Fund according to the accrual principle, i.e., based on the actual stream represented by the said revenues and expenses, regardless of the time at which they are collected and paid.

The expenses incurred due to the incorporation of the Fund, the issue and admission to trading of the Bonds will be amortized on the first Payment Date, provided that the Fund has sufficient Available Funds, according to the Ranking described in section 3.4.6.(1) (b) of the Additional Module.

3. RISK FACTORS

The risk factors specific to the Fund are those described in section I of the document included at the beginning of this Prospectus under the name of “RISK FACTORS”.

4. INFORMATION ABOUT THE ISSUER

4.1. Statement that the Issuer has been established as a securitization fund.

The Issuer is an asset securitization fund, with no legal personality, incorporated for the purposes of acquiring the Credit Rights assigned to the Fund by Santander Consumer and of issuing the Bonds.

The net equity of the Fund will be made up of open-end revolving assets and closed-end liabilities. The Assets will be made up of the Initial Credit Rights acquired on the Date of Incorporation and, by way of renewal due to the redemption of the Credit Rights, the Additional Credit Rights to be acquired on each Payment Date during the Revolving Period, which will end on the Payment Date corresponding to 20th December 2018, unless the early termination of the said Revolving Period occurs, as provided in item 2.2.2.2. of the Additional Module.

4.2. Legal and commercial name of the Fund.

The Fund will be incorporated under the name of ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2014-1 in accordance with the Spanish laws, and, in order to identify it, the following names may also be used, without distinction: FTA SANTANDER CONSUMER SPAIN AUTO 2014-1 and F.T.A. SANTANDER CONSUMER SPAIN AUTO 2014-1.

4.3. Registration of the Issuer.

The incorporation of the Fund and the issue of the Bonds must firstly be registered in the official registers of the CNMV in Spain.

This Prospectus has been registered in the CNMV on 20th November 2014.

Neither the incorporation of the Fund nor the Bonds to be issued against its assets will be registered in the Commercial Register, as authorized by article 5.4 of the Royal Decree 926/1998.

4.4. Date of Incorporation and period of activity of the Fund, except where indefinite.

a) Date of Incorporation.

The formalization of the Deed of Incorporation and the Assignment Agreement and, consequently, the Date of Incorporation of the Fund is scheduled for 26th November 2014.

In accordance with the provisions of the seventh article of the Law 19/1992, by virtue of the Fourth Final Provision of the Law 5/2009 amending the Law 24/1988, of 28th July, on the stock exchange, the Law 26/1988, of 29th July, on discipline and intervention in credit entities, and the consolidated text of the Law on organization and supervision of private insurances, approved by the Royal Legislative Decree 6/2004, of 29th October, for the modification of the regulations on significant participations in investment services companies, in credit entities and in insurance companies, the Deed of Incorporation may be amended, at the request of the Managing Company, provided that the amendment (a) does not alter the nature of the assets assigned to the Fund; (b) does not imply the transformation of the Fund into a mortgage securitization fund; and (c) does not imply, *de facto*, the creation of a new fund.

Likewise, in order to proceed to the amendment of the Deed of Incorporation, the Managing Company must prove:

- a) that it has obtained the consent of all the holders of the securities issued against the Fund, as well as the consent of the lenders and any other creditors that, if applicable, might exist, provided that they are affected by the said amendment; or
- b) that the amendment is, in the opinion of the CNMV, of little relevance. In this respect, the Managing Company must prove that the amendment does not reduce the guarantees and rights of the holders of the securities issued, that it does not establish any new obligations for them, and that the credit ratings granted to the Bonds by the Rating Agencies are kept or improved following the amendment.

In any case and prior to the formalization of the public deed of amendment, the Managing Company (i) will inform the Rating Agencies, and (ii) will prove the fulfillment of the said requirements before the CNMV.

Once that the CNMV has confirmed the said fulfillment, the Managing Company will grant the deed of amendment and will submit an authorized copy thereof to the CNMV for its inclusion in the corresponding public register. Likewise, the amendment of the Deed of Incorporation will be made public by the Managing Company by means of the periodic public information of the Fund and the publication in the web page of the Managing Company. When required, a supplement to the Prospectus will be drafted and disclosed as relevant information in accordance with the provisions of article 92 of the Law on the Stock Exchange.

The Managing Company guarantees that the content of the Deed of Incorporation will coincide with the content of the Prospectus and that the Deed of Incorporation will coincide with the draft deed that has been submitted to the CNMV as a result of the registration of this Prospectus.

b) Period of activity of the Fund.

It is expected that the Fund will operate from the Date of Incorporation until the Legal Maturity Date, i.e., 20th June 2032 (if this date is not a Working Day, the next Working Day), without prejudice to the provisions of sections 4.4.c) c.1) and 4.4.c) c.2) below.

c) Early Liquidation of the Fund: Suppositions. Cancellation of the Fund. Actions for liquidation and cancellation of the Fund.

c.1) Early Liquidation: Suppositions.

Notwithstanding the provisions of section b) above, the Managing Company is authorized to proceed to the Early Liquidation of the Fund and, thus, to the

Early Redemption on a Payment Date of the whole issue of the Bonds, pursuant to the terms established by this section, in any of the following cases:

- (i) When the Outstanding Balance of the Credit Rights yet to be reimbursed, excluding the Delinquent Loans, is lower than ten percent (10%) of the Outstanding Balance of the Initial Credit Rights on the Date of Incorporation of the Fund, and provided that the payment obligations deriving from the Bonds may be completely fulfilled and cancelled in accordance with the Post-Enforcement Ranking.

In any case, it will be understood that the payment obligations deriving from the Bonds on the date of Early Liquidation of the Fund are the Outstanding Balance of the Bonds on that date plus any interest accrued and not paid until the said date; to all intents and purposes, these amounts will be legally considered to be due and payable on that date.

- (ii) When, as a result of any kind of event or circumstance related or not related to the very development of the Fund, a substantial alteration or permanent impairment of the financial balance of the Fund required by article 5.6 of the Law 19/1992 and article 11 b) of the Royal Decree 926/1998 occurs. This includes circumstances such as the existence of a change in regulations or additional legislative developments, the establishment of retention obligations or any other situations that might permanently affect the financial balance of the Fund. In this case, the Managing Company, after having informed the CNMV, will proceed to liquidate the Fund in an orderly manner, in compliance with the rules contained in the Deed of Incorporation and in the Prospectus.
- (iii) In (a) the case established in article 19 of the Royal Decree 926/1998, imposing the obligation to proceed to the early liquidation of the Fund if four (4) months have elapsed from the happening of an event resulting in the compulsory replacement of the Managing Company, because it was declared insolvent, and in (b) the case of revocation of its administrative authorization, if no new managing company willing to undertake the management of the Fund has been found.
- (iv) When a non-payment takes place that is indicative of a serious and permanent imbalance in respect of any of the Bonds, or if it is expected to occur.
- (v) In the event that the Managing Company obtains the express consent and acceptance of all the Bondholders and of all the parties that have currently valid contracts with the Fund, both in relation to the payment of the amounts implied by the said Early Liquidation of the Fund and in relation to the procedure to be followed.
- (vi) When thirty-four (34) months have elapsed after the Final Maturity Date of the Loans, although there were still any amounts due and not paid, i.e., six (6) months before the Legal Maturity Date of the Fund.

The liquidation of the Fund will be firstly reported to the CNMV and, afterwards, to the Bondholders, in the manner specified by section 4.b) of the Additional Module, at least thirty (30) Working Days before the date on which the Early Redemption is to take place, which must necessarily be carried out on a Payment Date.

c.2) Cancellation of the Fund.

The Fund will be cancelled (i) due to the redemption in full of the Credit Rights pooled in the Fund, (ii) due to the redemption in full of the Bonds, (iii)

due to the completion of the Early Liquidation procedure established in section c.1) above, (iv) on the Legal Maturity Date, or (v) if the provisional credit ratings of the Bonds are not confirmed as final before 10.00 am (Madrid time) on the Subscription Date.

Upon the happening of any of the events described above, the Managing Company will inform the CNMV and will initiate the relevant formalities for the cancellation of the Fund.

c.3) Actions for the liquidation and cancellation of the Fund.

So that the Fund, through its Managing Company, can carry out the liquidation and cancellation of the Fund and, as the case may be, the Early Liquidation of the Fund and the Early Redemption of the issue of Bonds in the cases specified in section 4.4.c.1) above and, in particular, so that the Fund can have sufficient Available Funds in order to comply with its payment obligations, the Managing Company, on behalf of the Fund, will proceed to carry out any or all of the following actions:

- (i) to sell the Credit Rights remaining in the Fund for a price that may not be less than the sum of the principal pending payment plus the accrued interest not collected in respect of the Credit Rights pending redemption. To that end, the Managing Company must request an offer from at least five (5) entities from among those most active in the sale and purchase of similar assets, and may not sell them at a price lower than the best offer received. The Assignor will have a right of first refusal to acquire the said Credit Rights in the terms established by the Managing Company at the time of the liquidation, in such a manner that it will have preference over third parties to acquire the Credit Rights. In order to exercise the right of first refusal, the Assignor will have a period of five (5) Working Days starting from the date on which the Managing Company has informed the Assignor of the conditions (price, form of payment, etc.) under which the disposal of the Credit Rights will take place. The offer of the Assignor must be equal, at least, to the best of the offers made by third parties.

In the event that no offer covers the value of the principal plus accrued interest not collected of the Credit Rights pending repayment, the Managing Company will accept the best offer received for the Credit Rights that, in its opinion, covers their market value. In order to determine the market value, the Managing Company may obtain such assessment reports as it deems necessary from third party entities other than those referred to above. In this case, the Assignor will also enjoy the right of first refusal described above, provided that its offer is, at least, equal to the best offer of those made by third parties.

This right of first refusal does not imply in any case an agreement or obligation of the Assignor to repurchase the Credit Rights; and/or

- (ii) to cancel those contracts that are not necessary for the liquidation process of the Fund; and/or
- (iii) to arrange a line of credit, the draws from which will be credited to the Cash Account and used, fully and immediately, for the Early Redemption of the Bond issue. The repayment of the said line of credit will be guaranteed only by the flows of interest and principal derived from the Credit Rights to be repaid and the proceeds obtained from the sale of any other goods that remain as assets of the Fund; and/or

- (iv) to sell any assets of the Fund –other than the Credit Rights and cash– for a price not lower than the market value. In order to determine the market value, the Managing Company will request such assessment reports as it deems necessary from, at least, one entity specializing in the assessment or marketing of assets similar to those whose sale is intended, and will proceed to the sale of the assets in question by means of the procedure that allows to obtain the highest price in the market.

As regards the actions (i), (iii) and (iv) above, the Assignor will have a right of first refusal so that, with preference over any third parties, it can acquire the Credit Rights or any other assets remaining in the Fund, or can grant the line of credit to the Fund to be exclusively used for the Early Redemption of the outstanding Bonds. To that end, the Managing Company will send the Assignor a list of the Credit Rights, the remaining other assets and offers received from third parties, and the Assignor will be entitled to exercise the aforementioned right of first refusal in respect of all the Credit Rights and other remaining assets offered by the Managing Company, or in respect of the line of credit, within five (5) Working Days following the receipt of the said communication, provided that its offer is, at least, equal to the best offer made by a third party.

The Managing Company will immediately apply all the amounts that it has obtained from the disposal of the Credit Rights and any other assets of the Fund to the payment of the various items, in the manner, for the amount and according to the Ranking that are specified in section 3.4.6. of the Additional Module, except for the amounts drawn from the line of credit, if applicable, that will be used entirely for the Early Redemption of the Bonds. The Early Redemption of all of the Bonds in any of the cases specified in section 4.4.c.1) above will be carried out for the Outstanding Balance of the Bonds until that date, plus any interest accrued and not paid until the Early Redemption date, which must necessarily coincide with a Payment Date, after having deducted, as the case may be, any withholding tax, and free of any expenses for the holder; to all intents and purposes, these amounts will be legally considered to be due and payable on this latter date.

In the event that –once that the Fund has been liquidated and all scheduled payments have been made pursuant to the Post-Enforcement Ranking established by section 3.4.6 (4) of the Additional Module– any remainder exists or any judicial or notarial proceedings brought as a consequence of the non-payment by any Debtor of the Credit Rights are pending resolution (all of this in accordance with the provisions of section 3.4.5.b) of the Additional Module), both the said remainder as well as the continuation and/or proceeds obtained from the resolution of the aforementioned proceedings will be in favor of Santander Consumer.

In any case, the Managing Company –acting in the name and on behalf of the Fund– will not cancel the Fund until it has proceeded to the liquidation of the Credit Rights and any other remaining assets of the Fund and to the distribution of the available funds of the Fund, according to the Post-Enforcement Ranking established by the section 3.4.6 (4) of the Additional Module.

Following a maximum period of six (6) months starting from the liquidation of the Credit Rights and any other remaining assets of the Fund and the distribution of the available funds, the Managing Company will grant an official attestation before a notary public declaring (i) the Fund to be cancelled, as well as the causes established in this Registration Document that gave rise to its cancellation, (ii) the procedure followed to inform the

Bondholders and the CNMV, and (iii) the distribution of the available amounts from the Fund according to the Post-Enforcement Ranking established by section 3.4.6 (4) of the Additional Module, and it will comply with such further administrative formalities as may be applicable. The said notarized attestation will be sent by the Managing Company to the CNMV.

In the event that the cause for cancellation specified in section 4.4.c.2)(v) above occurs, the incorporation of the Fund as well as the Bond issue and the contracts formalized by the Managing Company, acting on behalf of the Fund, will be terminated, except for the Subordinated Loan Agreement, against which the incorporation and issue expenses that might have been incurred by the Fund will be paid. The said termination will be immediately reported to the CNMV and, following one (1) month after the occurrence of the cause for termination of the incorporation of the Fund, the Managing Company will grant before a notary public an official attestation to be sent to the CNMV, to Iberclear, to AIAF and to the Rating Agencies, declaring the cancellation of the Fund and the relevant cause.

4.5. Domicile and legal personality of the Issuer; legislation applicable to its operation.

a) Domicile of the Fund.

The Fund lacks a registered office since it does not have its own legal personality. To all intents and purposes, the registered office of the Fund is deemed to be that of the Managing Company, i.e.:

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A.
Ciudad Grupo Santander
Avda. de Cantabria s/n
28660 Boadilla del Monte (Madrid)
Telephone: 91.289.32.89

b) Legal personality of the Fund.

The Fund will be a separate property without any legal personality and will be made up of open-end revolving assets and closed-end liabilities, in accordance with the provisions of article 4 of the Royal Decree 926/1998. The Managing Company is entrusted with the incorporation, administration and legal representation of the Fund, and –in its capacity of manager of third party business operations– with the representation and defence of the interests of the Bondholders and of the rest of the ordinary creditors of the Fund.

c) Applicable legislation and country of incorporation.

The Fund will be incorporated in Spain pursuant to the Spanish laws.

In particular, the Fund will be incorporated in accordance with (i) the Royal Decree 926/1998 and any provisions implementing it; (ii) the Law 19/1992, as regards anything not established by the Royal Decree 926/1998, where applicable; (iii) the Law on the Stock Exchange; (iv) the Law 3/1994, (v) the Royal Decree 1310/2005; and (vi) such other legal and regulatory provisions as are in force and applicable from time to time.

This Prospectus has been prepared pursuant to the standard forms established by the Regulation (EC) No. 809/2004.

d) Tax regime of the Fund.

Below there is a brief summary of the general tax regulations applicable to the Fund. The said regulations must be understood without prejudice to the territorial peculiarities and the regulations that may apply at the time that the corresponding income is obtained or declared.

The tax regime applicable to Asset Securitization Funds is the general regime contained in the Royal Legislative Decree 4/2004, of 5th March, approving the consolidated text of the Law on the Corporate Income Tax and its implementing provisions, with the specific peculiarities arising from the provisions of the Law 19/1992, of 7th July, regulating the Real Estate Investment Companies and Funds and the Mortgage Securitization Funds, in the Royal Legislative Decree 1/1993, of 24th September, approving the Consolidated Text of the Law on Tax on Capital Transfers, in the Law 37/1992, and in the Royal Decree 926/1998, which, in summary, establish the following fundamental principles:

- (i) The Fund will be exempt from all operations subject to the modality of “corporate operations” of the Tax on Capital Transfers and Documented Legal Acts.
- (ii) The Fund, pursuant to article 7.1.h of the consolidated text of the Law on Corporate Income Tax, is a taxpayer as regards the said Corporate Income Tax and determines its tax base according to the provisions of Title IV of the aforementioned regulatory text, and pays taxes at the general tax rate in effect at each time, which nowadays is established at thirty percent (30%).

In this respect, the 13th rule of the Circular 2/2009, as amended by the Circular 4/2010, of 14th October (both of them of the Spanish National Stock Exchange Commission), determines the criteria according to which securitization funds should make the corresponding valuation adjustments due to impairment of the value of financial assets. The amendment made by the Law 2/2010, of 1st March, to article 12.2 of the consolidated text of the Law on the Corporate Income Tax, applicable to tax years starting from 1st January 2009, states that regulations will be established to govern the circumstances determining the deductibility of value adjustments due to impairment in the value of debt instruments assessed at their amortized cost that are included in mortgage securitization funds and in asset securitization funds.

As long as the said regulations are not developed, the Law 2/2010 has introduced the thirty-first Transitional Provision in the consolidated text of the Law on the Corporate Income Tax, which provides for a transitional tax regime applying the established criteria to credit entities on the deductibility of specific hedge against the customer’s insolvency risk.

- (iii) Income from capital obtained by the Fund is subject to the general system of tax withholdings corresponding to the Corporate Income Tax, with the particularity established by article 59, k) of the Regulation, approved by the Royal Decree 1777/2004, of 30th July, which states that “*returns on mortgage participations, loans or other credit rights that constitute income of Securitization Funds*” are not subject to tax withholding.
- (iv) The management services rendered by the Managing Company to the Fund will be exempt from the Value Added Tax (article 20.One.18th. of the Law 37/1992).
- (v) The creation and assignment of guarantees are subject to the general tax system.
- (vi) The issue, subscription, transfer, redemption and repayment of the Bonds are subject and exempt or not subject, as the case may be, to/from the Value Added Tax (article 20.One.18th of the Law 37/1992) and to/from the Tax on Capital Transfers and Documented Legal Acts (article 45.I.B. of the Royal Legislative Decree 1/1993).
- (vii) The transfer of the Credit Rights to the Fund is an operation subject to and exempt from the Value Added Tax (article 20.One.18th of the Law 37/1992), not subject to the modality of “capital transfers” of the Tax on Capital

Transfers and Documented Legal Acts (article 7.5 of the Royal Legislative Decree 1/1993, of 24th September), and not subject to the modality of “Documented Legal Acts”, notarial documents, of the last Tax to the extent that the said transfer is not documented by virtue of a public deed (article 31.2 of the Royal Legislative Decree 1/1993, of 24th September).

- (viii) The Managing Company, acting for and on behalf of the Fund, will be subject to, among others, the reporting obligations set forth in the First Additional Provision of the Law 10/2014, of 26th June, on organization, supervision and solvency of credit entities. The information procedure and obligations have been regulated under articles 42, 43 and 44 of the General Regulations on tax management and inspection procedures and operations and on the development of the common standards of tax application procedures, approved by the Royal Decree 1065/2007, of 27th July.

4.6. Description of the amount of capital authorized and issued by the Fund.

The Fund does not have any share capital.

5. DESCRIPTION OF THE COMPANY

5.1. Brief description of the Issuer’s principal activities.

The Issuer is an asset securitization fund and, as such, its main activity is to acquire from Santander Consumer the Credit Rights and to issue the Bonds. That is to say, through the securitization process, Santander Consumer transfers the Credit Rights to the Fund, which pays their price with the proceeds obtained from the issue of the Bonds.

Thus, by means of this transaction, Santander Consumer receives in advance the collection of the Loans, i.e., the Credit Rights become liquid to Santander Consumer, Credit Rights that were not liquid at the time of their assignment to the Fund.

5.2. General description of the parties involved in the securitization programme.

- a) SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. acts as the Managing Company of the Fund.

SANTANDER DE TITULIZACIÓN S.G.F.T., S.A. is a Managing Company of Securitization Funds with business address at: Avda. de Cantabria s/n, 28660 Boadilla del Monte (Madrid) and with Tax Identification Code no. A-80481419; a brief description of this company and of its duties is provided in section 6 of the Registration Document and section 3.7.2 of the Additional Module.

SANTANDER DE TITULIZACIÓN S.G.F.T., S.A. is registered in the Commercial Register of Madrid, in Volume 4,789, Sheet 75, Page M-78658, 1st entry. Likewise, it is also registered in the special register of the CNMV, under the number 1.

The Managing Company has not been assigned any credit rating by rating agencies.

- b) SANTANDER CONSUMER, E.F.C., S.A. (“**Santander Consumer**”), a member of the Santander Consumer Group, acts in its capacity of Assignor, Administrator of the Credit Rights, as Subscriber of the Series B, C, D and E Bonds, and as a counterparty to the Subordinated Loan.

Santander Consumer is a Spanish credit institution with business address at: Avda. de Cantabria s/n, 28660 Boadilla del Monte (Madrid) and with Tax Identification Code A-79082244. A brief description of this entity is provided in section 3.5 of the Additional Module.

Santander Consumer has not been assigned any credit rating by rating agencies.

- c) SANTANDER CONSUMER FINANCE, S.A. (“**SCF**”), a member of the Santander Consumer Group, acts as a counterparty to the Fund in the Reinvestment Agreement for the Cash Account, the Principal Account, the Liquidity Reserve Account and the Commingling Reserve Account, Depository Institution of the Liquidity Reserve and Depository Institution of the Commingling Reserve, as well as Manager of the issue.

In its capacity of Manager, SCF performs the following duties, pursuant to the terms established by article 35.1 of the Royal Decree 1310/2005:

- To receive the order from the Managing Company to carry out the operations relating to the design of the temporary financial and commercial conditions of the issue, and to coordinate the relationships with the subscribers.

SCF is a Spanish credit institution with business address at: Ciudad Grupo Santander Avda. de Cantabria s/n 28660 Boadilla del Monte (Madrid) and with Tax Identification Code: A-28122570. It is registered in the Register of the Bank of Spain under the number 0224.

The last credit ratings made public by the rating agencies Fitch, Moody’s and Standard & Poor’s, respectively, for the unsubordinated and unsecured short and long term debt of SCF are the following:

- Fitch: A- (long term) and F2 (short term), with a stable outlook; date 29th May 2014.
- Moody’s: Baa1 (long term) and P-2 (short term), with a stable outlook; date: 2nd September 2014.
- Standard & Poor’s: BBB (long term) and A-2 (short term), with a stable outlook; date: 4th June 2014.

SCF is the parent company of the financial group with the same name and is the owner of 100% of Santander Consumer.

- d) BANCO SANTANDER, S.A. (“**Banco Santander**”) acts as the Paying Agent and as back-up servicer facilitator (“**Back-Up Servicer Facilitator**”) for the purposes of the provisions of the Guideline of the European Central Bank (Guideline ECB/2013/4) of 20th March 2013 (as amended and consolidated); in this respect, Banco Santander will undertake by virtue of a public document to perform, if so required, the duties of searching for a substitute administrator, in order to replace Santander Consumer, as the Administrator, within sixty (60) days.

Banco Santander is a Spanish credit institution with business address in Santander, at: Paseo de Pereda 9-12, 39004, and with its operational headquarters located at: Ciudad Grupo Santander, Avenida de Cantabria s/n, 28660 Boadilla del Monte (Madrid), with Tax Identification Code no. A-39000013 and C.N.A.E. (Spanish National Classification of Economic Activities) no. 651.

The current credit ratings assigned by the rating agencies to the unsubordinated and unsecured short and long term debt of Banco Santander are as follows:

- Fitch Ratings España, S.A.U.: A- (long term) and F2 (short term), confirmed in July 2014, with a stable outlook.
- Standard & Poor’s Credit Markets Services Europe Limited, Branch in Spain: BBB+ (long term) and A-2 (short term), confirmed in June 2014, with a stable outlook.
- Moody’s Investors Service España, S.A.: Baa1 (long term) and P-2 (short term), confirmed in March 2014, with a stable outlook.
- DBRS Ratings Limited: A (long term) and R-1 (low) (short term), confirmed in August 2013, with a negative outlook.

Likewise, Banco Santander, through its business unit SANTANDER GLOBAL BANKING AND MARKETS (“**SGBM**”), acts as Manager of the issue of Bonds. In its capacity of Manager, it performs the following duties, pursuant to the terms established by article 35.1 of the Royal Decree 1310/2005:

- To receive the order from the Managing Company to carry out the operations relating to the design of the temporary financial and commercial conditions of the issue, and to coordinate the relationships with the supervisory authorities and the subscribers.
- e) CREDIT AGRICOLE CIB, BRANCH IN SPAIN (“**CA-CIB**”), acts as Manager of the issue of the Bonds.

In its capacity of Manager, it performs the following duties, pursuant to the terms established by article 35.1 of the Royal Decree 1310/2005:

- To receive the order from the Managing Company to carry out the operations relating to the design of the temporary financial and commercial conditions of the issue, and to coordinate the relationships with the supervisory authorities and the subscribers.

CA-CIB has its business address at: Paseo de la Castellana, 1, Madrid (Spain) and the Tax Identification Code A-0011043-G; it is registered in the Special Register of Banks and Bankers under the number 0154.

The credit ratings assigned by the rating agencies to the unsubordinated and unsecured short and long term debt of CA-CIB are as follows:

- Fitch: A (long term) and F1 (short term), with a stable outlook; date: 7th March 2014.
 - Moody’s: A2 (long term) and P-1 (short term), with a negative outlook; date: 29th May 2014.
 - Standard & Poor’s: A (long term) and A-1 (short term), with a negative outlook; date: 7th October 2014.
- f) SANTANDER BENELUX SA/NV (“**Santander Benelux**”), acts as a Subscriber of the Series A Bonds.

Santander Benelux is a Belgian credit entity with business address at: Avenue des Nerviens / Nerviërslaan 85, B - 1040 Brussels.

Santander Benelux has not been assigned any credit rating by rating agencies.

- g) DBRS RATINGS LIMITED (“**DBRS**”) acts as a Credit Rating Agency as regards the Bonds.

DBRS is a Rating Agency with business address at: 1 Minster Court 10th Floor, Mincing Lane, London, EC3R 7AA, United Kingdom.

- h) FITCH RATINGS ESPAÑA, S.A.U. (“**Fitch**”) acts as a Credit Rating Agency as regards the Bonds.

Fitch Ratings España, S.A.U is a Spanish public limited company, subsidiary of the credit rating agency Fitch Ratings Limited, with business address at: Paseo de Gracia 85, 7th floor, 08008 Barcelona, and with Tax Identification Code no. A-58090655.

DBRS and Fitch are registered and authorized, respectively, as credit rating agencies in the European Union, pursuant to the provisions of the European Community Regulation no. 1060/2009 of the European Parliament and of the Council, dated on 16th September 2009, on Credit Rating Agencies.

- i) DELOITTE, S.L. acts in its capacity of auditor of accounts of the Managing Company and of Santander Consumer. Likewise, it will issue an audit report on the Preliminary Portfolio

from which the Loans to be assigned to the Fund will be extracted; this entity has been appointed as Account Auditor of the Fund.

DELOITTE, S.L. is a limited liability company with business address in Madrid, at: Torre Picasso, Plaza Pablo Ruiz Picasso, s/n, with Tax Identification Code no. B-79104469; it is registered in the Official Register of Auditors of Accounts (R.O.A.C.) under the number S0692 and is registered in the Commercial Register of Madrid, in Volume 3,190, 8th Section, Sheet 1, Page M-54.414, 1st Entry.

- j) CUATRECASAS, GONÇALVES PEREIRA, S.L.P acts as legal adviser in respect of the transaction structure and has revised the tax system of the Fund established in section 4.5.d) of the Registration Document.

CUATRECASAS, GONÇALVES PEREIRA, S.L.P. is a limited liability company incorporated in Spain, with Tax Identification Code: B-59942110, and with business address at: Paseo de Gracia, 111, 08008 Barcelona; it is registered in the Commercial Register of Barcelona in Volume 37673, Sheet 30, 8th Section, Page 23850.

For the purposes of article 4 of the Law on the Stock Exchange, SANTANDER BENELUX SA/NV., SANTANDER CONSUMER, E.F.C. S.A., SANTANDER CONSUMER FINANCE, S.A. and SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. form part of the SANTANDER GROUP.

There is no knowledge of the existence of any other relationship involving direct or indirect ownership or control between the aforementioned corporate bodies that participate in the securitization programme.

6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES OF THE MANAGING COMPANY

6.1. Corporate bodies of the Managing Company

In accordance with the Royal Decree 926/1998, the Asset Securitization Funds lack separate legal personality; the Managing Companies of Securitization Funds are entrusted with their incorporation, administration and legal representation, as well as with the representation and defence of the interests of the holders of the securities issued against the funds that they administer and of any other ordinary creditors of the said funds.

By virtue of the foregoing, this section details the information relating to SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., in its capacity of Managing Company that incorporates, administers and represents the ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2014-1.

a) Corporate name and business address.

- Corporate name: SANTANDER DE TITULIZACIÓN, SOCIEDAD GESTORA DE FONDOS DE TITULIZACIÓN, S.A.
- Business address: Ciudad Grupo Santander, Avda. de Cantabria s/n, 28660 Boadilla del Monte (Madrid).
- Tax Identification Code: A-80481419
- C.N.A.E. number: 8199

b) Incorporation and registration in the Commercial Register, as well as data relating to the administrative authorizations and registration in the Spanish National Stock Exchange Commission.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., was incorporated by virtue of a public deed granted on the 21st day of December 1992, before the Notary Public of Madrid, Mr Francisco Mata Pallarés, under the number 1,310 of his protocol, with the prior authorization of the Ministry of Economy and Finance granted on the 1st day of

December 1992. It is registered in the Commercial Register of Madrid, in Volume 4,789, Sheet 75, Page M-78658, 1st Entry. Likewise, it is registered in the special register of the CNMV, under the number 1.

In addition, the Managing Company amended its Articles of Association by virtue of a resolution of its Board of Directors, adopted on the 15th day of June 1998, which was expressed in a public deed authorized by the Notary Public of Madrid, Mr Roberto Parejo Gamir, on the 20th day of July 1998, under the number 3,070 of his protocol, in order to adapt to the requirements established for the Managing Companies of Asset Securitization Funds by the Royal Decree 926/1998. The said amendment was authorized by the Ministry of Economy and Finance on the 16th day of July 1998, in accordance with the provisions of the Sole Transitional Provision of the aforementioned Royal Decree 926/1998.

The duration of the Managing Company is indefinite, except for the occurrence of any of the causes where the legal provisions or the Articles of Association, as the case may be, might require its dissolution.

c) Corporate purpose and brief description of the main activities carried out by the Managing Company.

In compliance with the legal requirements, the second article of the Articles of Association of the Managing Company establishes that: “the only corporate purpose of the company will be the incorporation, administration and legal representation of Mortgage Securitization Funds –in the terms established by the sixth article of the Law 19/1992, of 7th July, regulating the Real Estate Investment Companies and Funds and Mortgage Securitization Funds– and of Asset Securitization Funds, pursuant to the provisions of article 12, item 1, of the Royal Decree 926/1998, of 14th May, regulating the Asset Securitization Funds and the Managing Companies of Securitization Funds. In its capacity of managing company of third party’s business operations, it is in charge of the representation and defence of the interests of the holders of the securities issued against the funds that this company administers and of any other ordinary creditors of the said funds, as well as the performance of any other duties attributable to the Managing Companies of Securitization Funds pursuant to the current regulations”. Notwithstanding the foregoing, on 20th December 2013, the Managing Company granted a deed before the Notary Public of Madrid Mr José María Mateos Salgado, protocol number 4,789, in order to amend its articles of association for the purposes of undertaking the management and representation of Bank Asset Funds.

As at 30th October 2014, the Managing Company manages the following funds:

MORTGAGE SECURITIZATION FUNDS							
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS	
FTH UCI 5	Series A	€ 15,005,025.20	3M Euribor + 0.23%	Moody's España	03/06/1999	€ 265,000,000.00	
	Series B	€ 2,649,999.60	3M Euribor + 0.625%				
	Total	€ 17,655,024.80					
FTH HIPOTEBANSA XI	Series A	€ 173,505,315.04	3M Euribor + 0.24%	S&P España / Moody's España	26/11/2002	€ 1,062,000,000.00	
	Series B	€ 10,410,315.12	3M Euribor + 0.45%				
	Total	€ 183,915,630.16					
FTH UCI 10	Series A	€ 142,216,278.40	3M Euribor + 0.16%	S&P España	14/05/2004	€ 700,000,000.00	
	Series B	€ 9,269,681.40	3M Euribor + 0.50%				
	Total	€ 151,485,959.80					
FTH UCI 12	Series A	€ 277,621,072.00	3M Euribor + 0.15%	S&P España	30/05/2005	€ 900,000,000.00	
	Series B	€ 9,000,000.00	3M Euribor + 0.27%				
	Series C	€ 23,800,000.00	3M Euribor + 0.60%				
	Total	€ 310,421,072.00					
TOTAL FTH		€ 663,477,686.76				€ 2,927,000,000.00	

ASSET SECURITIZATION FUNDS							
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS	
FTA UCI 6	Series A	€ 36,486,793.04	3M Euribor + 0.295%	Moody's España	19/06/2000	€ 457,000,000.00	
	Series B	€ 4,569,992.58	3M Euribor + 0.775%				
	Total	€ 41,056,785.62					
FTA UCI 7	Series A	€ 46,907,655.96	3M Euribor + 0.250%	S&P España / Moody's España	25/10/2011	€ 455,000,000.00	
	Series B	€ 3,412,500.52	3M Euribor + 0.700%				
	Total	€ 50,320,156.48					
FTA HIPOTEBANSA X	Series A	€ 94,576,312.16	3M Euribor + 0.21%	S&P España / Moody's España	04/03/2002	€ 917,000,000.00	
	Series B	€ 6,877,500.51	3M Euribor + 0.55%				
	Total	€ 101,453,812.67					
FTA UCI 8	Series A	67,579,491.24	3M Euribor + 0.220%	S&P España / Moody's España	24/06/2002	€ 600,000,000.00	
	Series B	4,499,999.46	3M Euribor + 0.600%				
	Total	€ 72,079,490.70					

ASSET SECURITIZATION FUNDS							
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS	
FTH UCI 9	Series A	183,843,293.17	3M Euribor + 0.265%	S&P España / Moody's España	16/06/2003	€ 1,250,000,000.00	
	Series B	13,632,869.50	3M Euribor + 0.65%				
	Series C	3,007,250.82	3M Euribor + 1.20%				
	Total	€ 200,483,413.49					
FTAFTPYME SANTANDER 1	Series A	0.00	3M Euribor + 0.25%	Fitch / Moody's España	24/09/2003	€ 1,800,000,000.00	
	Series B1 (G)	36,908,652.63	3M Euribor + 0.00%				
	Series B2	9,228,881.12	3M Euribor + 0.40%				
	Series C	27,000,000.00	3M Euribor + 0.90%				
	Series D	87,300,000.00	3M Euribor + 1.80%				
	TOTAL	€ 160,437,533.75					
FTA SANTANDER HIPOTECARIO 1	Series A	347,691,261.12	3M Euribor + 0.18%	S&P España / Moody's España	11/06/2004	€ 1,875,000,000.00	
	Series B	53,400,000.00	3M Euribor + 0.30%				
	Series C	46,900,000.00	3M Euribor + 0.50%				
	Series D	56,300,000.00	3M Euribor + 0.95%				
	TOTAL	€ 504,291,261.12					
FTAFTPYME SANTANDER 2	Series A	29,368,643.85	3M Euribor + 0.20%	S&P España	21/10/2004	€ 1,850,000,000.00	
	Series B	8,928,928.35	3M Euribor + 0.00%				
	Series C	81,000,000.00	3M Euribor + 0.30%				
	Series D	58,500,000.00	3M Euribor + 0.70%				
	Series E	58,500,000.00	3M Euribor + 1.50%				
	TOTAL	€ 236,297,572.20					
FTA UCI 11	Series A	196,292,822.88	3M Euribor + 0.14%	S&P España	17/11/2004	€ 850,000,000.00	
	Series B	6,000,000.00	3M Euribor + 0.33%				
	Series C	22,900,000.00	3M Euribor + 0.75%				
	TOTAL	€ 225,192,822.88					
FTASANTANDER PUBLICO1	Series A	150,876,953.50	3M Euribor + 0.039%	Fitch / Moody's España	17/12/2004	€ 1,850,000,000.00	
	Series B	12,185,805.70	3M Euribor + 0.30%				
	TOTAL	€ 163,062,759.20					

ASSET SECURITIZATION FUNDS						
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS
FTA SANTANDER EMPRESAS 1	Series A1	0.00	3M Euribor + 0.02%	S&P España / Fitch España	27/10/2005	€ 3,100,000,000.00
	Series A2	0.00	3M Euribor + 0.12%			
	Series B	0.00	3M Euribor + 0.21%			
	Series C	48,059,561.95	3M Euribor + 0.29%			
	Series D	170,500,000.00	3M Euribor + 0.59%			
TOTAL		€ 218,559,561.95				
FTA UCI 14	Series A	473,725,969.25	3M Euribor + 0.15%	S&P España / Fitch España	30/11/2005	€ 1,350,000,000.00
	Series B	34,100,000.00	3M Euribor + 0.29%			
	Series C	38,400,000.00	3M Euribor + 0.58%			
TOTAL		€ 546,225,969.25				
FTA UCI 15	Series A	551,931,857.08	3M Euribor + 0.14%	S&P España / Fitch España	28/04/2006	€ 1,430,000,010.22
	Series B	32,900,000.00	3M Euribor + 0.27%			
	Series C	56,500,000.00	3M Euribor + 0.53%			
	Series D	21,600,000.00	3M Euribor + 0.58%			
TOTAL		€ 662,931,857.06				
FTA SANTANDER HIPOTECARIO 2	Series A	637,093,088.95	3M Euribor + 0.15%	S&P España / Moody's España	30/06/2006	€ 1,955,000,000.00
	Series B	51,800,000.00	3M Euribor + 0.20%			
	Series C	32,300,000.00	3M Euribor + 0.30%			
	Series D	49,800,000.00	3M Euribor + 0.55%			
	Series E	19,600,000.00	3M Euribor + 2.10%			
	Series F	17,600,000.00	3M Euribor + 1.00%			
TOTAL		€ 808,193,088.85				
FTA UCI 16	Series A1	0.00	3M Euribor + 0.06%	S&P España / Fitch España	18/10/2006	€ 1,800,000,000.00
	Series A2	798,355,583.56	3M Euribor + 0.15%			
	Series B	72,000,000.00	3M Euribor + 0.30%			
	Series C	41,400,000.00	3M Euribor + 0.55%			
	Series D	9,000,000.00	3M Euribor + 2.25%			
	Series E	19,800,000.00	3M Euribor + 2.30%			
TOTAL		€ 940,555,583.56				
FTA PYMES BANESTO 2	Series A1	0.00	3M Euribor + 0.13%	S&P España / Moody's España Fitch España	17/11/2006	€ 1,000,000,000.00
	Series A2	86,656,994.91	3M Euribor + 0.16%			
	Series B	24,300,000.00	3M Euribor + 0.27%			
	Series C	34,000,000.00	3M Euribor + 0.54%			
TOTAL		€ 144,956,994.91				
FTA SANTANDER FINANCIACIÓN 1	Series A	0.00	3M Euribor + 0.15%	S&P España / Moody's España	14/12/2006	€ 1,900,000,000.00
	Series B	0.00	3M Euribor + 0.20%			
	Series C	29,461,620.43	3M Euribor + 0.30%			
	Series D	47,500,000.00	3M Euribor + 0.55%			
	Series E	26,600,000.00	3M Euribor + 2.10%			
	Series F	14,300,000.00	3M Euribor + 1.00%			
TOTAL		€ 117,861,620.43				
FTA SANTANDER EMPRESAS 2	Series A1	0.00	3M Euribor + 0.05%	Fitch España / Moody's España	14/12/2006	€ 2,900,000,000.00
	Series A2	0.00	3M Euribor + 0.16%			
	Series B	43,100,030.55	3M Euribor + 0.22%			
	Series C	62,300,000.00	3M Euribor + 0.32%			
	Series D	59,500,000.00	3M Euribor + 0.55%			
	Series E	29,000,000.00	3M Euribor + 2.10%			
	Series F	53,700,000.00	3M Euribor + 0.50%			
TOTAL		€ 247,600,030.55				
FTA SANTANDER HIPOTECARIO 3	Series A1	228,283,384.62	3M Euribor + 0.06%	Fitch España / Moody's España	04/04/2007	€ 2,800,000,000.00
	Series A2	814,576,686.00	3M Euribor + 0.14%			
	Series A3	222,157,278.00	3M Euribor + 0.20%			
	Series B	79,200,000.00	3M Euribor + 0.22%			
	Series C	47,500,000.00	3M Euribor + 0.30%			
	Series D	72,000,000.00	3M Euribor + 0.55%			
	Series E	28,000,000.00	3M Euribor + 2.10%			
	Series F	22,400,000.00	3M Euribor + 0.50%			
TOTAL		€ 1,514,117,348.62				
FTA UCI 17	Series A1	0.00	3M Euribor + 0.10%	S&P España / Fitch España	07/05/2007	€ 1,415,400,000.00
	Series A2	721,008,050.34	3M Euribor + 0.18%			
	Series B	72,800,000.00	3M Euribor + 0.35%			
	Series C	28,000,000.00	3M Euribor + 0.60%			
	Series D	15,400,000.00	3M Euribor + 2.25%			
TOTAL		€ 837,208,050.34				

ASSET SECURITIZATION FUNDS						
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS
FTA	Series A1	0.00	3M Euribor + 0.08%	S&P España / Moody's España	28/05/2007	€ 3,500,000,000.00
SANTANDER EMPRESAS 3	Series A2	134,662,140.00	3M Euribor + 0.17%	Fitch España		
	Series A3	57,429,490.25	3M Euribor + 0.25%			
	Series B	39,700,000.00	3M Euribor + 0.28%			
	Series C	117,300,000.00	3M Euribor + 0.32%			
	Series D	70,000,000.00	3M Euribor + 0.65%			
	Series E	45,500,000.00	3M Euribor + 2.30%			
	Series F	45,500,000.00	3M Euribor + 0.50%			
	TOTAL	€ 510,091,630.25				
FTA	Series 1	€ 1,200,000,000.00	5.1353%	S&P España / Moody's España	17/07/2007	€ 1,200,000,000.00
PITCH						
	TOTAL	€ 1,200,000,000.00				
FTA UCI 18	Series A	850,797,750.50	3M Euribor + 0.32%	S&P España	27/02/2008	€ 1,700,000,000.00
	Series B	38,300,000.00	3M Euribor + 0.60%			
	Series C	21,200,000.00	3M Euribor + 1.20%			
	Series D	23,000,000.00	3M Euribor + 2.20%			
	TOTAL	€ 933,297,750.50				

ASSET SECURITIZATION FUNDS						
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS
FTA	Promissory notes	840,000,000.00		S&P España / Fitch España	27/11/2008	€ 500,000,000.00
SANTANDER 2						
FTA	Series A	0.00	3M Euribor + 0.30%	Moody's España / DBRS	16/02/2009	€ 700,000,000.00
SANTANDER CONSUMER	Series B	23,852,849.02	3M Euribor + 0.50%			
	Series C	37,800,000.00	3M Euribor + 1.50%			
SPAIN 09-1	Series D	35,700,000.00	3M Euribor + 3.50%			
	TOTAL	€ 97,352,849.02				
FTA	Series A	117,113,606.40	3M Euribor + 0.70%	Moody's España	13/09/2010	€ 1,600,000,000.00
EMPRESAS BANESTO 5	Series B	96,000,000.00	3M Euribor + 1.20%	DBRS		
	Series C	160,000,000.00	3M Euribor + 2.00%			
	TOTAL	€ 373,113,606.40				

ASSET SECURITIZATION FUNDS						
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS
FTA SANTANDER CONSUMER SPAIN AUTO 2010	Series A Series B Series C Series D	0.00 43,124,376.00 49,500,000.00 88,500,000.00 € 181,124,376.00	3M Euribor + 0.70% 3M Euribor + 1.20% 3M Euribor + 1.50% 3M Euribor + 0.65%	Moody's España	01/07/2010	€ 600,000,000.00
FTA SANTANDER HIPOTECARIO 7	Series A Series B Series C	991,247,184.00 360,000,000.00 359,700,000.00 € 1,710,947,184.00	3M Euribor + 0.65% 3M Euribor + 1.30% 3M Euribor + 0.65%	Moody's España DBRS	22/07/2011	€ 1,800,000,000.00
FTA EMPRESAS BANESTO 6	Series A Series B Series C	26,999,527.50 165,000,000.00 264,000,000.00 € 455,999,527.50	3M Euribor + 0.70% 3M Euribor + 1.20% 3M Euribor + 2.00%	Moody's España DBRS	28/09/2011	€ 1,100,000,000.00
FTA SANTANDER EMPRESAS 10	Series A Series B Series C	0.00 724,869,720.00 940,000,000.00 € 1,664,869,720.00	3M Euribor + 0.75% 3M Euribor + 1.00% 3M Euribor + 0.65%	Moody's España DBRS	24/11/2011	€ 4,700,000,000.00
FTA SANTANDER CONSUMER SPAIN AUTO 11-1	Series A Series B Series C Series D	131,069,731.86 71,600,000.00 63,600,000.00 117,300,000.00 € 383,569,731.86	3M Euribor + 1.40% 3M Euribor + 1.70% 3M Euribor + 2.00% 3M Euribor + 0.65% + Extra part	Moody's España FITCH	07/12/2011	€ 795,000,000.00
FTA SANTANDER HIPOTECARIO 8	Series A Series B Series C	439,110,976.00 160,000,000.00 160,000,000.00 € 759,110,976.00	3M Euribor + 0.65% 3M Euribor + 1.00% 3M Euribor + 0.65% + Extra part	Moody's España DBRS	15/12/2011	€ 800,000,000.00
FTA PYMES SANTANDER 3	Series A Series B Series C	304,971,269.12 266,900,000.00 314,000,000.00 € 885,871,269.12	3M Euribor + 0.30% 3M Euribor + 0.50% 3M Euribor + 0.50% + Extra part	S&P DBRS	17/07/2012	€ 1,570,000,000.00
FTA PYMES SANTANDER 4	Series A Series B Series C	432,041,888.75 397,500,000.00 530,000,000.00 € 1,359,541,888.75	3M Euribor + 0.30% 3M Euribor + 0.50% 3M Euribor + 0.50%+Extra part	Moody's España DBRS	13/11/2012	€ 2,650,000,000.00
SANTANDER CONSUMER SPAIN AUTO 12-1	Series A	252,530,890.01 € 252,530,890.01	Fixed rate 3.00%	Moody's España Fitch	20/11/2012	€ 500,000,000.00
FTA PYMES SANTANDER 5	Series A Series B Series C	533,489,630.40 342,000,000.00 342,000,000.00 € 1,217,489,630.40	3M Euribor + 1.00% 3M Euribor + 1.10% 3M Euribor + 0.50%	Moody's España DBRS	14/05/2013	€ 1,710,000,000.00
F.T.A. SANTANDER HPOTECARIO 9	Series A Series B Series C	456,215,906.25 162,500,000.00 117,000,000.00 € 735,715,906.25	3M Euribor + 0.30% 3M Euribor + 0.40% 3M Euribor + 0.50%	Moody's España DBRS	25/06/2013	€ 650,000,000.00
F.T.A. PYMES BANESTO 3	Series A Series B Series C	172,292,853.81 63,700,000.00 98,000,000.00 € 333,992,853.81	3M Euribor + 0.30% 3M Euribor + 0.50% 3M Euribor + 0.50%	S&P DBRS	21/01/2013	€ 490,000,000.00
SANTANDER CONSUMER SPAIN AUTO 13-1	Series A	390,142,957.08 € 390,142,957.08	Fixed rate 3.00%	Moody's España Fitch	16/10/2013	€ 500,000,000.00
FTA PYMES SANTANDER 6	Series A Series B Series C	193,374,164.28 105,400,000.00 68,000,000.00 € 366,774,164.28	3M Euribor + 1.50% 3M Euribor + 1.60% 3M Euribor + 0.50%	S&P DBRS	19/11/2013	€ 340,000,000.00
FTA PYMES SANTANDER 7	Series A Series B Series C	553,284,720.00 340,000,000.00 340,000,000.00 € 1,233,284,720.00	3M Euribor + 1.00% 3M Euribor + 1.10% 3M Euribor + 0.50%	Moody's España DBRS	25/11/2013	€ 1,700,000,000.00
FTA PYMES SANTANDER 8	Series A Series B Series C	1,317,500,000.00 232,500,000.00 310,000,000.00 € 1,860,000,000.00	3M Euribor + 0.40% 3M Euribor + 0.50% 3M Euribor + 0.50%	Moody's España DBRS	20/05/2014	€ 1,550,000,000.00
FTA PYMES SANTANDER 9	Series A Series B	318,548,493.04 168,300,000.00 € 486,848,493.04	3M Euribor + 0.75% 3M Euribor + 0.80%	S&P DBRS	20/05/2014	€ 500,000,000.00
FTA RMBS SANTANDER 1	Series A Series B Series C	948,036,281.40 338,000,000.00 195,000,000.00 € 1,481,036,281.40	3M Euribor + 0.90% 3M Euribor + 1.30% 3M Euribor + 0.65%	Moody's DBRS	23/06/2014	€ 1,495,000,000.00
FTA RMBS SANTANDER 2	Series A Series B Series C	2,520,000,000.00 480,000,000.00 450,000,000.00 € 3,450,000,000.00	3M Euribor + 0.30% 3M Euribor + 0.40% 3M Euribor + 0.50%	Moody's DBRS	14/07/2014	€ 3,450,000,000.00
TOTAL FTA		€ 30,955,592,119.30				€ 71,176,200,010.22

d) Share Capital

(i) Nominal amount subscribed and paid-up:

The share capital of the Managing Company amounts to nine hundred and one thousand six hundred and fifty (901,650) euros, represented by fifteen thousand (15,000) registered shares with a nominal value of sixty euros with eleven cents (€ 60.11) each one of them, which are correlatively numbered from one (1) to fifteen thousand (15,000), both inclusive, and all of them are subscribed and fully paid-up.

(ii) Series of shares:

All the shares are of the same class and vest identical political and economic rights.

e) Corporate bodies.

The management and administration of the Managing Company are entrusted by the Articles of Association to the General Meeting of Shareholders and to the Board of Directors. The duties and powers of the said bodies are those corresponding to them in accordance with the provisions of the Spanish Corporations Law (*Ley de Sociedades de Capital*), the Law 19/1992 and the Royal Decree 926/1998, in connection with the corporate purpose.

(i) Administrators

The Board of Directors is made up of the following members:

Chairman: Mr José Antonio Álvarez Álvarez

Directors: Mr Ignacio Ortega Gavara

Mr José Antonio Soler Ramos

Ms Ana Bolado Valle

Mr Marcelo Alejandro Castro Zappa

Mr Enrique Silva Bravo

Mr Jesús Cepeda Caro

Mr Gabriel de Escalante Yanguela

Mr Jesús Fuentes Colella

Secretary/Non-Director: Ms María José Olmedilla González

(ii) General Management

The General Manager of the Managing Company is Mr Ignacio Ortega Gavara.

(iii) The table below describes the main activities corresponding to the persons listed in section (i) above that are performed outside the Managing Company, if the said activities are of relevance as regards the Fund and performed by the persons listed in this section:

Name	Activity Performed	Type of system applicable to the performance of the activity	Position at Banco Santander	Company in which the activity is performed	Positions or duties held or performed in the said Company
José Antonio Álvarez Álvarez	Financial Intermediation and Banking	Employee	General Manager	Banco Santander Brasil	Director
				Santander Consumer Finance SA	Director
				Supervision Committee of Santander Consumer AG	Member
				Supervision Committee of Banco Zachodni WBK, SA	Member
Enrique Silva Bravo	Banking	Employee	Assistant General Manager	Redsys, SL	Director
				Reintegra, SA	Chairman
				Isban SA	Director
Marcelo Alejandro Castro	Banking	Employee	Assistant Deputy General Manager	Santander Benelux	Director
José Antonio Soler Ramos	Financial Intermediation	Employee	Deputy General Manager	Santander Comercial Paper. SAU	Chairman
				Santander US Debt, SAU	Chairman
				Santander Issuances, SAU	Chairman
				Santander International Debt, SAU	Chairman
				Santander Finance Capital, SAU	Chairman
				Santander Benelux	Director
				Open Bank, S.A.	Director
Gabriel de Escalante Yangüela	Banking	Employee	Deputy General Manager	Geoban, S.A.	Chairman
				Santander Operaciones Retail, SA	Chairman
				Grupo Konecta, SL	Director
Jesús Cepeda Caro	Banking	Employee	Assistant General Manager	Gesban S.A.	Chairman and Director
				Banco Santander, S.A.	General Manager
Ana Bolado Valle	Banking	Employee	Deputy General Manager	Sistemas 4B	Director
				Santander Seguros y Reaseguros, Compañía Aseguradora S.A.	Director

The persons listed in this section 6.1.e) are not holders, whether directly or indirectly, of any share, convertible debenture or any other securities granting their holder a right to acquire shares of the Managing Company.

The business address for all persons mentioned in this section 6.1.e) is as follows:

Santander Titulización, S.G.F.T., S.A.

Ciudad Grupo Santander

Avda. de Cantabria s/n

28660 Boadilla del Monte (Madrid)

f) Lenders of the Managing Company - more than ten percent (10%).

The Managing Company has not received any loan or credit from any person or entity. The long and short-term debts that appear in the Balance Sheet attached hereto correspond to debts owed to Banco Santander due to the tax consolidation system between the Managing Company and Banco Santander.

g) Significant litigations and conflicts.

As at the date of verification of this Prospectus, the Managing Company is not involved in any insolvency-related situation and there are not any significant litigations or conflicts that might affect its economic and financial position or, in the future, its capacity to perform the management and administration duties of the Fund that are established in this Prospectus.

h) Economic information relating to the Managing Company:

The annual financial statements of the Managing Company corresponding to the years ended on 31st December 2011, 2012 and 2013 were audited by the firm Deloitte, S.L. and were submitted to the Commercial Register of Madrid. The audit report corresponding to each of the said financial statements shows no remarks.

The Managing Company keeps its accounting books in accordance with the General Accounting Plan approved by the Royal Decree 1514/2007, of 16th November.

The balance sheet and the profit and loss account corresponding to the audited years 2012 and 2013 and as at 30th September 2014 (not audited) are shown below (amounts expressed in thousands of euros):

Balance sheet as at 31st December 2012, 2013 and as at 30th September 2014 (amounts expressed in thousands of euros).

ASSETS	31/12/2012	31/12/2013	30/09/2014
FIXED ASSETS:			
Intangible fixed assets	-	-	-
Tangible fixed assets	-	-	-
Total fixed assets	-	-	-
CAPITAL ASSETS:			
Long term guarantees	-	19	19
Total capital assets	-	19	19
CURRENT ASSETS:			
Debtors	310	396	268
Loans to employees	38	36	28
Other debtors	272	360	240
Temporary financial investments	-	-	-
Public Treasury	-	-	-
Cash and banks	9,966	9,987	10,949
Time-period adjustments	964	880	888
Total current assets	11,240	11,263	12,105
TOTAL ASSETS	11,240	11,282	12,124

LIABILITIES	31/12/2012	31/12/2013	30/09/2014
EQUITY:			
Subscribed capital	902	902	902
Reserves	182	182	182
Results of the year - Profits	1,905	1,553	604
Total Equity	2,989	2,637	1,688
LONG TERM CREDITORS:			
Debts with Group companies	6,879	7,679	7,678
	6,879	7,679	7,678
SHORT TERM CREDITORS:			
Public Treasury	71	710	956
Other debts	-	30	23
Debts with Group companies	997	3	3
Time-period adjustments	304	223	224
Payable dividend	-	-	1,552
Total short term creditors	1,372	966	2,758
TOTAL LIABILITIES	11,240	11,282	12,124

Profit and Loss Accounts corresponding to the years ended on 31st December 2012, 2013 and as at 30th September 2014 (amounts expressed in thousands of euros).

	31/12/2012	31/12/2013	30/09/2014
CONTINUOUS OPERATIONS			
Net amount of business turnover	8,948	7,544	5,086
Other operating income	40	25	2
Staff expenses	-1,163	-1,050	-837
Other operating expenses	-5,161	-4,299	-3,388
Depreciation of fixed assets	-	-	-
Impairment and result from disposal of fixed assets	-	-	-
OPERATING RESULT	2,664	2,220	863
Financial income from negotiable securities and other financial instruments	-	-	-
FINANCIAL RESULT	-	-	-
RESULT BEFORE TAX	2,664	2,220	863
Profit tax	-803	-667	-259
RESULT OF THE YEAR FROM CONTINUOUS OPERATIONS	1,861	1,553	604
INTERRUPTED OPERATIONS	-	-	-
Result of the year from interrupted operations, net of tax	-	-	-
RESULT OF THE YEAR	1,861	1,553	604

7. MAIN SHAREHOLDERS OF THE MANAGING COMPANY

- a) The shares of the Managing Company are distributed among the companies that are listed below, together with the participation percentage in the share capital of the Managing Company corresponding to each one of them:

SHAREHOLDERS	SHARE CAPITAL %
Santander Investment, S.A.	19%
Banco Santander, S.A.	81%

- b) **Description of the nature of such control and measures taken in order to ensure that the said control is not abused.**

For the purposes of article 4 of the Law on the Stock Exchange, SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. forms part of SANTANDER GROUP.

In order to ensure the absence of abuses of control on the part of Banco Santander, S.A. over the Managing Company, the Managing Company approved a set of Internal Rules of Conduct in compliance with the provisions of Chapter II of the Royal Decree 217/2008, of 15th February, concerning the legal regulation of investment services companies and other entities that render investment services and partially amending the Regulation of the Law 35/2003, of 4th November, on Collective Investment Institutions, approved by the Royal Decree 1309/2005, of 4th November, which was communicated to the CNMV.

8. FINANCIAL INFORMATION RELATING TO THE CREDIT RIGHTS AND TO THE RESPONSIBILITIES OF THE ISSUER, FINANCIAL POSITION, AND PROFITS AND LOSSES

8.1. Statement regarding the commencement of operations and financial statements of the Issuer prior to the date of the Registration Document.

The Managing Company states that, as at the date of verification of this Registration Document, the Fund has not been incorporated yet and, consequently, it has not initiated its operations and no financial statement in respect thereof has been prepared.

8.2. Historical financial information.

Not applicable.

8.2.bis This section may only be used for issues of securities backed by credit rights that have an individual denomination equal to or higher than € 50,000.

Not applicable

8.3. Legal and arbitration proceedings.

Not applicable.

8.4 Important adverse change in the Issuer's financial situation.

Not applicable.

9. INFORMATION ABOUT THIRD PARTIES, STATEMENTS MADE BY EXPERTS AND DECLARATIONS OF INTEREST

9.1 Statement or report attributed to a person acting as an expert.

Not applicable.

9.2. Information from a third party.

Not applicable.

10. DOCUMENTS FOR CONSULTATION

The following documents (or a copy thereof) will be available to the public during the term of validity of this Registration Document:

- (a) **The Articles of Association and the Memorandum of Association of the Managing Company.**
- (b) **This Prospectus.**
- (c) **The Deed of Incorporation of the Fund and the Assignment Agreement.**
- (d) **The Subordinated Loan Agreement, the Reinvestment Agreement, and the Management, Subscription and Payment Agency Agreement.**
- (e) **The Audit Report on the Preliminary Portfolio**, from which the Credit Rights to be assigned to the Fund will be extracted, prepared by the firm Deloitte, S.L.
- (f) **The certification of the resolution adopted by the Board of Directors of Santander Consumer**, at its meeting held on 22nd September 2014, by virtue of which it was decided to assign the Credit Rights to the Fund, and **the certification of the resolutions adopted by the Board of Directors of the Managing Company**, at its meeting held on 15th September 2014, by virtue of which it was agreed, among other things: the incorporation of the Fund, the acquisition on the part of the Fund of the Credit Rights assigned by Santander Consumer, and the issue of the Bonds against the Fund.
- (g) **The letters informing of the provisional ratings and the letters informing of the final ratings** on the part of DBRS and Fitch.
- (h) **The Annual Financial Statements and the audit reports of the Managing Company.**

A copy of all the aforementioned documents may be consulted at the business address of the Managing Company.

Furthermore, a copy of all the documents referred to in the preceding paragraphs, except for those listed in paragraphs a), d) and h), may be consulted at the CNMV, at: Calle Edison 4, in Madrid.

A copy of the Prospectus will be available to the public on the web page of the CNMV (www.cnmv.es) and on the web page of AIAF (www.aiaf.es).

The Deed of Incorporation will also be available to the public at Iberclear.

SECURITIES NOTE

This Securities Note has been prepared in accordance with Annex XIII of the Regulation (EC) no. 809/2004 and has been approved by the Spanish National Stock Exchange Commission on 20th November 2014.

1. PERSONS RESPONSIBLE.

1.1. Persons responsible for the information contained in the Securities Note and in the Additional Module.

Mr IGNACIO ORTEGA GAVARA, acting in his capacity of Secretary of the Board of Directors of SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A., with business address at: Ciudad Grupo Santander, Avda. de Cantabria s/n, 28660, Boadilla del Monte (Madrid), assumes responsibility for the information contained in this Securities Note and in the Additional Module.

Mr IGNACIO ORTEGA GAVARA acts in his capacity of General Manager of the Managing Company and exercises the powers that were expressly conferred to him for the incorporation of the Fund by the Board of Directors of the Managing Company at its meeting held on 15th September 2014.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is the promoter of the ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2014-1 and will be in charge of its administration and legal representation.

1.2. Statement granted by those responsible for the Securities Note and the Additional Module.

Mr IGNACIO ORTEGA GAVARA states that, after having taken all reasonable care to ensure that such is the case, the information contained in Securities Note and in the Additional Module is, to the best of his knowledge and belief, in accordance with the facts and does not omit anything that could affect its content.

2. RISK FACTORS.

The risk factors specific to the Credit Rights that back the issue and to the securities are those respectively described in sections II and III of the document included at the beginning of this Prospectus under the name of “RISK FACTORS”.

3. ESSENTIAL INFORMATION.

3.1. Interest of the natural persons and corporate bodies participating in the issue.

The natural persons and corporate bodies participating in the issue are the following:

- a) SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. acts as the Managing Company of the Fund.
- b) SANTANDER CONSUMER, E.F.C., S.A. (“**Santander Consumer**”) acts in its capacity of Assignor and Administrator of the Credit Rights, as Subscriber of the Series B, C, D and E Bonds and as a counterparty to the Fund in the Subordinated Loan Agreement.
- c) SANTANDER CONSUMER FINANCE, S.A. (“**SCF**”) acts as counterparty to the Fund in the Reinvestment Agreement for the Cash Account, the Principal Account, the Liquidity Reserve Account and the Commingling Reserve Account, as Depository Institution of the Liquidity Reserve and Depository Institution of the Commingling Reserve, as established in section 3.4.4. of the Additional Module, as well as Manager of the issue.
- d) BANCO SANTANDER, S.A. (“**Banco Santander**”) acts as Paying Agent and as Back-Up Servicer Facilitator.
- e) SANTANDER GLOBAL BANKING AND MARKETS (“**SGBM**”) acts as Manager of the issue of the Bonds.
- f) CREDIT AGRICOLE CIB, BRANCH IN SPAIN (“**CA-CIB**”) acts as Manager of the issue of the Bonds.

- g) SANTANDER BENELUX SA/NV (“**Santander Benelux**”) acts as the Subscriber of the Series A Bonds.
- h) DBRS and FITCH act as the Credit Rating Agencies for the Bonds.
- i) DELOITTE, S.L. acts as the auditor of accounts of the Managing Company and of Santander Consumer. Likewise, it will prepare an audit report on the Preliminary Portfolio, from which the Loans will be extracted and the Credit Rights of which will be assigned to the Fund, and has been appointed as auditor of accounts for the Fund.
- j) CUATRECASAS, GONÇALVES PEREIRA, S.L.P. acts as the legal adviser in respect of the transaction structure and has revised the tax system of the Fund established in section 4.5.d) of the Registration Document.

The said persons do not have any interest, including conflicting interests, that might be relevant to the issue, except for those specifically described in section 5.2 of the Registration Document.

3.2. Purpose of the transaction.

The amount of the issue of the Bonds of Series A, B, C and D will be used in its entirety for the acquisition of the Credit Rights pooled in the Fund and the creation of the Initial Reserve Fund, in the case of Series E Bonds.

As regards the Series A Bonds, once that the Subscriber of the Series A Bonds has subscribed them, the said Subscriber has the intention of using them as guarantee assets for Eurosystem credit transactions, without this limiting any other use of the Bonds or their eventual disposal. Series B, C and D Bonds will be subscribed by Santander Consumer, without prejudice to their eventual disposal in the future.

Given that all the Bonds will be subscribed by the Assignor and Santander Benelux without any market transaction, their price will not be subject to comparison through market transaction, it is not possible to affirm that the economic conditions of the Bonds correspond to those applicable conditions on the secondary market on the Date of Incorporation. This consideration about the assessment of the Bonds is made for the purposes of informing third parties, in particular, investors or holders of the Bonds by way of guarantee, as it happens with the European Central Bank in Eurosystem credit transactions.

4. INFORMATION RELATING TO THE SECURITIES TO BE OFFERED AND ADMITTED TO TRADING.

4.1. Total amount of the securities.

a) Total amount of the issue.

The total amount of the Bonds to be issued is seven hundred and ninety-eight million euros (€ 798,000,000) that represents 100% of the nominal value of the Bonds, represented by seven thousand nine hundred and eighty (7,980) Bonds with a nominal value of ONE HUNDRED THOUSAND (100,000) EUROS each one of them, which are distributed into five (5) Series of Bonds (A, B, C, D and E), each one of them with the following total nominal amount:

- **Series A:** with a total nominal amount of SEVEN HUNDRED AND THREE MILLION EUROS (€ 703,000,000), made up of SEVEN THOUSAND AND THIRTY (7,030) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them;
- **Series B:** with a total nominal amount of TWENTY-SEVEN MILLION FOUR HUNDRED THOUSAND EUROS (€ 27,400,000), made up of TWO HUNDRED AND SEVENTY-FOUR (274) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them;

- **Series C:** with a total nominal amount of FIFTEEN MILLION TWO HUNDRED THOUSAND EUROS (€15,200,000), made up of ONE HUNDRED AND FIFTY-TWO (152) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them;
- **Series D:** with a total nominal amount of FOURTEEN MILLION FOUR HUNDRED THOUSAND EUROS (€ 14,400,000), made up of ONE HUNDRED AND FORTY-FOUR (144) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them.
- **Series E:** with a total nominal amount of THIRTY-EIGHT MILLION EUROS (€ 38,000,000), made up of THREE HUNDRED AND EIGHTY (380) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them.

b) Subscription of the Issue.

The Managing Company will enter into a Management, Subscription and Payment Agency Agreement, by virtue of which the Subscribers undertake to subscribe on 28th November 2014 from 10.00 am to 12.00 am (Madrid time) (the “**Subscription Date**”) all the Bonds issued by the Fund as detailed below.

Santander Benelux, in its capacity of Subscriber of the Series A Bonds, will subscribe all the Series A Bonds, in accordance with the Management, Subscription and Payment Agency Agreement. Santander Benelux is classified as a “qualified investor” (according to the definition of this category of investors established in the Royal Decree 1310/2005).

Santander Consumer, in its capacity of Subscriber of the Series B, C, D and E Bonds, will subscribe all the Series B, C, D and E Bonds, in accordance with the Management, Subscription and Payment Agency Agreement. Santander Consumer is classified as a “qualified investor” (according to the definition of this category of investors established in the Royal Decree 1310/2005).

The Management, Subscription and Payment Agency Agreement will be terminated in the event that the Rating Agencies do not confirm as final –prior to 10.00 am (Madrid time) on the Subscription Date– the provisional ratings granted to the Bonds, which are contained in this Prospectus.

SCF in its capacity of Manager, acts as such, pursuant to the terms detailed in section 5.2 of the Registration Document. SCF will not charge any kind of fee as Manager.

SGBM in its capacity of Manager, acts as such, pursuant to the terms detailed in section 5.2 of the Registration Document. SGBM will not charge any kind of fee as Manager.

CA-CIB in its capacity of Manager, acts as such, pursuant to the terms detailed in section 5.2 of the Registration Document. CA-CIB will charge a fee by way of its structuring services.

Santander Benelux and Santander Consumer will not charge any kind of fee in its capacity of Subscribers.

c) Compliance with the Regulation 575/2013

In compliance with the provisions of article 405 of the Regulation 575/2013, of 26th June, on prudential requirements of credit institutions and investment companies, amending the Regulation (EU) no. 648/2012 (el “**Regulation 575/2013**”), the Assignor has informed the Managing Company that it will retain in the Fund, in a

constant manner, a significant net economic interest pursuant to the terms required by the Regulation 575/2013. In this respect, the Assignor has informed the Managing Company that the words “in a constant manner” mean that the net economic interest retained will not be subject to reduction in the credit risk, to short positions or to other types of hedge and that it will not be sold. The Assignor will undertake, by virtue of the Deed of Incorporation, to include in the web page of Grupo Santander www.santander.com (or any other web page that replaces it in the future) a reference to the location where all the updated details on the retention requirement of net economic interest can be found.

Notwithstanding the foregoing, certain details relating to the said retention are provided in this Prospectus below. In particular:

That, in compliance with the provisions of section c) of the said article 405, the Assignor, in its capacity of originator of the securitization, will undertake under the Deed of Incorporation to retain, in a constant manner, randomly-chosen Credit Rights, equivalent to, at least, 5% of the nominal value of the securitized exposures.

That, under the Deed of Incorporation, the Assignor will undertake to communicate the Managing Company, on a monthly basis, the compliance with the retention commitment assumed. For the purposes of this communication, the Assignor must explicitly state that it has not carried out any action (credit risk hedging, sale, taking short positions, etc.) that might have undermined the application of the retention requirement.

In compliance with the provisions of article 409 of the Regulation 575/2013, the Assignor must ensure that potential investors can easily access all relevant data on credit quality and evolution of the various underlying exposures, cash flows and the real guarantees backing the securitization exposures, and as much information as necessary to perform the thorough and documented stress tests as regards cash flows and the value of the real guarantees backing the underlying exposures.

4.2 Description of the type and class of securities.

The Bonds will have the legal nature of fixed income negotiable securities with explicit yield and will be subject to the system established by the Law on the Stock Exchange and its implementing regulations, and are issued under the Royal Decree 926/1998.

4.3. Legislation on the securities.

The ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2014-1 is incorporated in compliance with and is subject to the Spanish Laws and, in particular, (i) the Deed of Incorporation of the Fund and the Assignment Agreement, (ii) the Royal Decree 926/1998 and its implementing provisions, (iii) the Royal Decree 1310/2005, (iv) the Law 19/1992, as regards anything not established in the Royal Decree 926/1998, (v) the Law 24/1988, (vi) the Order EHA/3537/2005, and (vii) the rest of legal and regulatory provisions in force that might be applicable from time to time.

This Securities Note has been prepared according to the form established by Annex XIII of the Regulation (EC) no. 809/2004.

4.4. Indication of whether the securities are in registered or bearer form and whether the securities are in certificated or book-entry form.

The Bonds will be represented by book entries in accordance with the provisions of the Royal Decree 926/1998 and will be created as such by virtue of their registration in the corresponding accounting register. The Deed of Incorporation will have the effects established in article 6 of the Law on the Stock Exchange, as the document for representation of the securities by means of book entries.

The Bondholders will be identified as such (on their own account or for the account of third parties) according to the accounting register kept by Iberclear, whose business address is located in Madrid, at: Plaza de la Lealtad no. 1, which will be appointed as the entity in charge of the accounting register of the Bonds by virtue of the Deed of Incorporation. So, the clearing and settlement of the Bonds will be accomplished in accordance with the operating rules that, in respect of securities admitted to trading on the AIAF Fixed Income Market and represented by book entries, are established or, in the future, might be approved by Iberclear.

4.5. Currency of the issue.

Bonds will be denominated in EUROS.

4.6. Ranking of the Securities according to Subordination.

The Managing Company, on behalf of the Fund, will proceed to apply on each Payment Date the amount of the Available Funds to the corresponding payments and retentions, according to the Ranking described in section 3.4.6.(1) (b) of the Additional Module that, as regards the payment of interest and principal on the Bonds, may be summarized as follows, without prejudice to the Post-Enforcement Ranking described in section 3.4.6. (4) of the Additional Module:

a) Payment of interest:

- a.1 The payment of interest accrued on the Series A Bonds holds the second (2nd) position in the Ranking.
- a.2 The payment of interest accrued on the Series B Bonds holds the third (3rd) position in the Ranking, unless this payment is postponed to the fifth (5th) position, according to item 3.4.6.(2) of the Additional Module; consequently, it is postponed in ranking as regards the payment of interest accrued on the Series A Bonds.
- a.3 The payment of interest accrued on the Series C Bonds holds the sixth (6th) position in the Ranking; consequently, it is postponed in ranking as regards the payment of interest accrued on the Series A and B Bonds.
- a.4 The payment of interest accrued on the Series D Bonds holds the seventh (7th) position in the Ranking; consequently, it is postponed in ranking as regards the payment of interest accrued on the Series A, B and C Bonds.
- a.5 The payment of interest accrued on the Series E Bonds holds the tenth (10th) position in the Ranking; consequently, it is postponed in ranking as regards (i) the payment of interest accrued on the Series A, B, C and D Bonds, (ii) the application of the Available Principal Funds, and (iii) the withholding of the amount necessary for the maintenance of the Reserve Fund at the Required Level.

b) Redemption of principal:

The Available Principal Funds hold the fourth (4th) position in the Ranking established in item 3.4.6.(1)(b) of the Additional Module, without prejudice to the Post-Enforcement Ranking described in item 3.4.6(4) of the Additional Module. Once that the Series A and B Bonds have been redeemed, the Available Principal Funds will hold the eighth (8th) position in the Ranking established in item 3.4.6.(1)(b) of the Additional Module, without prejudice to the Post-Enforcement Ranking described in item 3.4.6(4) of the Additional Module.

During the Revolving Period, on each Payment Date, the Series A will be compulsorily redeemed for an amount equal to the remaining Available Principal Funds following (i) the payment of the Acquisition Amount of the Additional Credit Rights assigned on that Payment Date and (ii) the provision of the Amount of

Principal Retention up to the maximum amount of 5% of the Outstanding Balance of Series A, B, C and D on the immediately preceding Determination Date.

During the Redemption Period, the redemption will be subject to the following subordination rules, pursuant to the provisions of item 4.9.2 of this Securities Note:

- b.1 The Available Principal Funds on each Payment Date will be used to redeem the principal of the Series A Bonds, until redeemed in full.
- b.2 Once that the Series A Bonds have been redeemed, all the Available Principal Funds, on each Payment Date, will be used to redeem the principal of the Series B Bonds, until redeemed in full.
- b.3 Once that the Series B Bonds have been redeemed, all the Available Principal Funds, on each Payment Date, will be used to redeem the principal of the Series C Bonds, until redeemed in full.
- b.4 Once that the Series C Bonds have been redeemed, all the Available Principal Funds, on each Payment Date, will be used to redeem the principal of the Series D Bonds, until redeemed in full.

Series E Bonds will be redeemed in accordance with the provisions of item 4.9.2. b) of the Securities Note.

4.7. Description of the rights attached to the securities and procedure for the exercise of said rights.

In compliance with the current regulations, the Bonds detailed in this Securities Note will not have for the investor that acquires them any political right, whether present or future, in respect of the Fund.

The economic and financial rights for the investor associated with the acquisition and holding of the Bonds will be those derived from the terms relating to the interest rate, yield and method of redemption pursuant to which they are issued, and that are contained in sections 4.8 and 4.9 below.

The financial servicing of the Bonds issued against the Fund will be handled by Banco Santander, in its capacity of Paying Agent. On each Payment Date, Banco Santander will proceed to make the payment of interests and the reimbursement of the principal corresponding to the Bonds according to the instructions received from the Managing Company.

Payments to be made by the Paying Agent will be made through the corresponding entities that participate in Iberclear, in the registers of which the Bonds are registered, according to the procedures that are being followed at the said service.

Bondholders may not file any claim against the Managing Company, except in the event that it fails to comply with its obligations described in this Prospectus or the obligations legally established. The Managing Company is the only authorized representative of the Fund before third parties and in any legal proceedings, in accordance with the applicable legislation.

Any matter, conflict or dispute in connection with the Fund or the Bonds issued against the said Fund that might arise during its period of operation or upon its settlement, whether between the Bondholders or between the Bondholders and the Managing Company, will be subject to the Spanish Courts, and the parties waive any other jurisdiction that might correspond to them.

4.8. Nominal Interest Rate and provisions relating to the payment of interests.

The yield on the Bonds will be determined by means of a fixed interest rate, pursuant to the following paragraphs:

- a) Bonds will accrue an annual fixed nominal interest payable on a quarterly basis on each Payment Date, provided that the Fund has sufficient Available Funds in the Cash Account, according to the Ranking established in section 3.4.6.(1)(b) of the Additional Module or, as the case may be, according to the Post-Enforcement Ranking of section 3.4.6. (4) of the Additional Module.
- Any withholdings and taxes established or to be established in the future as regards the principal, interests or yield of the Bonds will be exclusively borne by the Bondholders, and their amount, if applicable, will be deducted by the Managing Company, for and on behalf of the Fund, through the Paying Agent, in the manner established by the Laws.
- b) The duration of the issue will be divided into successive Interest Accrual Periods comprising the days that have actually elapsed between each Payment Date; each Interest Accrual Period will include the initial Payment Date and will exclude the final Payment Date. The duration of the first Accrual Period will be equal to the days elapsed between the Disbursement Date (inclusive) and the first Payment Date (not included).
- c) The Nominal Interest Rate determined for each Interest Accrual Period will be:
- Series A: 2.00%;
 - Series B: 2.50%
 - Series C: 3.50%
 - Series D: 5.00%
 - Series E: 5.00%;
- d) The Nominal Interest Rate will be accrued on the days elapsed in each Interest Accrual Period for which it has been determined, based on the calculation according to a year of three hundred and sixty (360) days.
- e) The interest rate accrued by the Bonds will be payable on a quarterly basis, on each Payment Date, i.e., on 20th March, June, September and December of each year, until redeemed in full, provided that the Fund has sufficient Available Funds in the Cash Account according to the Ranking established in section 3.4.6.(1)(b) of the Additional Module or, if applicable, according to the Post-Enforcement Ranking of section 3.4.6. (4) of the Additional Module.
- In the event that any of the dates established in the preceding paragraph is not a Working Day, the payment of interests will be made on the immediately next Working Day, by accruing the interest corresponding to the current Interest Accrual Period, until the aforementioned first Working Day, not inclusive.
- f) The first payment of interests for the Bonds will be made on 20th March 2015.
- g) The calculation of interests for the Bonds payable on each Payment Date for each Interest Accrual Period will be carried out in accordance with the following formula:

$$I = P * R / 100 * d / 360$$

Where:

I = Interest to be paid on a given Payment Date.

P = Outstanding Balance of the Bonds on the Determination Date corresponding to the said Payment Date.

R = Nominal Interest Rate expressed as a percentage.

d = Number of days actually elapsed in each Interest Accrual Period.

Determination Date is understood as (i) during the Revolving Period, the date corresponding to the tenth (10th) Working Day preceding each Payment Date, and (ii) during the Redemption Period, the date corresponding to the fifth (5th) Working Day preceding each Payment Date.

Both any interest resulting in favor of the Bondholders, calculated as established above, and the amount of interest accrued and not paid will be communicated to the Bondholders according to section 4 of the Additional Module and, at least, one (1) calendar day before each Payment Date.

- h) The payment of any interest accrued will be made on each Payment Date, provided that the Fund has sufficient Available Funds in the Cash Account according to the Ranking established in section 3.4.6.(1)(b) of the Additional Module or, if applicable, according to the Post-Enforcement Ranking specified in section 3.4.6. (4) of the Additional Module.

4.8.1 Valid deadline in which interest may be claimed.

Interest on the Bonds will be paid until the respective redemption of the said Bonds on each Payment Date and provided that the Fund has Available Funds to that end, according to the Ranking specified in section 3.4.6.(1)(b) of the Additional Module or, if applicable, according to the Post-Enforcement Ranking contained in section 3.4.6. (4) of the Additional Module.

In the event that, on a Payment Date, the Fund cannot make the payment, whether in full or in part, of any interest accrued by the Bonds according to the Ranking established in section 3.4.6.(1)(b) of the Additional Module, the amounts that the Bondholders have not received will be added on the next Payment Date to the interest that, if applicable, must be paid on the said Payment Date, and will be paid on the next Payment Date on which, according to the aforementioned Ranking, the Fund has sufficient liquidity to that end, and by order of maturity if it is not possible to pay them in their entirety due to insufficient Available Funds.

Any unpaid amounts of interest due will not accrue any additional interest or late payment interest and will not be added to the Outstanding Balance of the Bonds.

The Fund, through its Managing Company, may not defer the payment of any interest on the Bonds beyond the Legal Maturity Date or, in the event that this date is not a Working Day, the next Working Day.

4.8.2 Description of any episode of distortion of the market for the underlying asset.

Not applicable.

4.8.3 Rules for adjustment of the underlying asset.

Not applicable.

4.8.4 Calculation Agent.

Not applicable.

4.9. Redemption price and provisions relating to the maturity of securities.

4.9.1 Redemption price.

Bonds will be redeemed at par.

4.9.2 Date and methods of redemption

Bonds will be redeemed by reducing their nominal value on 20th March, June, September and December of each year, until redeemed in full, pursuant to the ordinary redemption rules established below.

Available Principal Funds are the amounts used on each Payment Date during the Revolving Period for the acquisition of Additional Credit Rights and/or the provision of the Amount of

Principal Retention and/or the compulsory early redemption of the Series A Bonds and, upon expiration of the said period, for the redemption of Series A, B, C and D Bonds, and will be equal to the minimum amount of: a) the positive difference existing on the Determination Date preceding the corresponding Payment Date between (i) the Outstanding Balance of the Series A, Series B, Series C and Series D Bonds, and (ii) the Outstanding Balance of the Credit Rights, excluding Delinquent Loans and (b) the Available Funds following the fulfillment of the payment obligations corresponding to the positions in the Raking of the Fund preceding the application of Available Principal Funds.

The Legal Maturity Date of the Fund the final redemption of the Bonds will take place on 20th June 2032 or, in the event that this date is not a Working Day, on the next Working Day, without prejudice to the fact that the Managing Company, for and on behalf of the Fund, and in compliance with the provisions of section 4.4 del Registration Document and subject to the Post-Enforcement Ranking of the Fund, proceeds to the early redemption of this issue, in which case the Payment Date on which this occurs will be the Legal Maturity Date of the Bonds.

Notwithstanding the provisions of the previous section, the Fund, through its Managing Company, will proceed to the partial redemptions of the Securitization Bonds pursuant to the terms described in the following sections.

The partial redemption dates will coincide with the Interest Payment Dates, i.e., the dates: 20th March, June, September and December of each year or, if applicable, on the following Working Day, until their full redemption (“**Payment Dates**”).

a) Redemption Rules for the Series A, B, C, and D

The ordinary redemption of Series A, B, C and D Bonds will be carried out sequentially.

Redemption of the Series A Bonds:

Once that the Revolving Period has elapsed, the Series A Bonds will be redeemed by means of partial redemptions by reducing the nominal amount of each Series A Bond on each Payment Date.

The first payment for the redemption of Series A Bonds will correspond to 20th March 2019, unless the Revolving Period is early terminated as described in item 2.2.2.2 of the Additional Module, moment at which the first redemption of the Series A Bonds would be early carried out on the Payment Date on which the Revolving Period ends.

Likewise, on any Payment Date during the Revolving Period, Series A Bonds will be compulsorily and early redeemed for an amount equal to the remaining Available Principal Funds, if any, following the acquisition of Additional Credit Rights on the said Payment Date and following the provision of the Amount of Principal Retention up to an amount equal to 5% of the Outstanding Balance of Series A, B, C and D on the immediately preceding Determination Date.

Without prejudice to the foregoing, the said compulsory early redemption of the Series A will not imply the termination of the Revolving Period, in any case.

Redemption of Series B, C and D Bonds:

The redemption of the Series B, C and D Bonds will also be subject to the redemption pattern for the Credit Rights pooled in the portfolio and will be sequentially carried out on each Payment Date by reducing their nominal amount until redeemed in full.

b) Redemption Rules for the Series E

Redemption of the Series E Bonds:

Series E Bonds will be redeemed by means of partial redemptions on each Payment Date for an amount equal to the positive difference existing between the Required Level of the Reserve Fund as at the preceding Payment Date and the Required Level of the Reserve Fund as at the corresponding Payment Date, pursuant to the provisions of item 3.4.6 of the Additional Module.

4.10. Indication of investor's yield and calculation method

The main characteristic of the Bonds lies in the fact that their periodical redemption and, consequently, their average life and duration, mainly depends on the speed at which Debtors decide to pay off their Loans.

In this respect, early redemptions that the Debtors decide to make are subject to continuous changes and are estimated in this Prospectus by applying various future ACPRs; consequently, they will directly affect the speed of repayment of the Credit Rights and, therefore, the average life and the duration of the Bonds.

Likewise, there are other variables that are also subject to continuous changes affecting the average life and the duration of the Bonds. These variables and their hypothetical values assumed in all the tables contained in this section are the following:

- (i) Interest rate of Loans: 8.70% (weighted average interest rate as at 2nd September 2014);
- (ii) Default rate in the loan portfolio of Santander Consumer for the same type of assets: annual rate of 2% (non-payment for more than 90 days), with a recovery percentage of 40% within 12 months after the first non-payment, with the remaining 60% becoming delinquent loans;
- (iii) Delinquent Loans in the loan portfolio of Santander Consumer for the same type of assets: annual rate of 1.20% from the first year.
- (iv) That the Disbursement Date of the Bonds is 28th November 2014;
- (v) That the ACPR remains constant throughout the life of the Bonds.
- (vi) Accumulated delinquent loans in the Loan portfolio amounting to 6.86% with an ACPR of 2%; 6.74% with an ACPR of 4%; and 6.61% with an ACPR of 6%.
- (vii) Estimated annual Ordinary Expenses of the Fund: annual rate of 0.025% on the outstanding balance of the Credit Rights, which, during the first year, will correspond to an amount equivalent to 200,000 euros.

Variables from (i) to (vii) above and the ACPRs used in the tables included below arise from the historical information provided by the Assignor and that is reasonable for the portfolio of Credit Rights.

Finally, the duration of the Bonds also will depend on their fixed interest rate, and, in all the tables contained in this section, it is assumed to be constant for all the Payment Dates. According to the hypotheses suggested, no events of deferral of interest rate will take place.

If we assume that the Managing Company, acting on behalf of the Fund, proceeds to the Early Liquidation of the Fund, as established by section 4.4.c) of the Registration Document when the Outstanding Balance of the Credit Rights, excluding the Delinquent Loans, is lower than ten percent (10%) of the Balance of the Credit Rights on the Date of Incorporation, the average life, duration, maturity and IRR of the Bonds would be the following at various ACPRs:

ACPR	2%	4%	6%
Series A			
<i>Average life (years)</i>	6.49	6.39	6.30
<i>IRR</i>	2.045%	2.045%	2.045%
<i>Duration (years)</i>	6.95	6.83	6.73
<i>Estimated final life</i>	20-March-24	20-Dec-23	20-Dec-23
Series B			
<i>Average life (years)</i>	9.31	9.07	9.07
<i>IRR</i>	2.561%	2.561%	2.561%
<i>Duration (years)</i>	10.44	10.14	10.14
<i>Estimated final life</i>	20-March-24	20-Dec-23	20-Dec-23
Series C			
<i>Average life (years)</i>	9.31	9.07	9.07
<i>IRR</i>	3.598%	3.598%	3.598%
<i>Duration (years)</i>	10.90	10.56	10.56
<i>Estimated final life</i>	20-March-24	20-Dec-23	20-Dec-23
Series D			
<i>Average life (years)</i>	9.31	9.07	9.07
<i>IRR</i>	5.170%	5.170%	5.170%
<i>Duration (years)</i>	11.57	11.21	11.21
<i>Estimated final life</i>	20-March-24	20-Dec-23	20-Dec-23
Series E			
<i>Average life (years)</i>	8.81	8.69	8.69
<i>IRR</i>	5.170%	5.170%	5.170%
<i>Duration (years)</i>	10.85	10.66	10.66
<i>Estimated final life</i>	20-March-24	20-Dec-23	20-Dec-23

The Managing Company expressly states that the financial servicing tables that are described below are merely theoretical and for information purposes only and that they do not represent any payment obligation, if we bear in mind that the aforementioned hypothetical values have been used.

Below there is the financial servicing table for each Series at the ACPR amounting to 4%. Tables for different scenarios are not included, given that differences in average lives are not significant

ACPR (4%)	Series A			Series B			Series C			Series D			Series E		
	2.00%			2.50%			3.50%			5.00%			5.00%		
Payment date	Principal	Interests (Gross)	Total Flows	Principal	Interests (Gross)	Total Flows	Principal	Interests (Gross)	Total Flows	Principal	Interests (Gross)	Total Flows	Principal	Interests (Gross)	Total Flows
28-Nov-14															
20-Mar-15	€ -	€ 622.22	€ 622.22	€ -	€ 777.78	€ 777.78	€ -	€ 1,088.89	€ 1,088.89	€ -	€ 1,555.56	€ 1,555.56	€ -	€ 1,555.56	€ 1,555.56
20-Jun-15	€ -	€ 511.11	€ 511.11	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Sep-15	€ -	€ 511.11	€ 511.11	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Dec-15	€ -	€ 505.56	€ 505.56	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Mar-16	€ -	€ 505.56	€ 505.56	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Jun-16	€ -	€ 511.11	€ 511.11	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Sep-16	€ -	€ 511.11	€ 511.11	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Dec-16	€ -	€ 505.56	€ 505.56	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Mar-17	€ -	€ 500.00	€ 500.00	€ -	€ 625.00	€ 625.00	€ -	€ 875.00	€ 875.00	€ -	€ 1,250.00	€ 1,250.00	€ -	€ 1,250.00	€ 1,250.00
20-Jun-17	€ -	€ 511.11	€ 511.11	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Sep-17	€ -	€ 511.11	€ 511.11	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Dec-17	€ -	€ 505.56	€ 505.56	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Mar-18	€ -	€ 500.00	€ 500.00	€ -	€ 625.00	€ 625.00	€ -	€ 875.00	€ 875.00	€ -	€ 1,250.00	€ 1,250.00	€ -	€ 1,250.00	€ 1,250.00
20-Jun-18	€ -	€ 511.11	€ 511.11	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Sep-18	€ -	€ 511.11	€ 511.11	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Dec-18	€ -	€ 505.56	€ 505.56	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Mar-19	€ 4,946.63	€ 500.00	€ 5,446.63	€ -	€ 625.00	€ 625.00	€ -	€ 875.00	€ 875.00	€ -	€ 1,250.00	€ 1,250.00	€ -	€ 1,250.00	€ 1,250.00
20-Jun-19	€ 6,425.23	€ 485.83	€ 6,911.05	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Sep-19	€ 6,404.96	€ 452.99	€ 6,857.95	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Dec-19	€ 6,331.44	€ 415.68	€ 6,747.12	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Mar-20	€ 6,246.49	€ 383.67	€ 6,630.16	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Jun-20	€ 6,160.41	€ 355.96	€ 6,516.37	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Sep-20	€ 6,079.29	€ 324.48	€ 6,403.77	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Dec-20	€ 5,896.33	€ 290.22	€ 6,186.55	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Mar-21	€ 5,730.28	€ 257.55	€ 5,987.83	€ -	€ 625.00	€ 625.00	€ -	€ 875.00	€ 875.00	€ -	€ 1,250.00	€ 1,250.00	€ -	€ 1,250.00	€ 1,250.00
20-Jun-21	€ 5,589.84	€ 233.98	€ 5,823.82	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Sep-21	€ 5,469.65	€ 205.41	€ 5,675.06	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Dec-21	€ 5,172.08	€ 175.53	€ 5,347.61	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Mar-22	€ 4,873.49	€ 147.74	€ 5,021.22	€ -	€ 625.00	€ 625.00	€ -	€ 875.00	€ 875.00	€ -	€ 1,250.00	€ 1,250.00	€ -	€ 1,250.00	€ 1,250.00
20-Jun-22	€ 4,530.33	€ 126.11	€ 4,656.44	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Sep-22	€ 4,130.52	€ 102.96	€ 4,233.48	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 1,277.78	€ 1,277.78
20-Dec-22	€ 3,453.07	€ 80.95	€ 3,534.02	€ -	€ 631.94	€ 631.94	€ -	€ 884.72	€ 884.72	€ -	€ 1,263.89	€ 1,263.89	€ -	€ 1,263.89	€ 1,263.89
20-Mar-23	€ 3,025.27	€ 62.80	€ 3,088.07	€ -	€ 625.00	€ 625.00	€ -	€ 875.00	€ 875.00	€ -	€ 1,250.00	€ 1,250.00	€ 50,000.00	€ 1,250.00	€ 51,250.00
20-Jun-23	€ 2,708.46	€ 48.73	€ 2,757.19	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 638.89	€ 638.89
20-Sep-23	€ 2,375.38	€ 34.89	€ 2,410.27	€ -	€ 638.89	€ 638.89	€ -	€ 894.44	€ 894.44	€ -	€ 1,277.78	€ 1,277.78	€ -	€ 638.89	€ 638.89
20-Dec-23	€ 4,450.86	€ 22.50	€ 4,473.36	€ 100,000.00	€ 631.94	100,631.94	€ 100,000.00	€ 884.72	€ 100,884.72	€ 100,000.00	€ 1,263.89	€ 101,263.89	€ 50,000.00	€ 631.94	€ 50,631.94
20-Mar-24	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
20-Jun-24	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
20-Sep-24	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -
20-Dec-24	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -

4.11. Representation of the security holders.

As regards the Securitization Bonds, it is not envisaged to establish a Syndicate of Bondholders.

In accordance with the provisions of article 12 of the Royal Decree 926/1998, it is the Managing Company –in its capacity of manager of third party business operations– the party that must be in charge of the representation and defence of the interests of the holders of the Bonds issued against the Fund and of the rest of the ordinary creditors of the said Fund. Consequently, the Managing Company must make its actions conditional upon their defence and abide by the provisions that might be established from time to time for this purpose.

4.12. Resolutions, authorizations and approvals by virtue of which the securities are issued.

The resolutions, agreements and authorizations by virtue of which these Bonds are issued are those specified below:

- a) Corporate resolutions:
 - a.1 Resolution of the Board of Directors of Santander Consumer, dated on 22nd September 2014, approving the assignment of the Credit Rights.
 - a.2 Resolutions of the Board of Directors of the Managing Company, dated on 15th September 2014.
- b) Registration of this Prospectus in the CNMV, which was carried out on 20th November 2014.
- c) Formalization of the Deed of Incorporation, which will take place on 26th November 2014, a copy of which will be sent to the CNMV and to Iberclear.
- d) Formalization of the Assignment Agreement, which will take place on 26th November 2014, a copy of which will be sent to the CNMV.

4.13. Date of issue.

The Bonds will be issued on 26th November 2014, the Date of Incorporation.

4.13.1 Subscription Date.

The Subscription Date will be 28th November 2014, from 10.00 am to 12.00 am (Madrid time).

4.13.2 Disbursement Method and Date.

The Disbursement Date will be 28th November 2014.

On the Disbursement Date, the Subscribers will credit the subscribed amount to the account specified to that end by the Paying Agent; value date: the said day, before 2.00 pm (Madrid time).

The Paying Agent will proceed to pay to the Fund before 3.00 pm (Madrid time) on the Disbursement Date (value date: that same day) the amount paid by the Subscribers in accordance with the provisions of the Management, Subscription and Payment Agency Agreement, by means of a deposit made to the Cash Account of the Fund.

4.14. Restrictions on the free transferability of securities.

Bonds may be freely transferred by any means allowed by the Laws and in accordance with the rules of the AIAF. The ownership of each Bond will be transferred by book entry. The registration of the transfer in favor of the acquirer in the accounting register will have the same effects as the transfer of certificates and, from this very moment, the transfer will be enforceable against any third parties. In this respect, the third party that acquires against

payment the Bonds represented by book entries from a person that, according to the entries of the accounting register, is authorized to transfer them will not be subject to any action for repossession, unless the said third party has acted in bad faith or with gross negligence at the time of the acquisition.

The creation of limited rights *in rem* or any other kind of encumbrances on the Bonds must be registered in the corresponding account. The registration of a pledge will be equivalent to the transfer of the possession of the certificate.

The creation of an encumbrance will be enforceable against any third parties from the very moment at which the corresponding registration has been carried out.

5. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

5.1. Indication of the Market where the securities will be traded.

In compliance with the provisions of article 2.3 of the Royal Decree 926/1998, the Managing Company, in the name and on behalf of the Fund, will apply for the official admission to trading of this issue of Bonds, once that the Fund has been incorporated and before the disbursement has been made, on the AIAF Fixed Income Market (the “**AIAF Market**”), so that the Bonds can be traded within the maximum period of time of one (1) month starting from the Disbursement Date.

In the case of failure to comply with the condition relating to the aforementioned period of time for the admission to trading of the Bonds, the Managing Company will accordingly inform the CNMV and will make public in a national newspaper, both the causes for the said non-fulfillment and the new date expected for the admission of the Bonds to trading, without prejudice to the eventual liability of the Managing Company, if the non-fulfillment is attributable to it.

The Managing Company, in the name and on behalf of the Fund, will apply for the registration in the accounting register managed by IBERCLEAR of this issue of Bonds, so that the securities can be cleared and settled in the manner established by the operating rules that, in connection with the securities admitted for trading on the AIAF Market, are established or that might be approved in the future by IBERCLEAR.

The Managing Company, in the name and on behalf of the Fund, hereby states that it is aware of the requirements and conditions imposed as regards the listing, maintenance and exclusion of the Bonds on/from the AIAF Market, in accordance with the current regulations, as well as the requirements of its Governing Bodies, and that it accepts to respect them.

5.2. Paying Agent and Depository Institutions.

a) Paying Agent:

The Managing Company, for and on behalf of the Fund, appoints SANTANDER, which accepts the appointment, as the Paying Agent for providing the financial service relating to the issue of the Bonds. The obligations assumed by SANTANDER, in its capacity of Paying Agent, are the following:

- **Disbursement of the issue.**

The Paying Agent will proceed to pay to the Fund before 3.00 pm (Madrid time) on the Disbursement Date (value date: that same day) by means of a deposit made to the Cash Account of the Fund, the amount paid to the Paying Agent by the Subscribers.

- **Payments made against the Fund.**

On each Payment Date of the Bonds, the Paying Agent will proceed to make the payment of any interests and the reimbursement of principal corresponding to the Bonds, according to the instructions received from the Managing Company.

Payments to be made by the Paying Agent will be made through the corresponding entities that participate in Iberclear, in the registers of which the Bonds are registered, according to the procedures that are being followed at the said service.

In the event that, on a Payment Date, there are not any Available Funds in the Cash Account or in the Principal Account, the Paying Agent will not be obliged to make any payment.

Banco Santander's appointment as Paying Agent will not be revoked under any circumstance, if a new entity has not been appointed as Paying Agent.

- **Obligations in the case of credit rating downgrade**

DBRS Ratings Limited criteria

In the event that the Rating given by DBRS to the Paying Agent is downgraded to a rating lower than BBB in the long term, or if the said rating is withdrawn, the Managing Company must implement, by acting on behalf of the Fund and within a maximum period of time of thirty (30) Calendar Days starting from the moment at which the said situation takes place and after having informed the Rating Agencies, any of the necessary options described below, allowing to maintain a suitable level of protection in relation to the commitments derived from the duties contained in the respective agreement, so that the rating given to the Bonds by DBRS is not downgraded:

- i) To obtain guarantees or similar commitments from a credit entity or entities with a DBRS rating not lower than BBB in the long term and provided that the guarantee requirements established by the *Legal Criteria for European Structured Finance Transactions* of DBRS, of 30th September 2014, are complied with.
- ii) To replace the Paying Agent with an entity with a DBRS rating not lower than BBB (without this rating being "Under Review (Negative)") in the long term, that undertakes, in the same terms, to perform the duties of the affected entity, as set forth in the respective agreement.

Any costs resulting from any of the aforementioned actions will be borne by the Paying Agent.

Fitch criteria

In the event that the rating given by Fitch to the Paying Agent is downgraded to a rating lower than BBB+ in the long term or F2 in the short term, or if the said rating is withdrawn, the Managing Company must implement, by acting on behalf of the Fund and within a maximum period of time of thirty (30) Calendar Days starting from the moment at which the said situation takes place and after having informed the Rating Agencies, any of the necessary options described below, allowing to maintain a suitable level of protection in relation to the commitments derived from the duties contained in the respective agreement, so that the rating given to the Bonds by Fitch is not downgraded:

- i) To obtain guarantees or similar commitments from a credit entity or entities with a rating not lower than BBB+ and F2 in the long and short terms, that guarantee the commitments undertaken by the Paying Agent.
- ii) To replace the Paying Agent with an entity with a Fitch rating not lower than BBB+ and F2 in the long and short terms, that undertakes, in the same terms, to perform the duties of the affected entity, as set forth in the respective agreement.

Any costs resulting from any of the aforementioned actions will be borne by the Paying Agent.

Likewise, the Paying Agent may terminate the Management, Subscription and Payment Agency Agreement by giving at least two months' notice to the Managing Company, in compliance with the terms established in the Management, Subscription and Payment Agency Agreement, provided that (i) another entity with similar financial characteristics and with a credit rating of, at least, BBB (without this rating being "Under Review (Negative)") in the long term, according to DBRS, and BBB+ and F2 in the long and short terms, according to Fitch, and accepted by the Managing Company, replaces the Paying Agent as regards the duties undertaken by virtue of the Management, Subscription and Payment Agency Agreement; and (ii) notice is given to the CNMV and the Rating Agencies. In the case of replacement due to the waiver of the replaced Paying agent, any costs resulting from the replacement process will be borne by the latter, as well as any commission for the new Paying Agent.

b) Depository Institutions:

Not applicable.

6. EXPENSES OF THE OFFER AND ADMISSION TO LISTING

The estimated expenses are as follows:

EXPENSES OF THE OFFER AND ADMISSION TO LISTING

Expenses of Incorporation and issue (expenses of documents, fees and others):

	Euros
CNMV fees (for the offer and admission to listing):	53,042.71
AIAF fees:	66,913.00
Iberclear fees:	3,025.00
Others (Rating Agencies, legal advice, notary public, auditor and structuring process):	652,019.29
Total (0.088%):	775,000.00⁻

The incorporation and issue expenses specified herein will be paid against the Subordinated Loan described in section 3.4.3.a) of the Additional Module.

Any expenses incurred due to the liquidation of the Fund will be the responsibility of the Fund.

7. ADDITIONAL INFORMATION

7.1. Persons and entities acting as advisers in the issue.

CUATRECASAS, GONÇALVES PEREIRA S.L.P. acts as legal adviser in respect of the transaction structure, in its capacity of independent third party, and has revised the tax system of the Fund established in section 4.5.d) of the Registration Document.

7.2. Information on the Securities Note reviewed by the auditors.

Not applicable

7.3. Statement or report attributed to a person acting as an expert.

Deloitte, S.L. –the name, address and registration data of which are specified in section 5.2 of the Registration Document– has prepared a review report on the main attributes of the Credit Rights that is included in section 2.2 of the Additional Module, and has audited the annual financial statements of the Managing Company and of Santander Consumer corresponding to the years 2011, 2012 and 2013, and has been appointed as auditor of accounts for the Fund.

7.4. Information provided by third parties.

The Managing Company confirms that the information supplied by Santander Consumer in its capacity of Assignor as regards this entity and the Credit Rights has been exactly reproduced in this Prospectus and that, insofar as it is aware and may determine based on the information provided by Santander Consumer, no information that could be relevant to the investor has been omitted.

7.5. Ratings.

The Bonds included in this Securities Note have been assigned the following provisional ratings by the Rating Agencies:

	DBRS	Fitch
Series A	A (sf)	A (sf)
Series B	BBB (sf)	BBB (sf)
Series C	BB (low) (sf)	BB+ (sf)
Series D	B (low) (sf)	BB (sf)
Series E	C (sf)	CC (sf)

These ratings given to the Bonds by DBRS are an opinion as regards the prompt payment of interest and principal of the Series A Bonds on or before the Final Maturity Date and the payment of interest and principal for the Series B, C, D and E Bonds on or before the Final Maturity Date, as established by the documents of the operation.

For Fitch, the expected rating for the Series A is an opinion on the prompt payment of interest and principal of the Bonds during the life of the operation and, in any case, on or before the Legal Maturity Date of the Fund, 25th August 2028, according to the terms established by the documents. The expected ratings for the Series B, C, D and E are a Fitch's opinion on the payment of interest and principal for the Bonds during the life of the operation and, in any case, on or before the Legal Maturity Date of the Fund, 25th August 2028.

Ratings take into account the structure of the Bond Issue, its legal aspects and those of the Fund that issues the said Bonds, the characteristics of the Credit Rights selected for their assignment to the Fund and the regularity and continuity of the flows of the transaction.

Ratings do not constitute an assessment of the probability that the Debtors will make early capital amortizations. Ratings do not in any way imply a rating of the actuarial yield level.

The ratings assigned, as well as any review or suspension thereof

(i) are prepared by the Rating Agencies on the basis of a substantial amount of information that they receive, the accuracy or completeness of which are not guaranteed by them; consequently, the Rating Agencies cannot in any way be considered to be responsible for them;

(ii) do not constitute and therefore may not in any way be interpreted as an invitation, recommendation or encouragement for the investors to carry out any type of transaction concerning the Bonds and, in particular, to acquire, hold, encumber or sell the said Bonds;

(iii) do not constitute any analysis of the appropriateness of the market price or of the Bonds to the possible needs of a specific investor, or tax exemption, or the taxable nature of payments made in relation to the Bonds; and

(iv) are merely opinions and should not prevent potential investors from performing their own analyses on the securities to be purchased.

The final ratings assigned may be revised, suspended or withdrawn at any time by the Rating Agencies depending on any information that they might receive. These situations, which will not constitute cases of early liquidation of the Fund, will be immediately notified both to the CNMV and to the Bondholders.

In order to carry out the rating and monitoring process, the Rating Agencies trust the accuracy and completeness of the information that they receive from the Managing Company, the legal advisers and any other experts.

The Managing Company will make the greatest effort to maintain the rating of the Bonds at its initial level and, in the event that the said rating is downgraded, to recover it.

In the event that, on the Subscription Date of the Bonds, before 10.00 am (Madrid time), the Rating Agencies do not confirm as final any of the provisional ratings assigned by the Rating Agencies, this circumstance will be immediately reported to the CNMV and made public in the manner provided by section 4 of the Additional Module. This circumstance will result in the termination of the incorporation of the Fund, the issue of the Bonds, the agreements, except for the Subordinated Loan Agreement as regards the expenses of incorporation of the Fund, and the assignment of the Credit Rights.

ADDITIONAL MODULE TO THE SECURITIES NOTE
(Annex VIII of the Commission Regulation (EC) no. 809/2004)

1. SECURITIES

1.1. Amount of the Issue.

The Fund will be created with the Initial Credit Rights that Santander Consumer will assign to the Fund on the Date of Incorporation, with a total principal equal to or slightly higher than SEVEN HUNDRED AND SIXTY MILLION euros (€ 760,000,000), equivalent to the nominal value of the issue of Series A, B, C and D Bonds.

The Managing Company estimates, based on the information provided by Santander Consumer as regards the amortization rate and the default of the Loans, that the outstanding balance of the Preliminary Portfolio as at the date of registration of this Prospectus is sufficient to incorporate the Fund with the initial assets specified in the previous paragraph.

1.2. Confirmation that the information relating to a company or debtor that does not participate in the issue has been reproduced.

Not applicable.

2. UNDERLYING ASSETS

2.1. Confirmation as to the Credit Rights' capacity to generate funds payable to the securities.

The Managing Company confirms that the flows of principal, interest and any other amounts generated by the Credit Rights allow, according to their contractual characteristics, to make the payments due and payable to the Bonds.

However, in order to cover any eventual payment defaults of the Debtors, a series of enhancement operations have been provided in order to mitigate the risk of default, as regards both the principal and the interest of the Bonds; the said operations are described in sections 3.4.2 and 3.4.3 and 3.4.4 of this Additional Module. Under exceptional circumstances, the said enhancement operations could be insufficient.

If, due to a change in the current regulations or upon the occurrence of exceptional circumstances, there is –in the opinion of the Managing Company– a substantial change in the Fund's financial balance or it is permanently impaired, or if a default indicative of a serious and permanent imbalance in relation to any of the Bonds occurs or is expected to occur, the Managing Company may proceed to the Early Liquidation of the Fund and the resulting Early Redemption of the Bond issue, pursuant to the terms of section 4.4.c) of the Registration Document.

2.2. Credit Rights backing the issue of the Bonds.

The Loans derived from the Credit Rights assigned to the Fund are Loans granted by Santander Consumer to natural persons and corporate bodies residing in Spain, for the purposes of financing the acquisition of new and/or used vehicles, some of which (those granted to consumers and users) have been granted in accordance with the Law 7/1995, of 23rd March, on Consumer Credit and the Law 16/2011, of 24th June, on consumer credit agreements (as regards the Additional Credit Rights, they will be assigned according to the aforementioned rules or any other relevant rules that might replace them).

The Law 16/2011 does not apply to the agreements that already existed on the date on which the said Law came into force, except for the requirements to adapt the said agreements that are established by its Transitional Provision, which expressly establishes that within a period of time of twelve (12) months starting from its formalization, the said adaptation must be carried out; this obligation only applies to open-end credits.

In accordance with the internal Memorandum for the granting of loans summarized in section 2.2.7 below, some of the loans from which the Credit Rights derive have guarantees (guarantee or co-holders) whilst all of them have a reservation of title clause (although not all the reservation of title clauses are registered in the Register of Installment Sales of Movable Properties and in the Register of Motor Vehicles of the Directorate-General for Traffic). The specific percentages of the Loans backed by a guarantee or co-holders, and those that do not have any special guarantee, as well as the details on the reservation of title clauses registered in the Register, where appropriate, are specified in section 2.2.2.e) relating to Guarantees.

The reservation of title represents a true acknowledgment of the ownership of the Assignor; so, the Debtor –as the purchaser of an asset with reservation of title in favor of the Assignor– lacks any power of disposal while the loan remains unpaid, unless the beneficiary of the reservation (the Assignor) gives its consent. After full payment of the loan, full and final title will be automatically transferred to the Debtor, without the need of a new agreement or contract.

Nowadays, the Register of Installment Sales of Movable Properties is a register of titles and encumbrances as to which the presumption of registration legitimacy is fully applicable, from which it is presumed that the rights registered therein exist and belong to their holder. Consequently, the reservation of title, if registered in the Register of Installment Sales of Movable Properties, is effective and enforceable against third parties from the time of registration. With regard to reservation of title clauses that are not registered, the agreement will only have effect between the parties without affecting any third party purchasers that acted in good faith, whose acquisition will be valid in any case, without prejudice to the corresponding actions for compensation and relief of the Assignor against the Debtor deriving from the breach by the latter of the prohibition against disposal. Similarly, insofar as the corresponding contract is not registered in the Register of Installment Sales of Movable Properties, it will not enjoy the benefits established by the Law 28/1998, of 13th July, on the instalment sale of movable properties, except for the provisions relating to legal preference contained in article 16.5 of the said Law for those reservations of title documented under a deed granted before a Notary Public, as described in section 3.4.5 hereof.

On the contrary, the Register of Motor Vehicles of the Directorate-General for Traffic is a register mainly in charge of the identification of the owner of a vehicle, the knowledge about its technical characteristics and its roadworthiness, the verification of any inspections performed, the existence of the compulsory motor vehicle insurance and the compliance with other legal obligations, the verification of the total number of vehicles and their distribution, and any other statistical purposes; so, this Register has a purely administrative character and, thus, its data cannot be used to prejudice any matters relating to ownership, fulfillment of contracts or, in general, any other civil or mercantile matters that might arise with respect to the vehicles registered in the said Register.

The reservation of title may be documented either under a deed granted before a Notary Public or under a private contract, and its registration in the Register of Installment Sales of Movable Properties is optional.

Reservations of title that are documented under a deed granted before a Notary Public as well as those formalized according to the official form established to that end and registered in the corresponding Register of Installment Sales of Movable Properties give their beneficiary, as provided by article 16.5 of the Law 28/1998, of 13th July, on the instalment sale of movable properties, the preference and rank established in articles 1922.2 and 1926.1 of the Civil Code, as described in section 3.4.5 hereof.

Similarly, in the case of breach of a reservation of title clause registered in the Register of Installment Sales of Movable Properties and formalized according to the official form of contract established to that end, the Administrator may bring actions directly and exclusively against the goods acquired in installments, according to the procedure specified in article 16.2 of the Law 28/1998, of 13th July, on the instalment sale of movable properties, as described in section 3.4.5 hereof.

Maximum Amount of the Credit Rights.

The maximum amount of the Outstanding Balance of the Credit Rights pooled in the Fund will be equal to or slightly higher than SEVEN HUNDRED AND SIXTY MILLION euros (€ 760,000,000) (the “**Maximum Amount of the Credit Rights**”), equivalent to the nominal value of the issue of Series A, B, C and D Bonds.

2.2.1 Legal jurisdiction governing the pool of Credit Rights.

Assets are governed by the Spanish Laws.

In particular, Assets are governed by the Spanish banking regulations and, specifically and where applicable, by the Law 7/1995, of 23rd March, on Consumer Credit, the Law 16/2011, of 24th June, on consumer credit agreements (as regards the Additional Credit Rights, they will be governed under the aforementioned rules or any other relevant rules that might replace them) and the Circular 8/1990 of the Bank of Spain, of 7th September, on transparency of transactions and protection of customers, the Order EHA/2899/2011, of 28th October, on transparency and protection for customers of banking services, the Circular 5/2012, of 27th June, of the Bank of Spain, for credit entities and providers of payment services, on transparency of banking services and responsible granting of loans, where applicable, the Royal Legislative Decree 1/2007, of 16th November, approving the consolidated text of the General Law for the Protection of Consumers and Users and any other supplementary laws, and the Law 7/1998, of 13th April, on General Contracting Conditions.

2.2.2 General characteristics of the Credit Rights.

2.2.2.1 Initial Credit Rights

The assignment by Santander Consumer of the Initial Credit Rights, in an undetermined number, the total Outstanding Balance of which will be equal to the Maximum Amount of the Credit Rights, i.e., SEVEN HUNDRED AND SIXTY MILLION euros (€ 760,000,000) or an amount slightly exceeding and as close as possible to that amount, will be effective from the Date of Incorporation of the Fund and will be documented by means of the Assignment Agreement.

The Preliminary Portfolio from which the Initial Credit Rights will be drawn is made up of eighty-three thousand one hundred and eighty (83,180) loans, with a principal that has not become due yet, as at 20th October 2014, amounting to eight hundred and sixty-four million six hundred and sixty-nine thousand three hundred and fifty-nine euros with ten euro cents (€ 864,669,359.10). These are loans with no grace period for the repayment of principal or interest, with constant installments and concession periods ranging from two (2) months to one hundred and eighteen (118) months, and with an average granted amount of ten thousand three hundred and ninety-five euros with sixteen euro cents (€ 10,395.16).

The Preliminary Portfolio was the subject matter of an audit report of attributes prepared by the firm Deloitte, S.L.; the said report deals with a series of qualitative and quantitative attributes of a sample of this Preliminary Portfolio and, in particular, as regards:

- Nature of the borrower

- Identification of the borrower
- Purpose of the loan
- Approval of risk concession
- Formalization of the loan
- Formalization date of the loan
- Maturity date of the loan
- Initial amount of the loan
- Current balance of the loan
- Fixed interest rate
- Guarantee
- Late payments
- Transfer of loans
- Repayment system
- Type of vehicle
- Identification of the vehicle
- Scoring

a) Type of vehicle

The following table shows the distribution of Loans according to the type of vehicle.

Type of vehicle	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Passenger cars	574,604,495.67	66.5%	60,682	73.0%
Four-wheel drive vehicles	236,221,133.76	27.3%	17,165	20.6%
Passenger car derivatives	22,593,849.70	2.6%	2,766	3.3%
Light commercial vehicles	30,843,883.72	3.6%	2,555	3.1%
Medium commercial vehicles	405,996.25	0.0%	12	0.0%
Totals	864,669,359.10	100%	83,180	100%

Default rate in loans granted for the acquisition of vehicles other than passenger cars (commercial vehicles, four-wheel drive vehicles, buses or passenger car derivatives) has been historically higher than that of loans granted for the acquisition of passenger cars, as specified in section m) below.

Definition of Passenger Car: vehicle intended for the transportation of people that has, at least, four wheels and that has, in addition to the driver's seat, no more than eight seats. In general, vehicles that are classified according to the engine capacity based on the following tranches, without including Four-Wheel Drive Vehicles or Passenger Car Derivatives:

- up to 1,200 c.c.
- from 1,201 c.c. to 1,600 c.c.
- from 1,601 c.c. to 2,000 c.c.
- more than 2,001 c.c.

Definition of Light Commercial Vehicle: vehicle intended for services or for the exclusive transportation of goods or people up to 3,500 Kg. If it is for people, it must have more than 9 seats including that of the driver.

Definition of Medium Commercial Vehicle: vehicle intended for services or for the exclusive transportation of goods or people from 3,500 Kg to 5,800 Kg. If it is for people, it must have more than 9 seats including that of the driver.

Definition of Four-Wheel Drive Vehicle: subclassification of passenger cars that fall within the definition specified by the Directive 92/53 in its annex II item 4. In general, passenger cars identified in specialized magazines (GANVAM) under their relevant section. Example of makes and models: Land Rover - Defender; BMW - series X3 / X5, etc.

Definition of Passenger Car Derivatives: subclassification of passenger cars for the transportation of goods. Vehicle intended for services or exclusive transportation of goods, derived from a passenger car; the bodywork is maintained and the vehicle only has one row of seats.

The distribution of the Loans among new and used vehicles is as follows:

Definition of used passenger car: vehicle that has the characteristics specified in the definition of passenger car and that is, at least, 12 months old (from its date of registration).

Type of vehicle: New / Used	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
New	676,913,936.79	78.3%	57,587	69.2%
Used	187,755,422.31	21.7%	25,593	30.8%
Totals	864,669,359.10	100%	83,180	100%

As regards the global loan portfolio of Santander Consumer, default rate in loans granted for the acquisition of used vehicles has been historically higher than that of loans granted for the acquisition of new vehicles, as specified in section m) below.

b) Down payment as regards the vehicle's value

Down payment % as regards the vehicle's value	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
0 - 20	352,577,927.02	40.8%	28,361	34.1%
20 - 40	322,925,633.46	37.3%	30,453	36.6%
40 - 60	162,042,092.05	18.7%	19,158	23.0%
60 - 80	26,262,299.48	3.0%	4,874	5.9%
80 - 100	861,407.09	0.1%	334	0.4%
Totals	864,669,359.10	100%	83,180	100%

Down payment < 20%	40.78%
Down payment from 20% to 60%	56.09%
Down payment > 60%	3.14%

This table shows the percentage of the vehicle's value paid by the purchaser as a down payment with his or her own resources. The average down payment represents 29.9% of the vehicle's value.

c) Amount granted as regards the value of the vehicle

The initial amount does not exceed the sum of the purchase price of the financed vehicle (“vehicle’s value”) plus, where appropriate, the financing of the formalization fees (opening, study and information, where appropriate) and/or insurance expenses linked to the operation. The immediate depreciation suffered by a vehicle at the time that it leaves the corresponding dealer approximately represents 20% of its value, as established in section II. (vi) of the Risk Factors.

% of the amount granted as regards the value of the vehicle	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
0 - 20	610,641.61	0.1%	242	0.3%
20 - 40	17,739,824.04	2.1%	3,618	4.3%
40 - 60	121,343,444.04	14.0%	15,252	18.3%
60 - 80	235,007,257.87	27.2%	23,705	28.5%
80 - 100	368,843,592.27	42.7%	31,094	37.4%
100 - 120	120,136,423.04	13.9%	9,196	11.1%
120 - 140	988,176.23	0.1%	73	0.1%
Totals	864,669,359.10	100%	83,180	100%

Minimum	5.48%
Maximum	136.16%
Average	76.39%

The value of the vehicle used in the calculation of the ratio “amount granted as regards the value of the vehicle” only corresponds to the value of the main financed vehicle. This explains that, for operations in which more than one vehicle has been financed (from 2 to 4 vehicles), there are ratio values exceeding 100%.

d) Default rate in the Preliminary Portfolio

Default rate in the preliminary portfolio	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Without non-payment	864,669,359.10	100%	83,180	100%
Totals	864,669,359.10	100%	83,180	100%

e) Guarantees

The table below shows information on the guarantees of Loans, itemized as follows:

1) Loans with personal third-party guarantees and loans without personal third-party guarantees:

Itemization of personal third-party guarantee (guarantor or co-holders)	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
With personal third-party guarantee (with guarantor or co-holders)	322,385,646.42	37.3%	28,901	34.7%
Without personal third-party guarantee (without guarantor or co-holders)	542,283,712.68	62.7%	54,279	65.3%
Totals	864,669,359.10	100%	83,180	100%

2) Loan with reservation of title:

All the loans included in the Preliminary Portfolio have a reservation of title clause; for 32.9% of the outstanding principal of the Loans, the said reserve is registered in the Register of Installment Sales of Movable Properties.

Reservation of title	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Not registered	580,560,765.51	67.1%	62,291	74.9%
Registered	284,108,593.59	32.9%	20,889	25.1%
Totals	864,669,359.10	100%	83,180	100%

f) Maximum, minimum and average principal amounts of the Loans

The following table shows the distribution of Loans according to the outstanding principal.

Outstanding Principal	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
1 - 6,000	64,016,829.05	7.4%	15,940	19.2%
6,001 - 12,000	362,402,402.94	41.9%	40,561	48.8%
12,000 - 18,000	286,644,105.26	33.2%	19,867	23.9%
18,000 - 24,000	108,952,360.60	12.6%	5,365	6.4%
24,000 - 30,000	26,954,750.57	3.1%	1,028	1.2%
30,00 - 36,000	8,009,315.77	0.9%	246	0.3%
> 36,000	7,689,594.91	0.9%	173	0.2%
Totals	864,669,359.10	100%	83,180	100%

Maximum amount (€)	88,948.78
Minimum amount (€)	573.84
Average amount (€)	10,395.16

g) Debtors.

The following table shows the distribution according to the type of debtor (natural person or corporate body):

Type of person	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Natural Person	36,712,185.38	4.2%	2,933	3.5%
Corporate Body	827,957,173.72	95.8%	80,247	96.5%
Totals	864,669,359.10	100%	83,180	100%

The following table shows the distribution of Debtors according to their nationality (Spanish or foreign):

Nationality	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Spanish	809,606,019.86	93.6%	77,556	93.2%
Foreign	55,063,339.24	6.4%	5,624	6.8%
Totals	864,669,359.10	100%	83,180	100%

The following table shows the distribution of Debtors according to their employment status as at the date on which the loan is granted:

Employment Status	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Employed	597,438,597.08	69.1%	58,036	69.8%
Self-employed	123,143,915.79	14.2%	10,791	13.0%
Does not work	45,107,513.77	5.2%	4,714	5.7%
Pensioner	62,267,147.08	7.2%	6,706	8.1%
Corporate body	36,712,185.38	4.2%	2,933	3.5%
Totals	864,669,359.10	100%	83,180	100%

The employment status of “Does not work” corresponds to students, housewives or people that do not receive any income, excluding natural persons that are currently receiving unemployment benefits and, thus, are registered with the Social Security. The Loans granted to these natural persons are always backed by co-holders or guarantors.

h) Applicable effective interest rate or financial charge at the present time: maximum, minimum and average rates of the Loans.

One hundred percent (100%) of the Loans bear a fixed interest rate ranging from 5.04% to 15.06%; the weighted average interest rate of the Loans amounts to 8.70%.

The following table shows the distribution of Loans according to the interest rate:

Interest rate	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
5.00 - 5.99	5,689,145.60	0.7%	324	0.4%
6.00 - 6.99	61,298,463.57	7.1%	4,918	5.9%
7.00 - 7.99	178,933,206.15	20.7%	16,433	19.8%
8.00 - 8.99	271,971,956.96	31.5%	25,542	30.7%
9.00 - 9.99	305,823,521.81	35.4%	28,843	34.7%
10.00 - 10.99	37,290,553.03	4.3%	6,475	7.8%
11.00 - 11.99	3,521,693.92	0.4%	606	0.7%
12.00 - 12.99	125,554.69	0.0%	37	0.0%
14.00 - 14.99	8,813.95	0.0%	1	0.0%
15.00 - 15.99	6,449.42	0.0%	1	0.0%
Totals	864,669,359.10	100%	83,180	100%

Maximum interest rate	15.06%
Minimum interest rate	5.04%
Weighted average interest rate	8.70%

i) **Loan formalization dates and earliest and latest final maturity dates.**

Formalization date.

Year of granting	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
2010	185,098.06	0.0%	24	0.0%
2011	1,783,948.36	0.2%	139	0.2%
2012	18,168,809.95	2.1%	1,550	1.9%
2013	359,192,840.19	41.5%	36,812	44.3%
2014	485,338,662.54	56.1%	44,655	53.7%
Totals	864,669,359.10	100%	83,180	100%

Minimum date of granting	28-06-2010
Maximum date of granting	29-08-2014
Weighted average:	15-01-2014

The percentage of loans granted in 2013 amounts to 41.5% of the total balance in the Preliminary Portfolio.

The percentage of loans granted in 2014 amounts to 56.1% of the total balance in the Preliminary Portfolio.

The average age of the Preliminary Portfolio is 9.3 months.

Final Maturity Date.

The weighted average for the maturity date is 4.92 years.

Date of maturity	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
2014	4,594.24	0.0%	3	0.0%
2015	6,399,814.25	0.7%	2,580	3.1%
2016	31,946,919.77	3.7%	6,765	8.1%
2017	89,307,696.56	10.3%	12,159	14.6%
2018	217,905,264.16	25.2%	22,755	27.4%
2019	196,867,660.95	22.8%	17,144	20.6%
2020	124,499,513.41	14.4%	9,231	11.1%
2021	91,830,026.61	10.6%	6,141	7.4%
2022	42,067,119.55	4.9%	2,612	3.1%
2023	35,314,091.65	4.1%	2,136	2.6%
2024	28,526,657.95	3.3%	1,654	2.0%
Totals	864,669,359.10	100%	83,180	100%

Minimum date of maturity	05-12-2014
Maximum date of maturity	25-08-2024
Weighted average:	19-09-2019

Term to maturity

Term to maturity (months)	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
0 - 25	34,209,980.35	4.0%	8,663	10.4%
25 - 50	309,297,324.42	35.8%	35,407	42.6%
50 - 75	328,811,240.18	38.0%	26,936	32.4%
75 - 100	131,148,425.12	15.2%	8,550	10.3%
100 - 125	61,202,389.03	7.1%	3,624	4.4%
Totals	864,669,359.10	100%	83,180	100%

Minimum remaining term	2
Maximum remaining term	118
Weighted average	59

j) Original term of the loans.

Term of granting (months)	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
0 - 25	15,220,407.07	1.8%	4,700	5.7%
25 - 50	228,938,628.62	26.5%	29,307	35.2%
50 - 75	371,986,846.15	43.0%	32,900	39.6%
75 - 100	175,057,425.57	20.2%	11,926	14.3%
100 - 125	73,466,051.69	8.5%	4,347	5.2%
Totals	864,669,359.10	100%	83,180	100%

Maximum term of granting	121
Minimum term of granting	5
Weighted average term	68

k) Specification of geographical distribution according to Autonomous Regions.

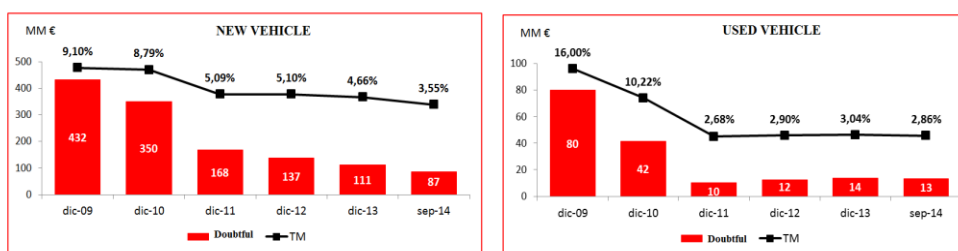
Autonomous Region	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Andalusia	167,568,720.13	19.8%	16,507	19.8%
Aragon	19,760,915.44	2.2%	1,794	2.2%
Asturias	16,937,285.24	1.9%	1,558	1.9%
Balearic Islands	28,818,717.32	3.6%	2,987	3.6%
Canary Islands	50,885,554.97	6.9%	5,704	6.9%
Cantabria	10,399,764.93	1.2%	1,002	1.2%
Castile - La Mancha	36,818,048.65	4.2%	3,465	4.2%
Castile - Leon	35,430,043.99	4.0%	3,357	4.0%
Catalonia	129,121,040.16	14.0%	11,672	14.0%
Ceuta	1,780,697.47	0.2%	155	0.2%
Extremadura	19,211,583.84	2.3%	1,942	2.3%
Galicia	48,579,301.96	5.7%	4,766	5.7%
La Rioja	6,406,349.62	0.8%	643	0.8%
Madrid	130,167,777.74	15.1%	12,574	15.1%
Melilla	2,131,080.82	0.2%	206	0.2%
Murcia	28,870,773.64	3.0%	2,509	3.0%
Navarre	9,884,684.97	1.1%	930	1.1%
Basque Country	29,733,998.65	3.2%	2,695	3.2%
Valencia	92,163,019.56	10.5%	8,714	10.5%
Totals	864,669,359.10	100%	83,180	100%

l) Repayment system by means of monthly installments

100% of the Loans have a monthly constant instalment system, without the possibility of grace periods for the principal and interests.

m) Information on the default rate of the Assignor

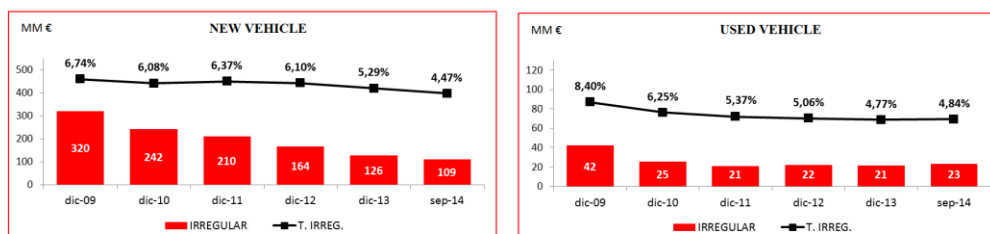
The graphs below show data corresponding to the evolution of doubtful loans, together with the historic default ratios (this is the percentage of loans deemed as “doubtful” as compared to the total amount of the portfolio³ managed by the Assignor).



The consideration of doubtful loans is given to those loans that have unpaid amounts for more than three (3) months, and those loans that have not exceeded the said 3 months, but that have been classified as such for reasons “other than delinquency”, as established by the regulations of the Bank of Spain.

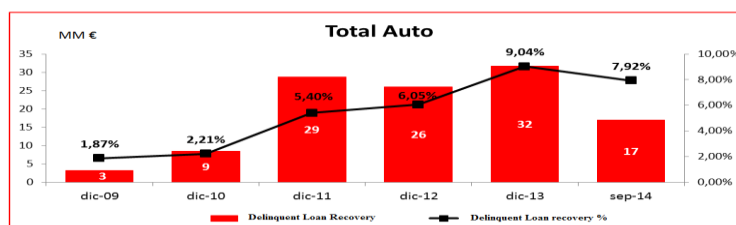
The evolution of doubtful assets since the year 2009 shows the widespread deterioration in the economic environment that affected the whole financial system and that Santander Consumer, however, managed to apply a quite active administration of the risks and recoveries, which has allowed to reduce the delinquency ratios: 3.55% (new vehicle) and 2.86% (used vehicle) in September 2014.

These measures include the creation of a specific unit specializing in collections and recoveries (the Recovery Business Unit) and the establishment of restrictive risk policies, together with the implementation of new tools and decision-making models for the credit admission of customers, which has given rise to the reduction both in terms of delinquency and in terms of management of irregular positions (non-payments with an age ranging from 1 to 90 days).



³ This includes the following concepts: capital pending redemption + amount not paid and not collected – interest accrued since the time at which the uncollected non-payments became defaulted.

As regards the management of the delinquent portfolio (delinquent loans are deemed to be those that have amounts unpaid for a period of time equal to or longer than 12 months or those that the Assignor considers or has considered unrecoverable), it can be noted that recovery actions in percentage terms⁴, carried out for the “delinquent stock”, show a positive behavior since the creation of the Recovery Business Unit in 2009.



n) Formalization of Loans included in the Preliminary Portfolio

From the random sample of the Preliminary Portfolio, subject matter of the audit report, approximately 96.82% of the balance of the sample corresponds to loans formalized under private contracts and 3.18% of the balance of the sample corresponds to loans formalized under a deed granted before a Notary Public.

o) Information on the number of Selected Debtors and their distribution:

The following table shows the ten most important debtors with the greatest weight in the Preliminary Portfolio:

Debtor	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Debtor 1	170,539.24	0.02%	3	0.00%
Debtor 2	161,105.52	0.02%	2	0.00%
Debtor 3	144,055.66	0.02%	18	0.02%
Debtor 4	119,341.33	0.01%	29	0.03%
Debtor 5	95,056.14	0.01%	2	0.00%
Debtor 6	88,990.38	0.01%	6	0.01%
Debtor 7	88,948.78	0.01%	1	0.00%
Debtor 8	83,428.99	0.01%	6	0.01%
Debtor 9	80,977.86	0.01%	1	0.00%
Debtor 10	77,563.54	0.01%	3	0.00%
Rest of debtors	863,559,401.66	99.87%	83,109	99.91%
Totals	864,669,359.10	100%	83,180	100%

2.2.2.2 Additional Credit Rights.

Following its incorporation, the Fund, represented by the Managing Company and provided that the Election Requirements are met, will successively acquire on each Payment Date during the Revolving Period Additional Credit Rights to replace the reduction of the Outstanding Balance of the Credit Rights for an amount equal to the Available Principal Funds on the Determination Date preceding the relevant Payment Date (the "**Maximum Acquisition Amount**").

⁴ Without bearing in mind the recovery due to sales of delinquent portfolios.

Revolving Period.

On a quarterly basis, the Managing Company, in the name and on behalf of the Fund, will acquire Additional Credit Rights on each Payment Date of the period of time from the first Payment Date, 20th March 2015, and the Payment Date corresponding to 20th December 2018, both inclusive (the “**Revolving Period**”).

Early termination of the Revolving Period:

The Revolving Period will be early and definitely terminated on the Determination Date of the Revolving Period, inclusive, on which any of the following circumstances, if applicable, has occurred:

- (i) That the average of Delinquency Ratios corresponding to the last day of the immediately preceding three (3) calendar months exceeds 2.91%; and/or
- (ii) That the Delinquency Ratio exceeds the following percentages:
 - Until the fourth Determination Date of the Revolving Period: 2.25%.
 - Until the eighth Determination Date of the Revolving Period: 3.50%.
 - Until the twelfth Determination Date of the Revolving Period: 4.25%.
 - Until the sixteenth Determination Date of the Revolving Period: 4.75%.
- (iii) That the Reserve Fund has not been provided up to its required level on the Payment Date immediately preceding the Determination Date; and/or
- (iv) That the tax regulations are amended in such a way that the assignment of Additional Credit Rights proves to be excessively onerous to the Assignor, and/or
- (v) If the interests accrued on the Series A or Series B Bonds remain unpaid, due to the lack of Available Funds, for two Working Days following the Payment Date immediately preceding the Determination Date; and/or
- (vi) That Santander Consumer becomes involved in a situation of insolvency, suspension of payments, creditors’ proceedings or it loses its power to grant loans for the acquisition of vehicles, and/or
- (vii) That Santander Consumer ceases to perform or is replaced as regards its duties as Administrator of the Credit Rights, or it fails to comply with any of its obligations established by the Deed of Incorporation.
- (viii) That, on any Determination Date from the Date of Incorporation to 31st December 2015, the Accumulated Balance of the Renegotiated Loans since the Date of Incorporation divided by the Outstanding Balance of the Credit Rights as at the Date of Incorporation, exceeds 2.50%.
- (ix) That, on any Determination Date from 31st December 2015 to 31st December 2016, the Accumulated Balance of the Renegotiated Loans since 31st December 2015 divided by the Outstanding Balance of the Credit Rights as at 31st December 2015, exceeds 2.50%.
- (x) That, on any Determination Date from 31st December 2016 to 31st December 2017, the Accumulated Balance of the Renegotiated Loans since 31st December 2016 divided by the Outstanding Balance of the Credit Rights as at 31st December 2016, exceeds 2.50%.

- (xi) That, on any Determination Date from 31st December 2017 to 31st December 2018, the Accumulated Balance of the Renegotiated Loans since 31st December 2017 divided by the Outstanding Balance of the Credit Rights as at 31st December 2017, exceeds 2.50%.

For the purposes of the sub-paragraphs from (vii) to (xi) above, Renegotiated Loans must be understood as loans that, at any time since the Date of Incorporation of the Fund, have been renegotiated as established in item 3.7.1.(9).

Acquisition Amount.

The assignment price for the Additional Credit Rights will be at par, plus any interest accrued but not paid, and equal to the nominal value of the Outstanding Balance of the Additional Credit Rights that are pooled in the Fund, on the corresponding Payment Date, plus any interest accrued but not paid prior to the Payment Date (the “**Acquisition Amount**”).

Election Requirements.

For their assignment and inclusion in the Fund, the Additional Credit Rights must meet on their respective assignment date all the election requirements established in this section (the “**Election Requirements**”).

Individual Requirements

For their assignment to the Fund, the Additional Credit Rights must individually comply with the statements and guarantees established in item 2.2.8 (b) below (the “**Individual Requirements**”).

Global Requirements

In addition to the fulfillment of the Individual Requirements, the Election Requirements that must be additionally met by the Credit Rights, including the Additional Credit Rights, for their assignment to the Fund (the “**Global Requirements**”) are as follows:

1. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to used vehicle does not exceed 30% of the total Outstanding Balance of the Credit Rights.
2. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to the same debtor does not exceed 0.05% of the total Outstanding Balance of the Credit Rights.
3. That, on each Offer Date, the Credit Rights corresponding to corporate bodies does not exceed 8% of the total Outstanding Balance of the Credit Rights.
4. That, on each Offer Date, the average maturity of the Credit Rights since the date of assignment to the Fund, weighted by the Outstanding Balance of the Credit Rights, does not exceed 72 months.
5. That, on each Offer Date, the Outstanding Balance of the Credit Rights with a term to maturity exceeding 96 months does not exceed 10% of the total Outstanding Balance of the Credit Rights.
6. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to the Autonomous Region with the highest representation does not exceed 30% of the total Outstanding Balance of the Credit Rights.

7. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to the three Autonomous Regions with the highest representation does not exceed 60% of the total Outstanding Balance of the Credit Rights.
8. That, on each Offer Date, the Outstanding Balance of the Credit Rights with an Outstanding Balance exceeding 50,000 euros does not exceed 1.5% of the total Outstanding Balance of the Credit Rights.
9. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to a type of vehicle other than a Passenger Car and a Four-Wheel Drive Vehicle does not exceed 15% of the total Outstanding Balance of the Credit Rights.
10. That, on each Offer Date, the Outstanding Balance of the Credit Rights with a down payment percentage as regards the vehicle's value lower than 5% does not exceed 10% of the total Outstanding Balance of the Credit Rights.
11. That, on each Offer Date, the Outstanding Balance of the Credit Rights with a down payment percentage as regards the vehicle's value lower than 20% does not exceed 50% of the total Outstanding Balance of the Credit Rights.
12. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to new vehicles with a score in the scoring model lower than 545 does not exceed 15% of the total Outstanding Balance of the Credit Rights.
13. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to used vehicles with a score in the scoring model lower than 539 does not exceed 20% of the total Outstanding Balance of the Credit Rights.
14. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to debtors with an employment status of "Does not work" on the date on which the Loan is granted does not exceed 7% of the total Outstanding Balance of the Credit Rights.
15. That, on each Offer Date, the weighted average rate of the Credit Rights is not lower than 7%.
16. That, on each Offer Date, the Outstanding Balance of the Credit Rights corresponding to debtors with an employment status of "Self-employed" on the date on which the Loan is granted does not exceed 18% of the total Outstanding Balance of the Credit Rights.

Offer Dates

"Offer Request Dates" will be the dates corresponding to the eighth (8th) Working Day preceding each Payment Date of the Revolving Period on which Additional Credit Rights should be acquired.

"Offer Dates" will be the dates corresponding to the sixth (6th) Working Day preceding each Payment Date of the Revolving Period on which Additional Credit Rights should be acquired.

Procedure for the acquisition of Additional Credit Rights.

On each Offer Request Date, the Managing Company will send to the Assignor a written notice demanding the assignment of Additional Credit Rights for the Fund, specifying the Maximum Acquisition Amount and the Payment Date on which the assignment to the Fund and payment for the assignment must be made.

Before 5.00 pm (CET Time) on the Offer Date, the Assignor will send to the Managing Company a written notice offering the assignment of Additional Credit Rights, along with a data file detailing the selected loans and their characteristics included in the assignment offer and which must meet the Election Requirements.

At the latest on the fifth (5th) Working Day preceding the Payment Date, the Managing Company will send to the Assignor a written notice accepting the assignment of Additional Credit Rights, along with a data file with the details of the Additional Credit Rights accepted and their characteristics, as notified by the Assignor.

In determining the Additional Credit Rights to be included in the assignment acceptance, the Managing Company will:

- (i) Check that the Credit Rights (and the Loans from which they are derived) listed on the assignment offer meet the Individual Requirements and the Global Requirements in accordance with the characteristics notified by the Assignor.
- (ii) Determine the Additional Credit Rights that are acceptable and eligible for assignment to the Fund for an amount not exceeding the Maximum Acquisition Amount.

2.2.2.3 Outstanding Balance of the Credit Rights.

The outstanding balance of a Credit Right on a given date will be the sum of the capital or principal not yet due and the capital or principal due and not paid to the Fund of a Credit Right.

The Outstanding Balance of the Credit Rights on a given date will be the sum of the outstanding balance of each and every one of the Credit Rights on that date.

2.2.3 Legal nature of the assets.

The assets securitized through their assignment to the Fund are Credit Rights deriving from Loans granted by Santander Consumer to finance the acquisition of new and/or used vehicles, some of which have been granted pursuant to the Law 7/1995, of 23rd March, on Consumer Credit and the Law 16/2011, of 24th June, on consumer credit agreements (as regards the Additional Credit Rights, they will be governed under the aforementioned rules or any other relevant rules that might replace them).

Some of the loans from which the Credit Rights are derived have guarantees, whilst all of them have a reservation of title clause (although not all the reservation of title clauses are registered in the Register of Installment Sales of Movable Properties and in the Register of Motor Vehicles of the Directorate-General for Traffic).

The Credit Rights will be directly assigned to the Fund by means of their sale on the part of Santander Consumer and their acquisition on the part of the Fund, in accordance with the terms established in section 3.3 of this Additional Module.

2.2.4 Expiration or maturity date(s) of assets.

Each of the selected Loans has a maturity date, without prejudice to the partial redemptions made periodically, according to the particular conditions of each one of them.

The Debtors may early redeem all or any part of the principal pending repayment at any time during the term of the Loans, and interest will cease to accrue on the part early redeemed as from the date of reimbursement.

The Final Maturity Date of the selected Loans is 25th August 2028. Consequently, the Legal Maturity Date of the Fund is 20th June 2032.

2.2.5 Amount of the Credit Rights.

The assets of the Fund will be the Credit Rights assigned by Santander Consumer to the Fund. The maximum amount of the Outstanding Balance of the Credit Rights pooled in the Fund will be equal to or slightly higher than SEVEN HUNDRED AND SIXTY MILLION EUROS (760.000.000 €) equivalent to the nominal value of Series A, Series B, Series C and Series D Bonds. As an exception, on the Date of Incorporation of the Fund, the amount of the assigned Credit Rights may be slightly higher than the nominal value of Series A, B, C and D Bonds.

The Preliminary Portfolio from which the Credit Rights will be drawn is made up of eighty-three thousand one hundred and eighty (83,180) loans, with a principal that has not become due yet, as at 20th October 2014, amounting to eight hundred and sixty-four million six hundred and sixty-nine thousand three hundred and fifty-nine euros with ten euro cents (€ 864,669,359.10).

Credit Rights derived from Loans that have installments pending payment will not be assigned.

2.2.6 Ratio of the outstanding balance of principal as regards the appraisal value or level of over collateralization.

The Preliminary Portfolio loans have no real estate mortgage guarantee; thus, the information concerning the ratio of the outstanding principal balance as regards the appraisal value does not apply.

There is no over collateralization in the Fund, given that the Maximum Amount of the Credit Rights will be equal to or slightly higher than SEVEN HUNDRED AND SIXTY MILLION EUROS (760.000.000 €) equivalent to the nominal value of Series A, Series B, Series C and Series D Bonds.

14.06% of the outstanding balance of the Loans that are granted for the financing of vehicles are granted for an amount that is higher than the value of the financed asset due to the fact that, in these cases, other things are also financed, such as insurances (life, unemployment, driving license withdrawal, and total loss insurances) or fees (opening, equal to 3% of the financed capital with a minimum of 180 euros for operations ranging from 3,000 euros to 6,000 euros, and a minimum of 90 euros for operations with an amount lower than 3,000 euros).

2.2.7 Description of the procedures established by Santander Consumer for the formalization of loans and credit facilities, as well as recovery procedures ("Internal Memorandum").

The Preliminary Portfolio loans have been granted by Santander Consumer according to its usual procedures of analysis and assessment of the credit risk as regards the granting of loans to natural persons or corporate bodies for the purchase of new and used vehicles.

97.8% of the Outstanding Balance of the Credit Rights complies with the current credit granting policy of Santander Consumer contained in this item 2.2.7. The rest of loans have followed credit granting policies that do not substantially differ from the current policy described in item 2.2.7 of this Additional Module.

In this respect, the only differences between the current policy described in this item 2.2.7 of the Additional Module and the previous policies, and under which 2.2% of Loans have been granted, are the inclusion in the current policy (and described in this item 2.2.7) of updates in the scoring models and additional measures to detect fraud.

2.2.7.1 Criteria and procedures to grant loans

The efficient management of the risk is one of the main aspects on which the strategy of Santander Consumer EFC, S.A. is based, given that it is considered essential for the solid and sustained creation of value.

The main principles of the risk management, according to the view that Santander Group has of the risk and its management, are as follows:

- Common basic model adapted to the specific needs of each market and to the business structure, both according to the type of customer and according to activity and geography, thereby obtaining the complementarity of the global view of Santander Group and the local view of Santander Consumer EFC, S.A.
- Continuous improvement of risk management processes, tools and methodology.
- Priority for risk quality criteria; business growth based on the maintenance/improvement of the quality of risk assets.
- Executive capacity based on experience and thorough knowledge of sectors and markets in which it operates.
- Functional independence with shared hierarchy, so that the goals and methodology can be established by the Risk Area, at the same time that the organizational structure is adapted to the commercial strategy and to the business needs defined by Top Management.
- Risk management by means of differentiated processes and systems according to the type of risk and the segment of customers and products.
- Specialization and differentiation of the credit process (admission, formalization, follow-up and recovery) according to the segment of customers.
- Use of systems such as *credit scorings* helping to make credit decisions and serving as tools that make the granting process more efficient, make the credit behavior monitoring easier and enable the treatment according to homogeneous groups of risk.
- Relevance of risk supervision in order to prevent eventual impairments in the risk quality, as an anticipatory measure.
- Risk diversification, by limiting, in general, the participation of the Group in the indebtedness that customers have in the credit system.

In particular, for the Automotive sector business line, Santander Consumer EFC, S.A. has established, among others, the following general principles for credit risk:

- Segmentation, given that each type of risk must be handled differently according to its characteristics (analysis methodology, capacities, systems and different procedures).

It consists of the classification of the risk according to certain criteria in order to optimize the efficiency in its management, by bearing in mind that the segmentation allows:

- ✓ To analyze the risk differently according to its type.
- ✓ To assess yield and risk better.
- ✓ To improve the decision-making process, since more appropriate information is available.

The segmentation of Santander Consumer, EFC, S.A. is the following:

- Automotive sector
 - New vehicles
 - Used vehicles
- Consumption and Cards
 - Consumption
 - Cards
 - “End-of-month” cards
 - “Revolving” cards
- Direct customer (fidelity)

- Mortgage⁵
 - Others
 - *Stock Finance*⁶
- Integrity, given that risks are globally managed (admission, follow-up and recovery)

Additionally and more specifically, the following criteria must be applied:

- All the risks must be measurable.
- The risk must be predictable.
- Risk management is focused on the balance between risk and profitability.
- Management must be based on a solid relationship with Business Areas.

These criteria are based on four pillars: risk policies, automation of decisions, strictness in analysis, and efficient processes and systems.

- Policies –that are the set of credit rules helping to manage the risk– must be public, efficient and consistent with the general risk principles; they must be shared with the Business Areas and be subject to a periodical review.
- Given that great volumes of credit operations are managed, it is necessary to use systems supporting the decision-making process that make their automation easier. Automatic decisions must be administered by the Risk Department, must offer measurable and predictable results, must be continuously supervised, must have an easy implementation and evolution capacity (credit scoring type systems for admission of applications in the operations relating to the automotive sector financing for SMEs and Natural Persons of any portfolio).
- A part of the credit decisions (e.g., operations with portfolio companies) are made based on the opinion or judgment of analysts. Analysts must be qualified, organized to provide their service, focused on objectives and must have a measurable activity that guarantees the risk quality and that generates business alternatives.
- Finally, processes and systems are the basis of an efficient management for this kind of risks. Processes must be shared by the organization and be focused on the provision of quick answers, whereas systems must be sufficiently integrated and must store historical and consistent information. It is necessary to guarantee that there is capacity to meet the business growths.

The approach used for the risk management is the credit cycle, which is understood as the set of actions to be performed in order to administer the risk in credit operations, for the purposes of optimizing the ratio between risk and profitability.

The credit risk management consists of the identification, measurement, control and mitigation of risks.

The credit cycle, or credit process, has four stages: planning, admission, portfolio management and collection or recovery. When the actions that are carried out fail to produce the expected results, the expected volumes and profits are not reached either and, consequently, it is possible that the loss suffered is more serious than expected. The four stages of the credit cycle are interrelated and receive feedback through the information system.

⁵ Portfolio with no new productions.

⁶ Product corresponding to the corporate risk scope.

a) Sourcing channels

Operations may enter Santander Consumer España by means of two channels:

- **Telephone:** Advisors call the Call-Centre, which captures the application data.
- **WEB:** it is the Advisor who captures the said data through a web mask.

It is the very business / Advisor, as intermediaries, who handle the capture of the application by means of any of these two channels, depending on the product.

Agents and delegates are those natural persons or corporate bodies that, independently and without any employment relationship with the Bank, act on their own as mediators in order to attract new customers and to offer products marketed by SCF; so, their duties are limited to the presentation of operations.

	Call-Center	Web	Branch	Agents / Delegates	Advisor
Automotive	X	X			X
Consumption	X	X			X
Credit Card	X	X			X

b) Products and risks

The definition of the maximum limits, both for amounts as well as for deadlines, to be established as conditions of the asset products that are marketed, is made by applying risk criteria and commercial considerations jointly between the Risk Area and the corresponding Business Areas.

In this respect, the main credit determining factors are the following:

- Market assessments of the goods to be financed must be supported in some cases by independent appraisals and, in other cases, by data extracted from technical publications (e.g., Gamvan and Eurotax)
- The need, according to the type of product, that the client provides a minimum initial amount from its own resources (minimum initial down payment)
- Financing terms must be consistent with the useful life of the product to be acquired and must be proportional to the capacity of the debtor for repayment.

From the commercial point of view, the following is deemed essential:

- The strategic decisions communicated by Top Management
- The financial terms of the operation (fees, interests and expenses) must be proportional to the risk level to be assumed according to the product and period
- The competitive position as regards the offers from competitors.

Apart from the decisions made within the aforementioned scope, there are other bodies that may deal with these matters: the Board of Directors, the Executive Committee, the Management Committee, the High Committee for Risks and the Monitoring Committee for Products and Operations.

Once that the limits have been established, the Business Areas include them in their products and the Risk Area must take them into account for its internal procedures.

As a novelty, this time a new campaign has been included: *Promofinance*. It is aimed at individual customers and the strategy consists in attracting cash customers (hence the high quality of operations), by offering an up-front discount. This is performed through a commissioning policy of Santander Consumer towards its advisors. It is currently being applied to Hyundai, Kia, Mazda and Suzuki. As regards the admission policy, it does not differ from that of the rest of financing applications.

Given that the highest amount of the credit risk corresponds to individuals, businesses and small companies, the credit management of these operations is carried out in a decentralized manner according to the risk policies and criteria established centrally and by applying automatic assessment and decision-making systems in the granting process that allow an effective and efficient treatment of risks.

c) Operations with Standardized Risks

According to the type of client of the transaction and the total risk assumed by Santander Consumer España, the application is classified within Standardized Risks in accordance with the following criteria:

- All the applications in which clients are natural persons.
- Applications for proposals from corporate bodies when the outstanding risk is lower than or equal to € 250,000. Likewise, we have:
 - ✓ Individual operations of Rent a Car dealers that are not attached to Demo lines or risk lines authorized for Rent a Car. It is necessary to point out that if, instead of individual operations, we are dealing with credit lines (committed or uncommitted), they will fall within the evaluation scope of Portfolio Risks and will be analyzed by the Company Analysis Unit (regardless of the risk amount requested).
 - ✓ Operations with Companies in which any Public Bodies have a majority or minority participation.
 - ✓ Operations with foundations, associations (profit or non-profit organizations), civil partnerships, cooperatives, community properties, property owners' communities, etc.

I. Application admission procedure

The admission procedure consists of a series of actions aimed at the resolution of credit applications with the purpose of approving credit operations for those that are in the target market and meet the requirements, rejecting applications identified as having a greater risk of non-payment, and providing alternatives for those applications that require a more in-depth analysis.

The admission of operations is always started at the request of the Advisor. An Advisor is a natural person or corporate body that assigns financing operations of its clients to SC.

This commencement may take place by means of a telephone call made to the Call Centre or by means of the capture by the Advisor in the WEB system implemented to that end.

In all cases, the process is started with the gathering of data and the introduction of the said data in the systems implemented to that end (AS/400 is the tool used at Santander Consumer España).

During this registration process of the computer application, identifying data of the holders and guarantors (name and surname, corporate name, Tax Identification Number/Code), the conditions of the operation (amount, term, purpose, payments...) and the information data (personal, employment and solvency) are introduced.

In the event that the operation has been approved and is to be formalized, the aforementioned data is validated and verified at the URD (Documentation Review Unit) by means of the production of documents such as the National Identity Card, Tax Identification Number, last payslip, last tax return, evidence of property owned, document for direct debiting, deed of incorporation, corporate income tax, balance sheets, etc.

Aside from the information provided by customers, additional information is automatically obtained when the numbers of the customers' identity documents are entered in the computerized application. This additional information comes from the company's own database in respect of the behavior in previous transactions, as well as from external databases (negative such as Asnef-Equifax or Experian, or regarding default, such as R.A.I. or B.D.I.).

With all this information, or any other information that might be considered necessary, the application enters the assessment process, which can be:

- automatic: the assessment system is able to make a decision without the intervention of an analyst.
- manual: according to the opinion of an analyst, when the decision to be made is contrary to the decision of the model (forced decisions) or in the cases of operations for which the model, due to their type, cannot make an automatic decision (grey area of scoring or fulfillment of rules).

As operation rules, the following actions are necessary in all cases:

- The comprehensive control of veracity of the information entered in the system for its assessment by means of the quality control for each operation, once that the requested documents have been gathered, and by means of the penalty system created for advisors.
- The control over the eventual changes in the ownership of the account used for direct debits as regards the payments of installments during the life of the operations; those persons that are able to perform them must take into account that the study on the application has been carried out on the holder of the payment account that was initially registered.
- The strict respect of the system's recommendations. It is possible to check that the operations that have a score below the established minimum (cut-off) show default rates that cannot be assumed due to the economic damages that they cause, in particular, when they are linked to the non-fulfillment of any of the credit rules and, more specifically, those related to default.

The system used for the resolution of operations automatically analyzes the data entered. According to the purpose and type of object to be financed, a different scoring system will be used. In the case of the automotive sector, the scoring applied is different according to the age of the object, i.e., a new or used vehicle.

Since 9th June 2011, the risk linked to a SME is analyzed through an assessment model that differentiates the applications for which a decision is automatically made or those that require a manual assessment.

The decision on the operation is made automatically (online assessment) and may produce one of the following results:

- **Approved:** the operation is feasible according to the gathered information.
- **Rejected:** the operation is not feasible.
- **Review:** the operation requires a manual study and is sent to the UDO. The application is received with one or more alerts as regards the rules with which it does not comply, and following the assessment by the UDO, it will be approved, rejected or it must await the production of additional documents to support the approval by the analyst.

In the event that the application is approved, the Call Centre sends the contract by fax/email to the Advisor, so that the client can sign it, after having gathered the necessary supporting documentation, which the Advisor will validate and send.

Otherwise, if the operation is rejected, the Call Centre will inform the entity that the application has been rejected, without specifying the reason for the said rejection, in accordance with the Law on Data Protection.

It is possible to file an appeal as regards the rejected operations in the following cases:

- There is an appeal system for applications in those cases in which the business area deems it appropriate. All the appeals must be sent to the UDO (Operation Decision-Making Unit).
- In all cases, it is necessary to justify the reason supporting the appeal filed against the initial decision and the analyst must be provided with any additional information justifying the forced approval of the operation.

Once that the necessary documents have been gathered, the Advisor sends them to the Documentation Review Unit. The said unit, which reports to the operations department, analyzes the quality and sufficiency of the documents produced and, where appropriate, formalizes the operation.

II. Delegated powers or duties.

The procedure followed for the delegation of powers established by Santander Consumer España in connection with the approval of operations within its scope at the Standardized Risk Area is the following:

- The powers relating to risks are granted by the Manager of the Risk Area in a hierarchical manner.
- The Risk Management of Santander Consumer España will delegate powers as regards the decision-making process for operations to the following units and department attached to the Risk Management:
 - ✓ Standardized Risk Department
 - ✓ Operation Decision-Making Unit (UDO)
 - ✓ Restructuring Operation Decision-Making Unit (UDO-R)
- As regards the applications on which a decision is made by the Standardized Risk Department, the following maximum levels are established:
 - ✓ Up to € 250,000 of total risk for applications made by natural persons
 - ✓ Up to € 500,000 in the case of applications made by natural persons with mortgage guarantee
 - ✓ Up to € 250,000 of total risk for proposals made by corporate bodies

The total risk assumed with a client/group will be the highest risk between the limit used and the limit approved (whether it is or not formalized under a contract).

All the operations exceeding the said limits must be sent, following their analysis and recommendation, to the High Committee for Risks for their approval.

The following levels are established:

	Total risk for applications made by natural persons	Applications made by natural persons with mortgage guarantee	Applications made by corporate bodies (SMEs).
Standardized Risk Manager	€ 250,000	€ 500,000	€ 250,000
Person in charge of Policies and Portfolio Management	€ 250,000	€ 500,000	€ 250,000
Portfolio Manager	€ 250,000	€ 500,000	€ 250,000

The levels and powers conferred to the UDO/UDO-R are defined by the Risk Management, together with the Head of the UDO/UDO-R.

For each one of the analysts corresponding to this Unit, levels are established for general powers specifying the maximum amount of the risk that may be assumed, according to the following table:

	Total risk for applications made by natural persons	Applications made by natural persons with mortgage guarantee	Applications made by corporate bodies (SMEs).
UDO / UDO-R Manager	€ 250,000	€ 500,000	€ 250,000
UDO / UDO-R Deputy Manager	€ 200,000	€ 400,000	€ 200,000
UDO / UDO-R Analyst	€ 100,000	€ 200,000	€ 100,000

All the operations exceeding the said limits must be sent, following their analysis and recommendation by the UDO/UDO-R, to the Standardized Risk Department for their approval or, if applicable, to the High Committee for Risks for their approval.

- The Standardized Risk Area has lists with the names of employees and their duties, which have been communicated by the UDO.
- These duties will be valid as long as they are not revoked by virtue of the corresponding written notice. Consequently, the UDO must inform the Standardized Risk Department of any changes made as regards the duties delegated to its team in connection with:
 - ✓ Revocations
 - ✓ Changes of level
 - ✓ People assuming duties for the first time, regardless of their level.

Notes for all previous levels:

- With the following limitation:
 - Operations with a term exceeding 10 years and a value higher than € 100,000 will require the prior approval of the Executive Committee of SCF. Except for the loans guaranteed with a mortgage that are granted to natural persons in order to finance the purchase of their main residence.
- The re-examination of operations “in conflict” is the responsibility of the level immediately above.
- The structure of these Committees is shown in the corresponding proposal application with the agreement of the business head(s) and with the opinion of the corresponding risk department in the corresponding decision-making forms. This process may be carried out in person, if so required by the members of the said Committee.

Faculties are not delegated for the resolution of operations involving: Investee companies/companies related to SCF, Members of the Board of Santander or SCF and Top Management, political parties or trade unions, Media, Sport Entities, Customers included in the Global Relationship Framework, Banking Risk Area, Wholesalers and Companies.

III. Electronic Authorization

All the applications requiring a manual analysis by the UDO are transferred to the Electronic Authorization system, which allows to manage this analysis by means of displays of information on the application to be manually assessed.

This tool allows:

- To make a decision on the application: “approval”, “rejection” or in order to apply for such additional requirements as may be deemed necessary by the analyst for the decision-making process.
- To identify the analyst(s) that has/have analyzed the application, and the number of times that the said application has been reviewed
- To encode the reason supporting the decision
- To include, in the section of Remarks, any more detailed information on the reason supporting the decision made.

IV. Scoring tools

i. Design of a Scoring Model

The currently valid models for the Automotive sector have been established during the year 2009 by using the information directly extracted from the information systems, given that they offer the best quality and reliability. During the year 2012, two new models have been implemented for this portfolio: Self-employed workers and Commercial Vehicle.

Firstly, the scope of application is determined for the construction of a model. What kind of applications are going to be assessed by this model? Once that the scope of application of the model has been defined, the extraction from the database is carried out. This database must be as faithful as possible to the scope of application, since we can prevent, in this way, future errors caused by the application of the model to a profile that was not taken into account in its construction, problems of instability or even the possibility that the model does not differentiate appropriately.

The purpose of a scoring model is to organize the risk. In this way, policies can be established according to the expected risk and yield. In this environment, the developer of the model performs a statistical analysis of data in order to isolate the most important characteristics when discriminating, i.e., when differentiating between positive and negative. In this respect, we have to highlight that the definition of both “positive” or “negative” depends on the appetite for risk, economic policies, client’s profile... but, in general, in all models, we have applied the definition of “negative” to any client that has been at least once in a situation of non-payment for more than 90 days and the definition of “positive” to any client that has not exceeded 30 days of non-payment.

Once that the model has been developed, it is validated and policies are established. A scoring model allows to anticipate risks, to reduce processing costs and to considerably improve the service provided to the client.

ii. Models used in Santander Consumer España

In the Scoring processes, some minimum scoring variables are established that are those configuring the scoring table. In the case of the Automotive sector, we have three scoring tables: one for natural persons - new vehicles, one for natural persons - used vehicles, and one for SMEs.

The model gives a score to each application, which is obtained from the sum of the various variables that are scored. Once that the application has been scored and according to the rules that have been flagged up by the application, the application is put into a decision-making matrix for its classification as approved, rejected or grey area.

The list below shows the models for admission that are currently applied for assessing applications relating to the Automotive sector as regards the Loans from which the Credit Rights derive:

Model	Scope of application	Date of implementation	Development
ANV1	Automotive - New	Dec.-2009	External - FICO
AUS1	Automotive - Used	Nov.-2009	Internal (PM)
PM01	Non-portfolio companies	Jun.-2010	External - Experian
PV11	Non-portfolio companies (Transolver)	Oct.-2012	External - Experian
ATN1	Self-Employed Workers New / Used	Dec.-2012	External - Experian

iii. Assessment and answers of the System

The process of an assessment model must be completed and produce a result:

- Accept the application.
- Reject the application.
- Review. The model does not have sufficient arguments for the acceptance or rejection of the application; consequently, the decision must be manually made by a risk analyst, according to his/her opinion.

In order to obtain this result, the models use two types of information:

- **Scoring:** the calculation is made by using the scoring model. This scoring is understood as a measurement of the probability of non-payment. The lower the score, the greater the risk of non-payment.

- **Rules:** we have only negative rules, which highlight all weak points observed in the application, such as fraud, indebtedness, insecurity of employment, previous experience, etc. Subsequently, all the information obtained in each of the rules is summarized in order to produce a single result called “rules result”. This result may take the following values:
 - ✓ **YES:** It exceeds the rules. No negative rule has been flagged up by the application.
 - ✓ **R1:** First level review rules. Rules of the interested parties.
 - ✓ **R2:** Second level review rules. These are mainly rules relating to behavior.
 - ✓ **EX/RC:** Exclusion rules. Applications to be rejected. For example, Asnef, Fraud, Money laundering, etc.

The combination of the “scoring” with the “rules result” establishes the basis upon which the result of the model or, as shown below, the resolution table is determined. As a minimum, a different table will be applied to each model, but various resolution tables can also be applied (different admission policies) according to the Advisor, profile, product or any other segmentation considered.

In the case of Resolution Tables, these vary according to the segment defined in the product.

SCF Model Rules

In order to strengthen the decision, a system of rules divided into Exclusion Rules and Review Rules is established.

- **Exclusion Rules**

These are those rules that invalidate the result of the scoring assessment for an operation, regardless of the score obtained. These rules will be applied to all the applications assessed by the model.

There are four blocks of exclusion rules:

- ✓ **Prevention Rules:** Rules used to identify cases of possible fraud
- ✓ **External Experience Rules:** these are rules that show negative experience with the applicant of the operation. The said rules are based on information from external files.
- ✓ **Internal Experience Rules:** Applicants with refinancing applications and/or operations at SC España, applicants with ongoing operations with returns on certain periods of time and type of non-payments (non-payment tranche), etc.
- ✓ **Rules of Applicants:** they refer to characteristics of the interested parties (job, income, payment capacity, etc.).

The result of the model may be:

- ✓ AC: Automatic Acceptance.
- ✓ R1: Review.
- ✓ RC: Rejection.

RESOLUTION	DESCRIPTION
AC	ACCEPTED ➤ The application exceeds the highest cut-off scoring and does not flag up any rule.
RV	GREY AREA REVIEW ➤ The application exceeds the cut-off scoring and complies with review rules.
RC	REJECTED ➤ Application does not exceed the minimum score. ➤ Application does not exceed the minimum score and complies with review rules ➤ Application does not exceed the minimum score and complies with exclusion rules ➤ Application exceeds the minimum score and complies with exclusion rules
NI	➤ No minimum information to assess
NE	➤ No assessable by the system

Automotive Sector:

Resolutions	Yes	RV	EX
TRANCHE 1	RC	RC	RC
TRANCHE 2	AC	R1	RC
TRANCHE 3	AC	R1	RC
TRANCHE 4	AC	AC	RC

- **Review Rules**

This involves applications that have any parameter outside of the standards requiring a confirmation or review exclusively by the analyst. These rules are considered to be a “filter”, so that the application that fulfills one of these rules cannot be approved by the System, whilst the analyst does not validate that the said operation has been completed pursuant to the generally required criteria.

- **Information Rules**

These are rules with recommendations relating to the actions to be followed prior to the formalization of the operation. For example, in the models for the Automotive sector, information is provided according to the rules on the formalization before a notary public and/or the reservation of title.

Below, there is a list with the final result both of previous and current models for the Automotive sector, as well as the various resolution tables applied. In the various decision-making models of Santander Consumer Finance España, the assessment result is the combination of the scoring table and credit rules, which produces a response that segments the applications according to their risk quality.

ANV1, AUS1 and ATN1: **New Automotive, Used Automotive & Self-Employed Workers**

The result of the model may be:

- ✓ AC: Automatic Acceptance.
- ✓ R1/R2: Review.
- ✓ RC: Rejection.

RESOLUTION	DESCRIPTION
AC	ACCEPTED ➤ The application exceeds the scoring and rules.
RV	LEVEL 1 REVIEW ➤ The application exceeds the scoring, but does not comply with any rule of less dedication. LEVEL 2 REVIEW ➤ The application exceeds the scoring, but does not comply with any rule of more dedication.
RC	REJECTED ➤ The application does not exceed the scoring and/or does not comply with more serious rules.

The resolution table applied to the automotive sector models (New, Used and Self-Employed Workers) is the following; only the cut-off points vary for the various models and according to the term and strategy (Prime Dealer) in Used Vehicle:

Score / Rules Result	YES	R1	R2	R3
Tranche 1	RC	RC	RC	RC
Tranche 2	AC	R1	R2	RC

V. Criteria for requirement of guarantees in vehicle financing transactions

- The validity period of approvals is 45 days, regardless of the operation in question.
- Consequently, in the event that, following the said 45 days starting from the approval, the operation has not been formalized, the application must be newly filed for its ratification.
- Obligation to obtain the identity documents of the holders/guarantors.
- Formalization of the contractual documents before a notary public.

In the usual process for the admission of operations, the investment amounts plus the risk assumed with the client, from which the contracts and annexes relating to Financing and Leasing operations must be formalized before a notary public, are those listed below:

- ✓ Automotive sector products

Operations with Passenger Cars, Passenger Car Derivatives, four-wheel drive vehicles and vans up to 3,500 Kg. for new vehicles	Equal to or higher than € 30,000
Operations with New Commercial Vehicles	Equal to or higher than € 24,000

- ✓ For the rest of operations in which the financed objects are different from those previously specified, the amount from which it is necessary to formalize before a notary public the contracts and annexes in the operations will be:

Rest of operations	Equal to or higher than € 18,000
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- ✓ The formalization before a notary public will also be necessary in the event that the client with the new operation has an accumulated risk that is equal to or higher than 24,000 euros and provided that the amount of the investment in the new operation is equal to or higher than 6,000 euros.

These figures will be calculated by adding the risks that the client has as the holder of ongoing operations, plus the amount of the new investment, without taking into account the amount that corresponds to insurances, such as redemption-life, total loss, unemployment insurances, which are underwritten through our insurance brokerage firm, and that might be financed in the same operation.

With respect to the mortgage operations, the risk of which is covered with a real guarantee on a real estate, these will not be taken into account for the calculation of the current risk.

- Restructuring products for standardized risk clients:

Restructuring operations (readjustment and refinancing) of standardized risk clients must be formalized before a notary public, when the following conditions are met:

- ✓ Operations previously formalized as such (originally)
- ✓ Operations the holder of which has any financial records in Asnef, communicated by entities other than the Group Santander Consumer España.
- ✓ Restructuring processes of operations relating to the Automotive sector with an outstanding risk equal to or higher than € 18,000.
- ✓ Restructuring processes of products other than those of the Automotive sector with an outstanding risk equal to or higher than € 6,000.
- ✓ Restructuring processes of groups of products with a total outstanding risk equal to or higher than € 24,000.

Consequently and as an exception, any modification of the operations authorized according to the terms and conditions established by the Risk Management must be re-suggested to this Risk Management for their new authorization and approval, if applicable.

- Registration in the Register of Installment Sales:

For the good conclusion of risk operations of Santander Consumer, it is essential to properly register the reservation of title in the Register of Installment Sales, and, if applicable, in the Directorate-General for Traffic, for the goods subject matter of our operations, both financing and leasing operations.

According to the behavior of the interested parties, it may be necessary to register operations the registration of which was not initially compulsory. These operations will be shown in the alert system that is daily printed at the Authorizing Centres, which are responsible for the appropriate registration and its correct follow-up.

The operations to be carried out for the registration in the Register of Installment Sales are the following:

- ✓ Registration Criteria according to the object
 - Passenger Cars, Passenger Car Derivatives, Four-Wheel Drive Vehicles and Vans up to 3,500 Kg.

The reservation of title will be immediately registered in the Register of Installment Sales of Movable Properties; the reservations of title corresponding to the operations that appear with the code “S” in the contract, namely:

- Those of an investment equal to or higher than € 24,000.
- Those in which at least one of its interested parties has any records in Asnef.
- Those that obtain a low score.
- Those that have any grace period for their installments.
- Those recommended by the risk analyst, according to his/her opinion.

As regards the financing of vehicles for portfolio clients (including “demo” vehicle and rent a car operations), the registration will always be carried out, regardless of the financed amount.

- Motorbikes

The registration will be carried out if the investment of the operation is equal to or higher than € 6,000.

- Rest: Light Vehicles and Semi-trailers

All of them will be registered.

- Heavy Vehicles

All of them, except for those of Public Works that the Risk Department might expressly specify.

- Machinery and Equipment

Under a leasing operation, they will not be registered, unless otherwise specified by the person authorizing the operation.

Under a financing operation, it is necessary to register the operations with an investment exceeding € 30,000. The reason is obvious, given that there is not any guarantee against third parties, since Santander Consumer is not their holder.

- Computing and Office Automation: they will not be registered, unless otherwise specified by the person authorizing the operation.

- ✓ File of the Register of Installment Sales

- The capture and identification of registration data and its follow-up in the system will be compulsory.

- The Unit executing the operation will be the responsible party.
- In the case of an *a posteriori* registration due to the alerts described below, SOR will be in charge of its update.

VI. Formalization of the operations

Once that the operation has been approved and accepted by the client, the resolution is captured in the system for its formalization. The steps to be followed are:

- To print the contract for its execution. If the amount so requires, signatures of both parties must be appended before a notary public.
- To receive the signed contracts and supporting documents that justify the data provided in the application.
- To review the correct signature and documents provided.
- To formalize the operation.

These steps may vary according to the payment method:

- Advanced payment: The payment is issued to the advisor prior to the receipt of the contract and documents; consequently, following the payment of the operation and the receipt of documents, they are reviewed and a quality report is prepared in order to determine the classification of the assignee as regards the payment method.
- Post-payment: The payment is made after the review of the contract and documents.

The essential information for the issue of the payment is the following:

- Review of the correct signatures in the contract and annexes and to check them with the National ID Card.
- Confirmation that data entered in the scoring process are correct by means of any evidence provided.
- Correct direct debiting for installments
- According to the amount, confirmation that the contract has been formalized before a notary public.

Other stages of this formalization process are:

- Once that the operation is formalized, it must be registered from the accounting point of view.
- Request for number plates.
- Formalities for the reservation of title, if so required by the operation.
- Sending of the dossier to the digitalization centre.
- Filing.

2.2.7.2 Risk management and monitoring

In order to achieve that both the Business and Risk Departments carry out their tasks corresponding to monitoring, it is necessary to establish processes and policies that define a correct management and control of the same, by bearing in mind the continuity throughout time of the risk monitoring and its clear focus on the client and all his/her exposures with the group. These processes are defined under three fundamental pillars:

- Periodic review of the Credit Rating (Behavior Scoring)
- Analysis and management of alerts relating to credit quality
- Monitoring of the evolution of portfolios

Furthermore and additionally, it is necessary to carry out the validation of credit rating models in order to ensure that the pillars supporting the monitoring process are correctly calibrated, which guarantees the monitoring quality.

The Risk Monitoring process is a fundamental pillar for the Credit Risk Management due to its task related to the detection, throughout the life of the operations, of any deviations that might take place as regards the evolution of the credit quality of the portfolio of customers (counterparty risk) and its environment (country risk) and, consequently, for the correct execution of the operations assigned to them.

To that end, the purpose of the Risk Monitoring is to define, analyze, predict and model the behavior of all those variables that might affect the variations of the quality of the credit risk assumed by the entity, in order to design future policies and actions with real and potential clients. That is to say, the purpose of the Risk Monitoring is that the credit portfolio has the maximum quality.

In order to perform an appropriate Risk Monitoring, it is necessary to bear in mind that its task must be not only and exclusively subject to behaviors such as qualifying the quality of risks and detecting those that are problematic, but also to proactive behaviors implying anticipation in order to correct / prevent the deterioration in the risk with any client or portfolio. This is fundamental for a correct risk management, given that most of risks that are deteriorated were acceptable/good when they were admitted.

The activities of the monitoring task can fall within:

- **Portfolio monitoring**, which is mainly aimed at controlling the credit quality of portfolios, identifying the areas with the highest risk and suggesting actions to mitigate them, by analyzing the relevant environment and factors. This monitoring task provides a transverse and integrating view of risks, which allows to carry out a monitoring in a manner that is divergent to that of the operations and clients.

In order to carry out the portfolio monitoring, it is necessary to use aggregate information by means of the use of the following data:

- **Descriptive:** Objective elements that describe the composition and evolution of the portfolio according to various criteria (geographic, business/manager, client segment, economic sector, product, etc.), by using the information on exposures and deadlines.
- **Risk Profile:** Factors that describe the credit quality of the portfolio, such as credit ratings, guarantees and other mitigating factors.
- **Environment:** Variables that affect the environment of the portfolio (political, legal, economic).

With all the foregoing, it will be possible to carry out analyses focused on the control of the credit quality of the portfolio in order to:

- Know and observe the degree of fulfillment of the regulations on risk study and qualification and, if applicable, to suggest corrective measures
- Interpret the reasons for the evolution of exposures, of the credit quality and the mitigating use. In this case, it may be necessary to reduce the analysis level to the level of clients
- Identify and assess any eventual risk concentrations
- Inform on and suggest measures in view of certain situations.

The credit risk control, analysis and consolidation areas will generate the information necessary for an efficient portfolio monitoring.

a) Risk monitoring reports

The credit risk is monitored by means of the Preparation and Analysis of periodic information on the credit portfolio (current credit, report on scoring behavior...)

Behavior reports are prepared on a quarterly basis about the operations that have been assessed by the models, in order to carry out a monitoring not only of the score obtained and of the assessment result (combination of score and credit rule) as regards default rates, but also of each one of the variables captured during the contracting process of the application in order to check the stability of population, to carry out an analysis of sub-populations (regional, branches, objects, etc.) for the purposes of adapting the model, if necessary.

Reports and measurements used for the Risk Monitoring are the following:

- Variation in Management Default (VMG)

Amount of the balance of default at the end of the period - Amount of the balance of default at the beginning of the period + Bad debts of the period - Recoveries of bad debts of the period.

- Risk Premium

Variation in Management Default of 12 months / Average balance of the total risk portfolio during the same period.

- Vintages / Harvests

Number of contracts formalized within a certain period of time. This period usually corresponds to one calendar month, and months may be grouped in three-month periods, four-month periods, years... and their performance is checked throughout time.

- Flow Rates

This report provides information by relating a current situation according to delay tranches of the portfolio with the same part of the portfolio according to delay tranches during the previous month. These are reports that allow to carry out quite detailed analyses of the portfolio evolution. These reports together with the reports on the portfolio evolution allow to carry out more in-depth analyses of the evolution of flows.

For example, we can observe the percentage of operations that, during the previous month had 31-60 days of non-payment, have worsened when reaching the delay tranche of 61-90 days.

As it happens with the information on flows, it is also shown according to the volume of operations and according to the amount of outstanding risk.

- Roll Rates

The information on flows involves showing how each portfolio is distributed in delay tranches. The various delay tranches that we analyze are as follows:

- ✓ Up to date
- ✓ 1-30 days on non-payment
- ✓ 31-60 days on non-payment

- ✓ 61-90 days on non-payment
- ✓ 91-120 days on non-payment
- ✓ 121-150 days on non-payment
- ✓ 151-180 days on non-payment
- ✓ More than 180 days on non-payment
- ✓ Bad debt (with details on the bad debt)

These reports allow to analyze the efficiency of the admission processes and recoveries, as well as the evolution of credit losses. They are used for the calculation of the VMG and of PR, and are essential as support for the carrying out of forecasts of these indicators.

- Admission

This report provides a monthly and daily view of the admission process for the last 13 months. Apart from volumes of applications according to the situation of the operation and the resolution of the model, some indicators are calculated, such as: automation percentage, automatic and manual approval percentage, transformation percentage, rejection percentage, forced decision percentage.

Reports are structured in two blocks: one block of information that contains the applications captured during the last 12 months, and another block that contains the historical applications, i.e., the applications captured during the last “n” years.

Data for the preparation of these reports are obtained from the GUIA database. The situation of non-payments is shown as at the end of the corresponding quarter.

These reports –apart from allowing to analyze the risk evolution of operations that have been assessed by the model and to check their differentiating capacity– allow us to observe the business evolution towards client profiles, whether by means of specific campaigns launched or by means of the market changes, and to analyze the acceptance and rejection percentages and the forced decision processes for rejected operations.

All these reports may be disintegrated in such a way that the portfolio managers can have a point of view ranging from global view to specific details of each one of their portfolios. All of them are updated on a monthly basis, except for the Admission report that is updated weekly and the performance report (updated every three months).

On a quarterly basis, for each one of the scoring models, a series of reports are prepared that are defined by the division of Standardized Risks of the Santander Group within the Corporate Framework of Standardized Risk Management (MCGRE), which shows the stability and performance of the Portfolio.

b) Portfolio Management Applications

The main computer tools that are used in the credit risk monitoring are, in general:

- Decision-making systems: Data registered in the very internal models (scoring) are a quite useful information source to monitor the evolution of the portfolio.
- Management information system (SIG): it provides daily, monthly and yearly information according to business areas, products, etc.
- Management of irregular situations (GSI): This is an application that allows to obtain the information on operations that have not been paid upon their maturity and those that may become unpaid within a certain period of time.

- Position Client and Group (PFG): System that provides the risk position of the holder together with that of the Group to which the holder belongs.

And, specifically for SMEs, Santander Consumer España uses:

- Performance analysis system for managers of non-payments (ARGE) and Unified management system for recoveries in Spain (SUGRE). They provide specific information on the management performed by the external collection and recovery companies hired.

c) **Management and Analysis of Alerts**

In order to guarantee an evolution of the risk quality within the expected limits, each portfolio will be monitored on a monthly basis by establishing observation limits (for deviations exceeding 10%) and corrective measures (for deviations exceeding 15%) of the following indicators:

- Approval Rate
- Vintage 30+ at 3 months
- Roll Rate 1-30
- Total Portfolio at the end of the period
- Risk Premium

The estimate of projection of the risk budgeted for the period is taken as a comparative basis.

In the event that any of these situations takes place, the necessary actions will be carried out in order to stabilize the situation, by analyzing the causes and by taking measures to mitigate them, and always in total coordination with the business area.

2.2.7.3 Recovery process

1. RECOVERY PROCESS

At Santander Consumer Finance-España (hereinafter, SCF-E), the design of the Collection strategy is exclusive to the Recovery Business Unit.

Collections are focused on the efficient management through the application of strategies giving priority to collection according to the client risk, the establishment of appropriate processes and the use of specialized systems.

The Corporate Portfolio department is in charge of receiving the unpaid installments from the Bank and of transferring this information to the computer system. Once that this process has taken place, the automatic classification of the non-payment / default is made for these files.

According to this classification, the management of the recovery for these files with unpaid installments or bills will be carried out in the corresponding company or branch network, in accordance with the strategies pre-determined for such purpose on Tallyman (tool for the distribution of unpaid files to various recovery agents, according to products, client risk and the age of the non-payment).

When a credit operation registers a non-payment, a non-payment file is created or reactivated if the same had been already created. Consequently, there is a file for each operation that has generated a non-payment, to which a default key is automatically assigned according to a set of parameters previously established by the Collection and Recovery departments (Pre-contentious and Contentious).

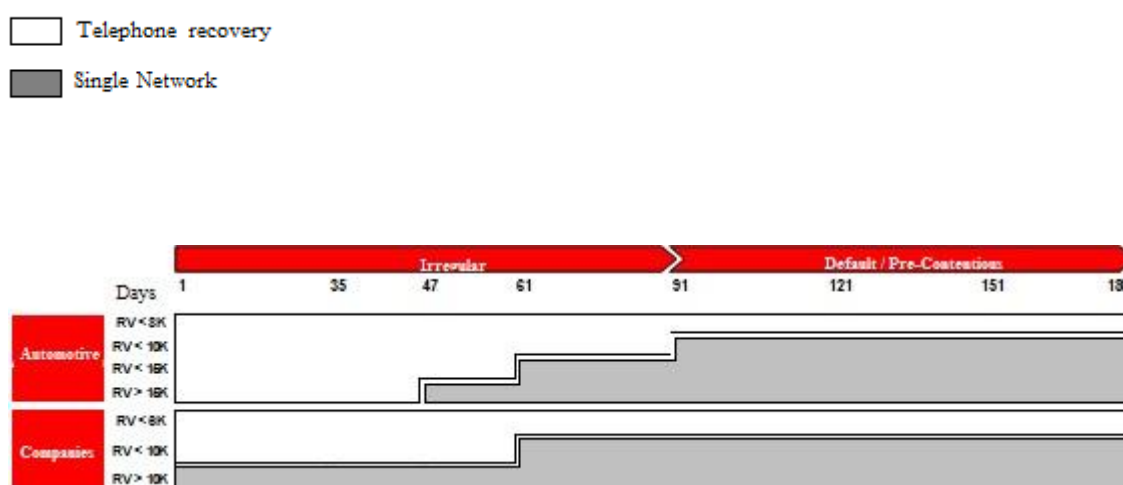
The main parameters are: method of entrance and exit of the tranche (manual or automatic), date of maturity of the tranche; date of receipt of the non-payment; and the number of installments that have not been paid.

Each tranche is linked to a recovery managing centre, which is in charge of processing the whole file that is classified in the said tranche.

By means of a daily automatic process, the above parameters are checked for each unpaid instalment and, according to the development and the configuration of the entrance and exit options, a file may automatically change of default tranche.

Likewise, a management centre or the Collection department can manually transfer an operation to a new default tranche.

The recovery strategy of Santander Consumer is described in the following Portfolio Map:



In view of the classification at Santander Group of the assets according to the situation of collections, at SCF-E the management of irregular situations is divided into two tranches that are differentiated based on the age of the non-payment, the number of days spent in this tranche and the number of outstanding installments.

As regards the Circular 5/2012 issued by the Bank of Spain on transparency of banking services, there are procedures to comply with the requirement that establishes that, before bringing any legal action, it is necessary to inform that, if the borrower fails to comply with his/her payment obligations, and before undertaking any actions such as the demand of the whole loan or credit or the appeal filed to the courts, the Entity must warn the borrower of the potential consequences in terms of costs of late payment interest and other expenses, which would be derived if the non-payment persists, and of the possibilities and consequences that the eventual enforcement of the debt would have on his/her interests and properties.

1.1. Telephone recovery

In the case of operations with only a single instalment unpaid, the so-called Technical Recovery is carried out, which consists of an automatic re-deposit. The date on which this re-deposit takes place is determined according to a calendar prepared on a monthly basis on the specific application of remittances, but not beyond the first 12 days of each month.

Automatic re-deposits made into this tranche are automatically accounted as a collection and consist of re-sending the installments returned for non-technical reasons to the banking entity.

From the first day and in parallel, the Mass Management is performed, which uses the telephone management that is performed by a team of telephone operators or branch network agents, according to the distribution established in the portfolio map.

Branch agents are distributed throughout the whole national territory. The operations corresponding to them in accordance with the portfolio map will be distributed according to the postal code and are automatically assigned to their corresponding managing centre.

Mass Telephone Management is carried out on a daily basis; to that end, SCF-E sends the external contracted company a file in TXT format that the company includes in its computer systems (automatic dialers) and the result of the process is noted on SUGRE.

This file, without feedback, is daily sent until the day of the month on which it is decided to issue one or various mass remittances. The installments included in these remittances and not returned since their issue are accounted as a collection during the first days of the following month. Collections are accounted approximately within 40 days following the dispatch.

In mass telephone management, the collection management for the files classified in this tranche is commenced by telephone contact with automatic predictive dialing and dialogue. The files are not assigned to agents, but there is an automatic distribution of calls per telephone operator, and there is also a daily follow-up of this management process.

Operations in which no payments are made will be transferred to the various specified non-payment tranches; only those that have not been transferred to Contentious will keep on being handled through the telephone management with an age exceeding 180 days, in accordance with the parameters established by SCEF-E, which will take into account the product, risk and solvency of the clients.

From this moment, the operations are distributed among various recovery companies, and this generates greater competition. The management will continue to be made via telephone, by combining the mass dialing with the portfolio management and by giving great importance to locating clients by means of dialing at different times of the day and by looking for new data.

In this tranche, most companies work in their own management systems, given that they do not have access to SUGRE. To that end, they receive information by means of the daily sending of files with the accounting movements of the operations and with the demographic information necessary for their management. These files are directly sent by the Technology department.

Each company has a management deadline, after which they will lose the operations that have surpassed the said deadline; they may only keep those operations for which they have obtained a commitment to imminent payment. To that end, the company must request the corresponding extension that must be authorized by SCF-E.

In view of the type of operations and the difficulties for their collection, payment agreements are deemed a basic management piece; in these agreements, the customer may be encouraged to pay with reductions/cancellations of debt that must be previously authorized by SCF-E.

In this regard, SCF-E may also establish campaigns according to portfolio segments, in which powers will be granted to the various recovery companies in order to reach payment agreements with maximum reductions/cancellations of debt, by always taking into account the percentage of specific provisions maintained by the said operations.

Factories will control the billing of services provided by the telephone platforms.

1.2. Control of billing for services received from Telephone Platforms, External Companies and Branch Networks

This involves the follow-up and verification of the services received through the management performed by the recovery platforms, external companies and branch networks.

On a monthly basis, by means of an automatic process, the files of collections made in that month are obtained from the AS-400 database, itemized according to default tranches and the collection management centre.

Once that the figures have been properly confirmed, by verifying that they coincide with the corresponding statistical data, the aforementioned files are sent to the recovery companies that issue and send the bills for the fees accrued by way of the services rendered.

When SCF-E receives the said bills, it checks that the calculation bases and percentages applied are correct according to files and the conditions established in the current contracts. The payment is authorized and sent to the Operations and Media Area that makes the said payment. In the case of payments made to external companies, these payments are authorized by the business area.

1.3. Collection through Branch Networks

As described above in the portfolio map, SCF manages the irregular or defaulting files/clients by means of a **Single Branch Network**.

- “SINGLE NETWORK”.- The activity of this network is understood as the personal management for the collection of the defaulting clients/files in which the age of the oldest instalment does not exceed 180 days starting from its maturity, according to the portfolio map, as well as those files that, although they are not within these limits, are “dragged” by the client-based view.

The aim is to recover the debt and, to that end and according to the files, in addition to the recovery of the unpaid installments, this network will seek out financial solutions that will allow the client to normalize his/her economic situation, through the restructuring of his/her debt. For such purpose, the agents of both networks will use the following as financial instruments: the readjustment of debt, the refinancing of debt, the withdrawals of goods and repossessions, always in compliance with the regulations established by the Bank of Spain and the Corporate Policy of the Santander Group.

No file should, in principle, exceed the aforementioned maximum management deadlines without a relevant and formal decision having been made in respect of their transfer to contentious/delinquency or their continuance in the recovery management. Control and follow-up specific to the recovery files are implemented at the NETWORK that have exceeded the maximum deadline for their transfer to Contentious. Establishment of a specific procedure demanding the periodic justification of the said status in connection to Committees.

In all cases and depending on the committee, these committees comment on the experience and development of the risk, the current payment situation or management tasks to be carried out, the indebtedness of the competitors, the judicial proceedings or incidences relating to non-payments with other entities, the proven solvency of holders and guarantors, etc., and the decisions deemed appropriate are made as regards the qualification of the situation and the management tasks which must continue to be performed or any new actions to be undertaken.

The committees existing at this management level that ratify the collection qualifications of the debt from “unlikely” to “delinquent” are:

- ✓ Regional Committees; weekly
- ✓ Central Contentious Committee; monthly
- ✓ Regional Contentious Committees; monthly
- ✓ Central and Regional Delinquency Committees (monthly)

The resolutions that the said committees may adopt and that are recorded in each file are:

- ✓ To continue the management process
- ✓ Registration in registers
- ✓ Refinancing
- ✓ Readjustment
- ✓ Withdrawal of the financed goods
- ✓ Transfer to Legal Advice Department
- ✓ Others

As stated above, the recovery management task performed by the NETWORK is carried out personally, as a qualitative element of physical localization and personal visit made to the debtor.

All management processes must be registered by the external agents in the log linked to each one of the files, by specifying the day of the particular management, its details and the result obtained; this allows to ensure the traceability of the management tasks performed, given that the application allows to identify who made the notation in the log by means of the user.

If the management tasks performed achieve the recovery of the claimed debt (even partially, in which case the collection process for the rest of the debt will continue), these payments must be made through the current accounts that SCF-E (or the rest of the companies on account of which the collection management is carried out) has opened with Banco Santander. In general, the debtor makes the deposit to the account directly or makes a transfer and specifies the information (file ref.) provided by the agent. In these cases, the debtor is required to send a fax to the attention of the agent with the deposit/transfer slip. It is possible to make the payment with a SCF-E referenced letter.

1.4. Contentious and other procedures

The transfer to Contentious is automatically made according to the products, in accordance with criteria relating to the age of the debt, Outstanding Risk and unpaid installments, as shown below:

Product	Entry	Type of assignment	Outstanding Risk	Installments	Department	Center
AUTOMOTIVE (Financing)	175 days	Automatic	> € 2,000	>= 3	LEGAL ADVICE NETWORK	ERBRDA
COMPANIES (RV Customer)	175 days	Manual	Customer's Outstanding Risk > € 75,000		COMPANIES	ENT

There is a possibility of transferring files to Contentious that have an age below the age specified above; the said transfers must be authorized by the Regional Pre-Contentious Committees or by means of a direct decision made by Santander Consumer.

For the initial registration as contentious, the corresponding committee sends both the minutes of the meeting of the Committee and the solvency reports and contractual documents to the Contentious department.

In all cases, so that the transfer can be executed, the operation must always be registered in a Contentious record file, in such a way that it is assigned to the Contentious balance sheets, by entering any other information such as the procedure, action, judicial district and legal counsel or agent to whom the file has been assigned.

The management of the files will be assigned according to the product and the risk, based on the following distribution.

- **Companies with a risk exceeding € 75,000.** These operations will be assigned to the office of companies, where all of them will be centrally managed.
- **Companies with a risk lower than € 75,000, insolvency proceedings and rest of products.** They will be assigned to the various area managers that, in turn, will assign the file to an external legal counsel, according to geographic criteria.

In any case, they will complete the said documents, whether by drafting simple balance certificates or by requesting the administrative department to send them, by requesting the more complex certificates, or by gathering from the notaries public that authorized the contracts the certification of the same; likewise, the legal counsel will draft and register the demands for payment.

As a general rule, claims must be filed within the period of time of 30 days.

The follow-up of the process is performed via notations made in the management log of the file; the external legal counsel will send, for a detailed follow-up of the process, the most significant court rulings, such as answers or challenges to the complaint, judgments, etc. To date, there is not any alert monitoring model at SCF.

From the moment at which the file is received, the extrajudicial recovery management begins in parallel, without interrupting the deadline for submission of the complaint or the judicial procedure.

Any monetary collections made must be credited on the same day, or on the following day, to the creditor company's account. Those made by virtue of writs of return issued by the Courts and Tribunals will be sent by the solicitors to the central services for their payment into the current accounts held by the creditor company and for their accounting registration.

Court orders (judgments) are enforced after having updated the solvency of the debtor (if necessary), by seizing any real estates or salaries, where applicable.

The seizure of assets must be registered in the public registers as soon as the order for registration is obtained; the entries must be renewed every four years, if the amount has not been previously collected.

On the other hand, the award of assets is authorized by the Contentious manager, following their appraisal on the part of appraisal companies/independent experts.

Once that the assets have been awarded, they are accounted, together with a copy of the Writ of Award and the appraisal of the asset.

2.2.7.4. Money laundering and fraud

In compliance with the risk policy of Santander Consumer, any type of credit risk operation –no matter how well guaranteed it is– must be rejected if the applicant is not duly identified, or if the applicant

and applicant’s activity are not properly known, or if the origin of guarantees offered as hedge or the funds used to repay the operation are not sufficiently identified.

1.5. Fraud prevention in admission process

The said prevention is carried out as follows:

- Monitoring and parameterization of fraud rules in the Decision-Making Systems (within the block of exclusion rules). The failure to comply with these rules makes the application be rejected.
- Verification of the documents delivered by the customer upon the formalization of the agreement. For SMEs, it is necessary to obtain economic data about the companies by means of the external provider “Informa”, which guarantees the truthfulness of the financial statements produced. Following this verification, the copy to be sent must be a perfectly legible and quality copy.

A fraud profile is created based on the characteristics of the operation, by classifying the operations into high, medium or low profiles. This classification is based on the score obtained by the different variables involved in the operation.

The combination of the fraud profile with the classification of the advisor that presents the operation will establish the review level for the operation, according to the following table:

		ADVISOR’S RATING				
		A	B	C	D	E
FRAUD PROFILE	HIGH	LEVEL 3	LEVEL 3	LEVEL 3	LEVEL 3	LEVEL 3
	MEDIUM	LEVEL 1	LEVEL 1	LEVEL 2	LEVEL 2	LEVEL 2
	LOW	LEVEL 1	LEVEL 1	LEVEL 1	LEVEL 2	LEVEL 2

Document reviews to be conducted for each level:

- Level 1: It must be verified that all the minimum required documents have been produced and coincide with those captured for the analysis of the operation. The validity of identity documents must be verified.
- Level 2: Additionally to the requirements of level 1, phone calls must be made to confirm the employment relationship of holders. No operations will be paid until these verifications have been conducted.
- Level 3: Additionally to the requirements of levels 1 and 2, phone calls must be made to the banks in order to confirm the accounts designated for the collection of installments; phone calls may be made to the customers in order to confirm contact telephones and the delivery of assets; other additional verifications may be conducted to guarantee that the operation is correct. No operations will be paid until these verifications have been conducted.

Below, there is a description of the steps to be taken during the operation analysis and resolution process, if false information is detected in the documents provided by the customer, relating to:

- ✓ Identification: alleged impersonation by counterfeiting or altering National ID Cards, passports, residence permits, etc.

- ✓ Information: false or altered pay-slips, non-existent company for which the customer supposedly works, false telephone number, etc.

Upon the detection of incidents both in the applications under study or in approved applications, it is necessary to send an email and to include a brief explanation of the detected type of incongruence, by stating the name and the National ID Card/Tax ID Number/Foreigner's ID Number of the identities involved.

1.6. Fraud detection

In general, frauds are detected:

- ✓ At the Network of Branches and Agencies, upon the receipt of documents for the operations. Likewise, fraud is detected upon receipt of the information relating to irregular behaviors of the corresponding advisor.
- ✓ At the Recovery Business Unit (RBU), when performing recovery actions with customers.
- ✓ When performing telephone recovery actions. If customers state that the payment of installments does not correspond to them, since they have not received the assets, they do not recognize the operation or they consider that the payment must be made by the advisor, all of this must be noted in the remarks and the file must be marked so that it is managed by specialized managers outside the usual procedure.
- ✓ Upon the telephone capture, when receiving the information from the advisors to capture operations.
- ✓ At the Credit Card Fraud Central Unit, when receiving formal complaints and written communications from customers.
- ✓ At the Corporate Security Area of the Bank, when receiving information from the State Security Forces and Bodies.
- ✓ At the Aftersales and Customer Service departments, when receiving letters of complaint from customers.
- ✓ At the Documental Review Unit, when reviewing the documents provided for the operations. These operations must be marked in the system, so that they are subject to a specific and differentiated management, when returns are received.
- ✓ At the Corporate Monitoring Unit, when receiving the Reports on the review of vehicles in stock credit, sent by the Technology and Operations Area.
- ✓ At the UDO, when analyzing operations.

Likewise, the following alert systems are established:

- Operations for which the first two installments have been returned; the following operations must be carried out:
 - ✓ From the RBU, a list of these operations is obtained on a monthly basis.
 - ✓ The RBU will carry out a first search in order to prevent technical returns.
 - ✓ In the cases of non-located customers, the RBU will carry out the action previously defined for these cases at the back office of non-located customers.
 - ✓ The rest of operations and the non-located customers that persist once that the first action has been carried out will be sent to the business areas, so that they can make inquiries with the advisors, within 15 days, in order to confirm the delivery of the assets, the place of delivery and any eventual contact telephone numbers of holders.
 - ✓ This information will be sent to the RBU to continue with the management.

- ✓ Operations for which, at least, 3 of the 5 first installments of the operation have been returned and are pending payment. The steps to be taken are as follows:
 - To obtain from the RBU a report on these operations on a monthly basis.
 - This report will be sent to the Regional Head of the RBU for management and analysis. New actions must be performed for the recovery of the debt and, if it is not recovered, a report must be issued specifying the reasons why it is considered that the debt may not be recovered.
 - Within the maximum period of time of 60 days, the operations will be submitted to the Fraud Committee, which will decide whether an operation is included in any of the fraud classifications. If this Committee decides that the operations are not a fraud, normal management will be continued.

1.7. Fraud Committee

The management for fraud prevention in the whole credit cycle requires a high level of involvement of all areas concerned. Therefore, the Committee

- ✓ will meet on a monthly basis, on the third Monday of each month.
- ✓ will be chaired by a member of the Management Committee of SCE, on a rotating basis. Likewise, the duties of Secretary will be alternatively performed by the representative of Risks, the representative of Technology and Operations, the representative of the RBU and the representative of Legal Advice.
- ✓ will be made up of: the head of Standardized Risk Fraud Management, one head of the RBU, one head of Technological and Operative Risk, Business Areas of Automotive Sector and Consumption and Legal Advice. Each area will provide a person that must always be the same representative for, at least, one year. For any change in these representatives, the approval of the Management Committee of SCE will be necessary. Likewise, the Regional Managers, UDO, URD, Agencies, will be invited on a rotating basis. In cases in which operations are submitted for an amount exceeding €100.m, the meeting must be attended by the Manager of the Branch and if the said amount exceeds € 200 M, it must be attended by the Regional Manager and the Area Manager.
- ✓ The person submitting the operations will be: the Fraud head of Reintegra.
- ✓ Powers: the Committee will be empowered up to € 150,000 per each fraud. Beyond this amount, it is necessary to have the authorization of the Management Committee of SCE. Likewise, it may decide on the transfer of any dealer from pre-payment to post-payment. If, for any reason, there is any conflict as regards the inclusion in post-payment, such a conflict must be settled by the Director-General Manager of SCE. However, the business network may reconsider any decision on the transfer to post-payment, but the Director-General Manager of SCE (CEO) will finally decide on the matter.
- ✓ The Chairman will inform, together with the head of Fraud Management, both of the minutes and the relevant facts, improvements, involvements of other areas at the meeting of the Management Committee of SCE, held on Friday of that week.
- ✓ The relevant statistics will be prepared on the reviewed operations by the Regional Management, dealer/establishment, etc. Controls will be implemented on a monthly basis, with thirteen rolling months for operations, reviewed amounts by the Regional Management, etc.

The decisions made by the Fraud Committee will be:

- ✓ To continue with the collection management, since it is considered appropriate to further deepen the management operations, or because more information or documents are still needed to solve the incident, or because it is ultimately deduced that the incident is not subject to fraud and, therefore, the file is reclassified. In this case, the RBU will control the operations in this situation and will specially supervise them; any alteration of this status must be authorized by the Fraud Committee.

In any case, if there are any reasonable doubts about the validity of the operation (impersonation or other alleged fraud), recovery actions must be preventively suspended until the possible fraud has been analyzed.

- ✓ To regularize and separate the holder, since it has been verified that he/she has been impersonated, or his/her documents have been used to impersonate them, or because they have been stolen. In all these cases, a formal complaint must have been filed before the Police or a Court by the damaged person; the said formal complaint is also analyzed and reviewed together with the rest of documents produced. The regularization implies to enter the debt in the accounting books as an operational risk loss (it will generate no VMG), within the category of external fraud.
- ✓ Contentious or Legal Advice, when it is verified that the person or entity that has carried out the irregular activity has been identified; the appropriate criminal actions will start, and the lawyer to whom the file has been assigned will make the formal complaint and bring the legal actions by means of petitions or claims, and the formal complaint is no longer managed by any proxy of SCE.

In those cases in which the legal action is not brought against the holder of the operation, he/she will be separated and the operation will be regularized, by registering in the books the debt corresponding to the file as an operational risk loss (not VMG), within the category of external fraud.

In those cases in which the legal action is brought against the holder of the operation due to document forgery, the holder will not be separated and the debt of the operation will be transferred to operational risk losses (not VMG), within the category of external fraud.

- ✓ Delinquent Loan, when there are no signs that the collection will be carried out and in view of the insolvency of holders, it is not considered to file any judicial claim.
- ✓ To determine whether the Company appears as a private plaintiff and brings the criminal proceedings deemed appropriate to safeguard the principles and purposes of our company.

2.2.7.5. Advisor-related risk

1.1. Review of advisors

Periodical reviews:

An automatic system classifies advisors on a monthly basis, by considering them at the level of establishment, based on the analysis of different variables that analyze the turnover generated and its quality. By means of this analysis, advisors are classified into five categories: category A corresponds to the lowest risk level and category E corresponds to the highest risk level.

Additionally, the following alerts have been established, with the possibility to define other new alerts:

- ✓ Bankruptcy situation: advisors that, at the end of the month, are bankrupt.
- ✓ FEVE [Firms Under Special Vigilance] category: Advisors that, at the end of the month, have a FEVE Category of “Terminate” or a delinquency classification.
- ✓ Three first installments returned: advisors with whom the number of operations provided with the three first installments returned exceeds by a percentage the operations provided during the same period (12 last months). This percentage is currently established at 10%.
- ✓ CIRBE non-payments: advisors that, at the end of the month, have non-payments registered with CIRBE.
- ✓ Frauds: advisors that during the last 12 months have provided operations considered as a fraud, both committed and detected.
- ✓ Risk Premium: advisors that, at the end of the month, have a risk premium, 12 last months, exceeding the established risk premium, which is currently 5% for the Automotive Sector and 10% for Consumption and Cards.
- ✓ ASNEF: advisors that, at the end of the month, have non-payments registered with ASNEF exceeding € 600.
- ✓ Duplicated chassis: Advisors that submit such an incidence with a chassis for a period of time equal to or longer than 5 days.
- ✓ High percentages of rejection: Advisors with a percentage of application rejections exceeding 50%.

The combination of the classification of advisors and the alerts defined generates a table that categorizes each advisor into one type of action to be communicated to the Business Network:

	Bankruptcy situation	FEVE	Three 1 st Installments	CIRBE non-payment	Risk premium	ASNEF	Duplicated chassis	No alerts
A	A	R	R	R	S	S	S	S
B	A	R	R	R	S	S	S	S
C	A	A	A	R	R	R	R	S
D	A	A	A	R	R	R	R	S
E	A	A	A	A	A	A	A	S
+15 Op & Reject. < 75%	A	A	A	A	A	A	A	R
+15 Op & Reject. < 100%	A	A	A	A	A	A	A	R



A: Advisor under Alert: the alert will be communicated to the Network. The Network will consider whether the Advisor is discharged or remains operative. If it is decided to keep on collaborating with the advisor, such a decision must be justified by filling in the check lists. In the event that Risk Department is not agree with the answer given by the Business Network, the proposal will be submitted to the Advisor Supervision Committee.

The reactivation of an advisor discharged in any review must be requested to Standardized Risks, with the approval of the Business Management.

If any establishment that has been informed of the alert by the Network has new alerts in subsequent extractions, it will be discharged, by following the same steps as those established for serious incidents. The Business Network will have to request the submission to the High Committee on Risks with the approval of the Advisor Supervision Committee.



A: Advisor under very serious Alert: these advisors will be discharged. The Business Network will have 48 hours to argue the defence with the corresponding supporting documents. These alerts will be sent to the Network together with the corresponding check lists **on a monthly basis**. In the case of conflicts between Risks and the answer given by the Business Network, the conflict will be submitted to the High Committee on Risks.



R: Review: Risks will monitor the situation of the advisor and, should the situation persist, the Network will be informed in order to make a decision.



S: Follow-up: control applied by Standardized Risks in order to take measures if the situation fails to improve. Monthly follow-up of the evolution of the incident.

Additionally, in order to continue working with advisors involved in bankruptcy or cessation of payments, it will be compulsory to obtain the express authorization of the High Committee on Risks, with the prior approval of the Advisor Supervision Committee.

Twice a year, a list will be prepared with advisors that have not submitted any operations for, at least, 24 months. This list will be communicated by Risks to the Business Units for its analysis, and, unless they belong to some group or have card agreements, they will be discharged due to inactivity. The reactivation of advisors discharged due to inactivity must be handled as a new registration, as established under the epigraph G.1. Registration of Advisors.

1.2. **Specific reviews (Portfolio Maps)**

Specific reviews will be conducted, based on portfolio maps, according to types of business, products, Branches/Agencies or any other segmentation that might be established. For selected advisors, Branches will receive a Check List to be filled in, in order to analyze –based on the answers– the level of engagement of the advisor and the information on the advisor that is known. Standardized Risks will analyze these answers.

1.3. **Procedure to send the periodic and specific reviews to the Network:**

- ✓ Extraction by Standardized Risks of periodic and/or specific alerts.
- ✓ Excel sheets are sent to the Branches with the alerts detected, on which the measure to be adopted as regard advisors must be filled in.
- ✓ For those advisors that are not discharged, the Branch must fill in a check list with closed questions sent by Risks.
- ✓ They will be general questions, in order to determine the control level and the information available as regards the advisor. For specific reviews, it is possible to ask questions aimed at determining the knowledge of the relevant portfolio map.
- ✓ Time limit for the answer: 15 days.
- ✓ Standardized Risks will analyze the answers and prepare a report.

1.4. **Committee of Advisors**

The Committee of Advisors is created. This Committee will meet on a monthly basis and will be made up of the representatives of the Business Units, Risks and the Recovery Business Unit. Additionally, the attendance of representatives of Technology and Operations and of Legal Advice may be requested.

The duties of the Committee will be:

- ✓ Analysis of the results from periodic and specific reviews sent to the Network.
- ✓ Establishment of priority for next alerts to be sent.
- ✓ Amount of alerts sent.
- ✓ Establishment of new alerts to be sent, if applicable.
- ✓ Establishment of actions to be performed on advisors, based on the portfolio map.
- ✓ Analysis of any incident detected by Risks
- ✓ Analysis of advisors recovered for Pre-Payment during the month.

2.2.8 Statements and other guarantees given to the Issuer in connection with the Credit Rights.

Santander Consumer, in its capacity of holder of the Loans –until the assignment of the Credit Rights to the Fund– and as Assignor of the Credit Rights, will state and assure the Managing Company, in the name and on behalf of the Fund, and the Managers, that:

(a) In relation to Santander Consumer:

- (1) That Santander Consumer is a credit financial institution duly incorporated by virtue of the Spanish regulations in force and that it is registered in the Commercial Register and is authorized to grant loans for the acquisition of new and/or used vehicles.
- (2) That the corporate bodies of Santander Consumer have validly adopted all the necessary corporate resolutions as regards the assignment of the Credit Rights to the Fund and the formalization of its Deed of Incorporation and the Assignment Agreement.
- (3) That neither as at the date of registration of the Prospectus, nor at any time after its incorporation, Santander Consumer has been involved in any situation of insolvency, creditors' proceedings, suspension of payments or bankruptcy.
- (4) That its annual financial statements relating to the fiscal years 2011, 2012 and 2013 have been duly audited, and that it has the audit report corresponding to the last of the said years, the year 2013, with a favorable opinion and no remarks. The audited annual financial statements corresponding to the last three fiscal years were submitted to the Commercial Register and the CNMV.

(b) In relation to the Loans and the Credit Rights:

- (1) That the grant of the Loans as well as the assignment of the Credit Rights to the Fund and all the aspects related to this operation have been and will be carried out according to the market criteria.
- (2) That the Loans exist and are valid and enforceable in accordance with the applicable legislation and that all applicable legal provisions have been observed in their granting, in particular and where applicable, the provisions of the Royal Legislative Decree 1/2007, of 16th November, approving the consolidated text of the General Law for the Protection of Consumers and Users and any other supplementary laws, and the Law 7/1998, of 13th April, on General Contracting Conditions.
- (3) That, in connection with the granting or subrogation of each and every one of the Loans, Santander Consumer has faithfully applied the risk granting policy applicable from time to time. 97.8% of the Outstanding Balance of the Credit Rights complies with the current credit granting policy of Santander Consumer contained in item 2.2.7 of this Additional Module. The rest of Loans have been granted according to risk granting policies that do not

substantially differ from the current policy described in item 2.2.7 of this Additional Module.

In this respect, the only differences between the current policy described in this item 2.2.7 of the Additional Module and the previous policies, and under which 2.2% of Loans have been granted, are the inclusion in the current policy (and described in item 2.2.7 of this Additional Module) of updates in the scoring models and additional measures to detect fraud.

- (4) That Santander Consumer is, without limitation, the owner of the fee simple of all of the Loans, which are free from any encumbrances and claims.
- (5) That the Loans are not secured by any right *in rem* by way of guarantee, but they are personal Loans and the Debtor or Debtors are liable for their performance with all of their current or future assets. Some of the said loans are also secured by means of a guarantee given by a person other than the Debtor or Debtors, and all of them have a reservation of title clause (although not all of them are registered in the Register of Installment Sales of Movable Properties and in the Register of Motor Vehicles of the Directorate-General for Traffic).
- (6) That the guarantees, where applicable, of the Loans are valid and enforceable in accordance with the applicable legislation; and that all the current legal provisions have been observed in their creation, and that Santander Consumer is not aware of the existence of any circumstance preventing their enforcement.
- (7) That the Loans are duly supported by documentation, whether under private agreements or in deeds granted before a notary public. All of them are duly deposited at the registered office of Santander Consumer at the disposal of the Managing Company, although not all of them are registered in the Register of Installment Sales of Movable Properties and in the Register of Motor Vehicles of the Directorate-General for Traffic (only those that Santander Consumer considers to have a greater risk of non-payment have been registered).
- (8) That the private agreements or the deeds granted before a notary public that document the Loans do not contain any clauses that prevent the assignment of the Loans or that require any authorization or notice in order to assign the Loans. And that, as regards the Loans that may not be freely transferred without the consent of the debtor, the said consent has been obtained.
- (9) That all of the Debtors of the Loans are natural persons or corporate bodies residing in Spain. None of them are employees, managers or directors of Santander Consumer.
- (10) That the Loans have been granted by Santander Consumer for the purpose of financing the acquisition of new and/or used vehicles on the part of natural persons or corporate bodies residing in Spain.
- (11) That the principal amount of the Loan does not exceed the purchase value of the financed vehicle on the date of the formal execution of the Loan plus, where appropriate, the financing of expenses incurred due to the formal execution (opening, study and information, as they may apply) and/or insurance expenses related to the operations.
- (12) That no Loan is derived from refinancing or debt renegotiations.
- (13) That on the date of assignment to the Fund, it has not come to Santander Consumer's attention that any of the Debtors has been declared to be insolvent.

- (14) That all of the Loans are exclusively denominated and payable in euros.
- (15) That, on the date of the assignment, there will not be any Loan with a grace period for interest or principal after the corresponding assignment of the Credit Rights deriving from the said Loan to the Fund.
- (16) That payment obligations of all the Loans are fulfilled by direct bank debit from a bank account generated automatically and authorized by the corresponding Debtor at the time of the formalization of the transaction.
- (17) That at the time of the assignment of the Loans to the Fund, the Debtors have paid at least one (1) instalment.
- (18) That all of the Loans are clearly identified, both on computerized form and in the form of their private agreements or deeds granted before a notary public, and that they are analyzed and supervised by Santander Consumer.
- (19) That on the date of their assignment to the Fund, the Outstanding Balance of the Credit Rights is equal to the capital amount at which the Credit Rights are assigned to the Fund.
- (20) That the final maturity date of the Loans is in no event later than 25th August 2028.
- (21) That as from the time of their granting, the Loans have been and are being administered by Santander Consumer in accordance with the usual procedures that it has established.
- (22) That Santander Consumer is not aware of the existence of any kind of litigation in relation to the Loans that may impair their validity and enforceability or that may lead to the application of article 1,535 of the Spanish Civil Code.
- (23) That all of the Loans accrue interest at a fixed interest rate, which is not lower than 5%.
- (24) That all data included in the Prospectus in relation to the Credit Rights accurately show their status as at the date on which the Preliminary Portfolio was selected and that the aforementioned data are correct.
- (25) That no person holds any preferential right over that of the Fund as the owner of the Loans.
- (26) That Santander Consumer has not received any notice from the Debtors regarding the total early redemption of the Loans.
- (27) That the Loan has not matured before the date of its assignment to the Fund and that the final maturity date of the Loan does not coincide with the said date.
- (28) That principal and interest installments of the Loans are payable on a monthly basis.
- (29) That none of the Loans have clauses envisaging deferment in payment of interest or principal, subsequently to the assignment of Credit Rights to the Fund.
- (30) That Santander Consumer is not aware that any of the Debtors of the Loans is the holder of any credit right vis-à-vis Santander Consumer that gives the said Debtor the right to exercise the set-off that could adversely affect the rights attributed to the Fund by reason of the assignment of the Loans.

- (31) That the payments of the Debtor deriving from the Loans are not subject to any tax deduction or withholding.
- (32) That each Loan constitutes a valid payment obligation that is binding upon the Debtor and is enforceable in accordance with its own terms.
- (33) That the Credit Rights are governed under the Spanish laws.
- (34) That none of the Loans has been formalized as a financial lease agreement.
- (35) That all of the Loans have been fully drawn by the corresponding Debtor.
- (36) That the payments for Loans are up to date.
- (37) That the Loans have not been approved by an analyst when the decision to be made is contrary to the automatic assessment system (i.e., no Loan has been granted under a forced approval).
- (38) That the Loans are not the result of operations with Demo Vehicles, i.e., loans aimed at the acquisition of vehicles for self-registration.
- (39) That the Loans are not the result of Rent a Car operations, i.e., loans aimed at the acquisition of vehicles by vehicle rental companies.
- (40) That on the date on which the Loans are granted, the Debtors are not unemployed.

The Managing Company has obtained from the Assignor the representations and guarantees regarding the characteristics of the Loans that are described in this section and that will be ratified in the Assignment Agreement and on the occasion of each assignment of Additional Credit Rights. The Managing Company and the Assignor will guarantee in the Assignment Agreement that the Loans (from which the Credit Rights are derived) that will be assigned to the Fund do not have any outstanding installments.

2.2.9 Replacement of the Credit Rights.

In the case of early redemption of the Credit Rights due to early repayment of the principal of the corresponding Loan, there will be no direct replacement of the said Credit Rights.

In the case of the appearance of any hidden defects in any of the Credit Rights because during the life thereof it is discovered that, at the time of the assignment, they did not adapt to the representations and guarantees contained in section 2.2.8 (b) of the Additional Module and the Global Requirements established in item 2.2.2 2 above, or to the specific conditions and characteristics thereof notified by Santander Consumer to the Managing Company, Santander Consumer undertakes, after having obtained the consent from the Managing Company, to immediately proceed to remedy the aforementioned defects. In the event that this is not possible, it will replace them or, if applicable, repay the Credit Rights in question that are not replaced by means of the automatic termination of the assignment of the Credit Rights in question, subject to the following rules:

- a) The party that becomes aware of the existence of any Credit Right in the aforementioned situation, whether the Assignor or the Managing Company, will notify the other party of such a circumstance. Santander Consumer will have a maximum period of time of fifteen (15) Working Days starting from the said notice to proceed to remedy that circumstance, if it may be remedied, or to proceed to the replacement of the said Credit Right.

- b) The replacement will be made for the Outstanding Balance of the Credit Rights plus any interest accrued and not paid and any amount that might correspond to the Fund until that date by way of the corresponding replaced Credit Right.

In order to proceed to the said replacement, the Assignor will inform the Managing Company of the characteristics of the Loans proposed to be assigned and that have the characteristics contained in section 2.2.8 (b) of this Additional Module, with similar characteristics as regards the purpose, term, interest rate, guarantee, manner of formal execution and outstanding principal balance. Once that the Managing Company has verified that the characteristics set forth in section 2.2.8 (b) of this Additional Module are satisfied and after having expressly communicated to the Assignor that the Loans to be assigned are appropriate, the Assignor will proceed to terminate the assignment of the affected Credit Right and will assign a new Credit Right or new Credit Rights.

The replacement of the Credit Rights will be made by granting a deed of amendment of the Assignment Agreement, and a copy of said document will be filed with the CNMV.

- c) In the event that no Credit Right is replaced pursuant to the terms established in rule b) of this section, the Assignor will automatically proceed to terminate the assignment of the affected Credit Right that has not been replaced. The said termination will be carried out by means of the repayment in cash to the Fund of the outstanding principal, any interest accrued and not paid, and any other amount that might correspond to the Fund until that date by virtue of the corresponding Credit Right, which will be paid into the Cash Account.
- d) In the case of termination of assignment of Credit Rights by reason of either replacement or repayment, the Assignor will have all of the rights derived from those Credit Rights and accrued after the termination date, or accrued and not due, or not paid as at that date.

2.2.10 Relevant Insurance Policies relating to the Loans.

Not applicable.

2.2.11 Information relating to the Debtors in the cases where the assets include obligations of five (5) or fewer Debtors that are corporate bodies, or if one Debtor represents twenty percent (20%) or more of the assets, or if one Debtor represents an important portion of the Assets.

Not applicable.

2.2.12 Details of the relationship between the issuer, the guarantor and the Debtor, if it is of relevance to the issue.

As regards the issue of the Bonds, there are not any important relationships between the Fund, the Assignor, the Managing Company and any other parties involved in the transaction, other than those specified in section 5.2 of the Registration Document and section 3.2 of this Additional Module.

2.2.13 If the assets include fixed income securities, description of the main conditions.

Not applicable.

2.2.14 If the assets include variable income securities, description of the main conditions.

Not applicable.

2.2.15 If the assets include variable income securities that are not traded on a regulated or equivalent market, and if they represent more than ten (10) percent of the assets, description of the main conditions.

Not applicable.

2.2.16 Assessment reports relating to the ownership and cash flows / income in the cases that an important portion of the assets is secured by real estates.

Not applicable.

2.3. Assets actively managed backing the issue.

Not applicable.

2.4. Statement in the event that the issuer intends to issue new securities backed by the same assets, and a description of how the holders of that Series will be informed.

Not applicable.

3. STRUCTURE AND CASH FLOW

3.1 Description of the structure of the transaction.

Through this securitization transaction, Santander Consumer will transfer the Credit Rights to the Fund. The Fund will acquire the Credit Rights and will issue the Bonds.

This transaction will be formalized by virtue of (i) the Assignment Agreement, (ii) the Deed of Incorporation of the Fund, by virtue of which the Bonds will be issued, and (iii) the assignments of Additional Credit Rights pursuant to the procedure described in item 2.2.2. above and item 3.3.1 below.

A copy of the Deed of Incorporation will be sent to Iberclear and to the CNMV prior to the Subscription Date of the Bonds.

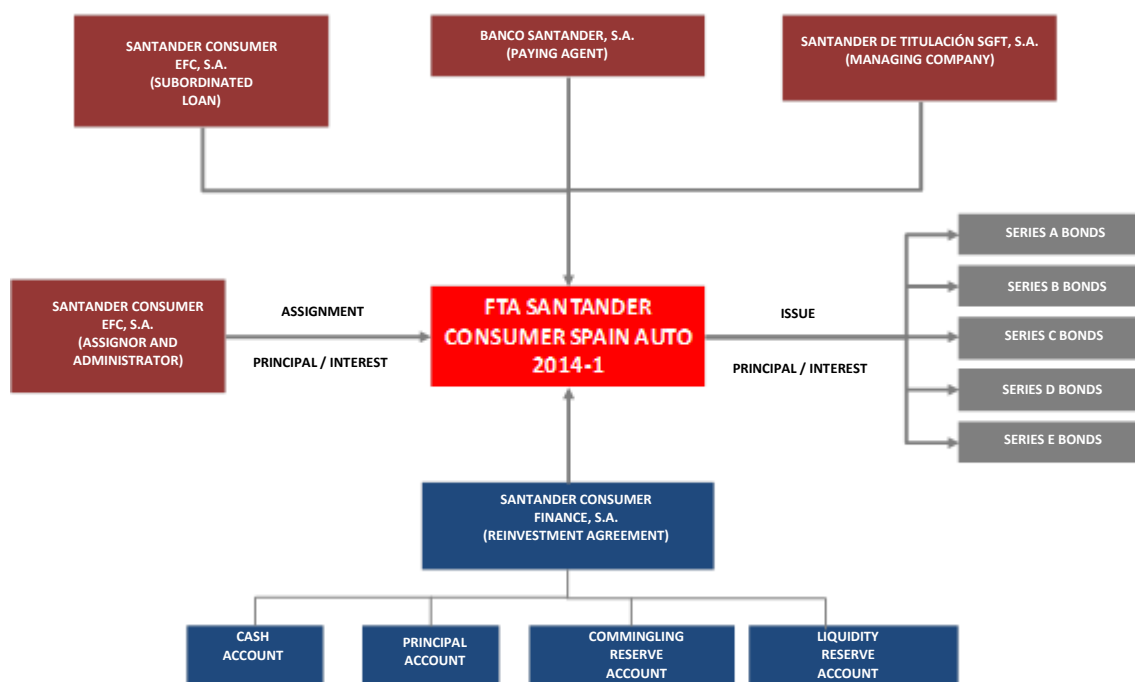
On another subject and in order to strengthen its financial structure and to procure the greatest possible hedge for the risks inherent in the issue, the Managing Company, acting on behalf of the Fund, will proceed to formalize, among others, the contracts specified below, with the power –in order to comply with the Fund’s operating structure pursuant to the terms set forth by the current regulations from time to time– to extend or amend the said contracts, to replace each of the providers of services to the Fund thereunder and, if necessary, even to enter into additional contracts, after having informed the CNMV and –if applicable, after having obtained the pertinent authorization– the Rating Agencies, provided that this does not affect the rights of the Bondholders and, in particular, provided that this does not imply a downgrade in the credit rating of the Bonds. Likewise, the said actions will not require the amendment of the Deed of Incorporation, provided that they do not give rise to the modification of the Ranking established in item 3.4.6 below.

The Managing Company will formalize with SCF the Reinvestment Agreement, by virtue of which SCF will guarantee a variable yield on the amounts deposited by the Fund through its Managing Company in the Cash Account and in the Principal Account. Likewise, and in compliance with the aforementioned Reinvestment Agreement, the Commingling Reserve Account and the Liquidity Reserve Account will be opened. Any amounts deposited to the Commingling Reserve Account and to the Liquidity Reserve Account will not accrue any interest.

The Managing Company will formalize with Santander Consumer the Subordinated Loan that will be used, among other things, in order to finance the initial expenses incurred due to the incorporation of the Fund, including the amount of interest accrued and not become due of the Initial Credit Rights.

Finally, the Managing Company, for and on behalf of the Fund, will enter into the Management, Subscription and Payment Agency Agreement with the Subscribers, the Managers and the Paying Agent. The description of the contracts included in this section and in sections 4.1.b) and 5.2 of the Securities Note, and sections 3.4.3 and 3.4.4 of this Additional Module accurately shows the most relevant information contained in the said contracts. No data or information that may prove to be material to the investor has been omitted.

Below there is a diagram explaining the transaction:



Initial Balance Sheet of the Fund

The balance sheet of the Fund at the end of the Disbursement Date will be as follows:

ASSETS		LIABILITIES	
CREDIT RIGHTS	€ 766,310,000.00	ISSUES	€ 798,000,000.00
Principal	€ 760,000,000.00	Series A Bonds	€ 703,000,000.00
Interest accrued and not collected	€ 6,310,000.00	Series B Bonds	€ 27,400,000.00
		Series C Bonds	€ 15,200,000.00
		Series D Bonds	€ 14,400,000.00
		Series E Bonds	€ 38,000,000.00
Cash Account	€ 38,775,000.00	Subordinated Loan	€ 7,085,000.00
TOTAL:	€ 805,085,000.00	TOTAL:	€ 805,085,000.00

3.2. Description of the entities participating in the issue and description of the duties to be performed by them.

A description of these entities is contained in section 5.2 of the Securities Note.

3.3. Description of the method and of the date of sale, transfer, novation or assignment of the Credit Rights.

3.3.1 Formalization of the assignment of the Credit Rights.

The Assignor will be liable to the Fund for the existence and lawfulness of the Credit Rights to the same extent as established in articles 348 of the Commercial Code and 1,529 of the Civil Code.

The Assignor will not bear the risk of non-payment on the Credit Rights and, consequently, will have no liability whatsoever for the non-payment by the Debtors of principal, interest or any other amount they might owe by virtue of the Loans, and will not be liable for the enforceability of any collateral security. Likewise, the Assignor will have no responsibility whatsoever to directly or indirectly guarantee that the transaction will be successfully completed, and will not grant any guarantee or security, or agree to replace or repurchase the Credit Rights, without prejudice to the provisions of section 2.2.9 of this Additional Module.

The assignment of the Credit Rights derived from each of the Loans will be carried out for the total amount of the outstanding principal pending repayment on the date of assignment and for all ordinary interest on each Loan that is assigned, pursuant to the terms set forth below.

All the expenses and taxes incurred as a result of the assignment of the Credit Rights to the Fund will be borne by Santander Consumer.

The assignment of the Credit Rights by Santander Consumer will be carried out as described below.

a) Assignment of the Initial Credit Rights

Santander Consumer, in the act of incorporation of the Fund and at the time to grant the Deed of Incorporation, will assign the Initial Credit Rights to the Fund by means of the Assignment Agreement.

The assignment will be complete and unconditional and will be made for the entire term remaining until the total maturity of the Credit Rights as from the moment at which the Assignment Agreement is signed.

b) Assignment of the Additional Credit Rights

Following its incorporation, the Fund, represented by the Managing Company, will successively acquire on each Payment Date during the Revolving Period Additional Credit Rights to replace the amount of the Outstanding Balance of the Credit Rights that might have been redeemed.

Additional Credit Rights will be assigned to the Fund by means of purchase offers and their acceptance by the Fund, in compliance with the provisions of item 2.2.2 above and the Deed of Incorporation. Any expenses and taxes resulting from the formalization of successive assignments will be borne by Santander Consumer.

For each new acquisition of Additional Credit Rights, the Managing Company must send the following documents to the CNMV:

- (i) Via Cifradoc, the list of Additional Credit Rights assigned to the Fund and their main characteristics.
- (ii) Statement granted by the Managing Company, and subscribed by Santander Consumer as well, that the said Additional Credit Rights meet all the Election Requirements established for their assignment to the Fund.

The assignment will be complete and unconditional and will be made for the entire term remaining until the total maturity of the Credit Rights as from the Payment Date on which they are acquired and paid by the Fund.

c) Price of sale or assignment of the Credit Rights.

(1) Price of the assignment of Initial Credit Rights

The assignment price for the Credit Rights will be the nominal value plus any interest accrued but not due prior to the Date of Incorporation. The price that the Fund, through its Managing Company, must pay to Santander Consumer on the Disbursement Date for the acquisition of the Initial Credit Rights will be equal to the amount of the Outstanding Balance of the Credit Rights pooled in the Fund on the Date of Incorporation of the Fund, plus any interest accrued but not due prior to the Date of Incorporation.

The price will be paid in full before 3.00 pm (Madrid time) on the Disbursement Date, with value date on that same day. The payment will be made by virtue of an order issued by the Managing Company to Banco Santander, and Banco Santander will charge the price for the acquisition of the Initial Credit Rights to the Cash Account opened with SCF in the name of the Fund, once that the amount of the Issue of the Bonds and the Subordinated Loan has been transferred to the said Cash Account.

In the event that the incorporation of the Fund and, consequently, the assignment of the Initial Credit Rights is terminated, (i) the obligation of the Fund to pay the price for the acquisition of the Initial Credit Rights will be extinguished, and (ii) the Managing Company will be obliged to reimburse Santander Consumer for any rights that might have been accrued in favor of the Fund due to the assignment of the Initial Credit Rights.

The Assignor will not receive any interest as a result of the deferral of payment of the sale price from the Date of Incorporation to the Disbursement Date.

(2) Price of the assignment of Additional Credit Rights.

The price of the assignment of the Additional Credit Rights will be the nominal value, i.e., the Outstanding Balance of the Additional Credit Rights pooled in the Fund on the

corresponding Payment Date, plus any interest accrued but not paid prior to the relevant date of assignment (the “**Acquisition Amount**”).

The price must be paid in full on the corresponding Payment Date on which the assignment is carried out, with value date on that same day; Santander Consumer will debit this amount to the Principal Account opened in the name of the Fund.

d) Description of the rights that, in favor of their holder, are conferred by the assets on the Loans backing them.

The Fund, as the holder of the Credit Rights deriving from the Loans, will have the right to receive all the payments made in respect of the following concepts:

- a) all of the amounts accrued due to the repayment of capital or principal of the Loans;
- b) all of the amounts accrued due to the ordinary interest on the Loans; ordinary interest will also include the interest on each of the Loans accrued but not due since the last interest payment date, prior to or on the date of assignment to the Fund;
- c) any other amounts, assets or rights that might be received, if applicable, by Santander Consumer in the form of the auction price or the amount determined by virtue of a court decision, or as a result of the disposal or use of the assets awarded or, as a result of the said enforcements, from the provisional administration and possession of the assets during the enforcement proceedings;
- d) all possible rights or compensations that might result in favor of Santander Consumer, payments made by any guarantors, etc., as well as those arising from any right ancillary to the Loans, including those derived from the reservation of title and the insurance contracts, except for those amounts that had not been assigned to the Fund in accordance with the provisions of this Prospectus.

All of the aforementioned rights will be accrued in favor of the Fund from the date of their assignment to the Fund by virtue of the formalization of the Assignment Agreement.

Any payments made in respect of late payment interest, payments relating to fees for claims of unpaid bills, fees for subrogation, fees for early redemption or cancellation and any other fees or expenses will not be assigned to the Fund and will therefore continue to correspond to Santander Consumer.

The rights of the Fund resulting from the Credit Rights are linked to the payments made by the Debtors against the Loans and, therefore, are directly affected by the evolution, delays, pre-payments and any other incident related to the said payments. Bank expenses deriving from the collection of non-payments and expenses deriving from pre-judicial, judicial or contentious proceedings will be borne by the Assignor.

3.4. Explanation of the flow of funds, including:

3.4.1 How the cash flows from the Credit Rights will be used to fulfill the issuer’s obligations as regards the holders of the securities.

The amounts received by the Fund deriving from the Credit Rights will be credited by the Administrator to the Cash Account. The said amounts will be credited within forty-eight (48) hours from their receipt.

The weighted average interest rate of the selected Loans as at 2nd September 2014, as detailed in item 2.2.2 h) above, amounts to 8.70%, which is higher than the nominal rate of the each Series of Bonds.

3.4.2 Information on credit enhancements.

3.4.2.1 Credit enhancements.

In order to strengthen the financial structure of the Fund, to increase the security or the regularity in the payments of the Bonds, to cover any temporary mismatches of the schedule of flows of principal and interest on the Loans and the Bonds, or, in general, to transform the financial characteristics of the Loans, and to complement the administration of the Fund, the Managing Company, on behalf of the Fund, will formalize the agreements and operations described below in the act of execution of the Deed of Incorporation, in accordance with the applicable regulations.

The credit enhancement operations included in the structure of the Fund are as follows:

a) *Reserve Fund.*

It mitigates the credit risk due to default or non-payment of the Loans. The Reserve Fund is described below in section 3.4.2.2 of this Additional Module.

b) *Reinvestment Agreement*

The Cash Account and the Principal Account are remunerated at agreed rates, in such a way that a minimum yield on their balances is guaranteed. Any amounts deposited to the Commingling Reserve Account and to the Liquidity Reserve Account will not accrue any interest.

c) *Amount of the Commingling Reserve*

It mitigates the risk of failure to comply on the part of the Administrator with its obligation to transfer the amounts received from the Debtors to the Fund.

d) *Amount of the Liquidity Reserve*

It mitigates the risk of an eventual delay in the receipt of the amounts to be received from the Credit Rights, in anticipation of a possible replacement of Santander Consumer as the Administrator.

3.4.2.2 Reserve Fund

The Managing Company, in the name and on behalf of the Fund, will create a Reserve Fund from the disbursement of the Series E, with the following characteristics:

(i) Required Level of the Reserve Fund:

The Reserve Fund will initially amount to thirty-eight million euros (€ 38,000,000), equivalent to five percent (5%) of the initial amount of Series A, Series B, Series C and Series D Bonds (thee “**Initial Level of the Reserve Fund**”).

On a quarterly basis, the Reserve Fund may decrease on each Payment Date, until reaching the Required Level of the Reserve Fund, provided that this level is lower than the Initial Level of the Reserve Fund. The “**Required Level of the Reserve Fund**” will be equal to the highest amount among the following:

- (i) ten percent (10%) of the Outstanding Balance of Series A, Series B, Series C and Series D Bonds; and

- (ii) nineteen million euros (€ 19,000,000), equivalent to 2.5% of the initial amount of Series A, Series B, Series C and Series D Bonds.

Notwithstanding the foregoing, the Reserve Fund may not decrease upon the occurrence of any of the following circumstances:

- That the Revolving Period has not expired.
- That on the preceding Payment Date, the Reserve Fund did not reach the Required Level of the Reserve Fund.
- That four (4) years have not elapsed since the beginning of the Redemption Period.

(ii) Use:

The Reserve Fund will be applied, on each Payment Date, to the fulfillment of the payment obligations contained in the Ranking and, where appropriate, in the Post-Enforcement Ranking established in section 3.4.6.(1)(b) and 3.4.6.(4) below, respectively.

(iii) Yield:

The amount of the said Reserve Fund will be credited to the Cash Account on the Disbursement Date, and will be the subject matter of the Rate Reinvestment Agreement to be entered into with SCF pursuant to the terms described in section 3.4.4 of this Additional Module.

3.4.3 Details of any financing of subordinated debt.

Subordinated Loan Agreement.

The Managing Company, in the name and on behalf of the Fund, will formalize with Santander Consumer the Subordinated Loan Agreement, a commercial agreement, for a total amount of seven million eighty-five thousand euros (€ 7,085,000), which will be used to finance the expenses incurred due to the incorporation of the Fund and the issue of the Bonds, including the amount of interest accrued and not due of the Initial Credit Rights.

The amount of the Subordinated Loan will be credited to the Cash Account before 12.00 am on the Disbursement Date.

The Subordinated Loan will accrue an annual nominal interest, determined on a quarterly basis, for each Interest Accrual Period, which will be equal to 3 (three)-month Euribor (as defined below) plus one point thirty-seven percent (1.37%) and will be paid only if the Fund has sufficient Available Funds in accordance with the Ranking established by section 3.4.6.(1)(b) or, where applicable, in accordance with the Post-Enforcement Ranking described in section 3.4.6 (4) of this Additional Module. Any interest accrued, which must be paid on a specified Payment Date, will be calculated on the basis of: (i) the actual days existing in each Interest Accrual Period, and (ii) a year with three hundred and sixty (360) days.

For the purposes of remunerating the Subordinated Loan, the reference basis will be EURIBOR (*Euro Interbank Offered Rate*), which is the money market reference rate for deposits in euros at three (3) months maturity, taken from the Reuters page EURIBOR01 (or any other page that replaces this page in the future, the "**Relevant**

Screen"). If the said page (or any other page that replaces this page in the future) is not available, the Relevant Screen will be –in this order– the electronic information pages offering EURIBOR rates (published by the European Banking Federation) such as Telerate, Bloomberg or any other page used in the market to show the EURO Interbank Market at 11.00 am on two (2) Working Days preceding the date of commencement of each Interest Accrual Period.

If it is impossible to obtain the EURIBOR for the said period of time, the reference interest rate will be the interest rate resulting from the simple arithmetic mean of the interbank offered interest rates for non-transferrable deposits, in the currency of the issue, that are provided by four (4) leading banking entities.

If it is not possible to apply the said reference interest rate, due to the fact that any of the four entities has continuously failed to provide the statement of quotations, the applicable interest rate will be the result of the simple arithmetic mean of the interest rates provided by, at least, two (2) of the leading entities.

If it is not possible to obtain the rates established in the preceding paragraphs, it will be necessary to apply the last reference interest rate applied to the last Interest Accrual Period and it will remain applicable as long as the said situation persists.

Interest accrued and not paid on a Payment Date will accumulate and accrue interest at the same rate as the nominal interest rate of the Subordinated Loan and will be paid, provided that the Fund has sufficient Available Funds and in accordance with the Ranking established by section 3.4.6.(1)(b) of this Additional Module, on the immediately following Payment Date.

The Subordinated Loan may be early repaid on the first four Payment Dates, provided that the Fund has sufficient Available Funds in accordance with the Ranking established by section 3.4.6.(1)(b) of this Additional Module. For clarification purposes, if the Subordinated Loan has not been repaid in full on the first four Payment Dates, since the fourth Payment Date (not included) the Subordinated Loan will be redeemed with the existing Available Funds once that the positions 1 to 12 of the Ranking have been paid.

Given that this Loan is a subordinated loan, it will be postponed in ranking as regards the rest of creditors of the Fund pursuant to the terms of sections 3.4.6.(1)(b) and 3.4.6.(4) of this Additional Module, including, but not limited to, the Bondholders.

If, on the Subscription Date, before 10.00 am (Madrid time), the Rating Agencies do not confirm as definitive any of the provisional credit ratings assigned, this circumstance will give rise to the termination of the Subordinated Loan Agreement, except as regards the expenses incurred due to the incorporation of the Fund and the issue of the Bonds.

Santander Consumer specifically and irrevocably waives any right of set-off against the Fund that could otherwise correspond to it by virtue of any agreement entered into with the Fund.

3.4.4 Specification of any investment parameter for the investment of temporary liquidity surpluses and description of the parties responsible for the said investment.

The Managing Company, for and on behalf of the Fund, and SCF will enter into the Reinvestment Agreement, by virtue of which SCF will guarantee a yield on the amounts credited by the Fund, through its Managing Company, to the Cash Account and the Principal Account. Any amounts credited to the Commingling Reserve Account and to the Liquidity Reserve Account will not accrue any interest.

Cash Account. In particular, any amounts received by the Fund by way of:

- (i) principal and interest of the Credit Rights;
- (ii) any other amounts corresponding to the Credit Rights pooled in the Fund, and to the disposal or use of assets awarded, or under provisional administration and possession of the assets during enforcement proceedings, as well as all possible rights and compensations, including those derived from any right ancillary to the Credit Rights, including, if applicable, those derived from reservation of title, excluding fees;
- (iii) the amounts that make up the Reserve Fund from time to time, as described in section 3.4.2.2 of this Additional Module;
- (iv) the amounts of the yields obtained on the balances existing in the Cash Account and the Principal Account, pursuant to the terms set forth in the following section establishing the rules on Yield;
- (v) the amounts of any withholdings applied to income from capital that on each Payment Date must be made for any interest on the Bonds paid by the Fund, until their payment must be made to the Tax Authorities;
- (vi) if applicable, the amounts drawn by the Managing Company, in the name and on behalf of the Fund, from the Commingling Reserve Account, pursuant to the terms and conditions established hereinafter;
- (vii) if applicable, the amounts drawn by the Managing Company, in the name and on behalf of the Fund, from the Liquidity Reserve Account, pursuant to the terms and conditions established hereinafter;

will be credited to the Cash Account opened with SCF in the name of the Fund by the Managing Company.

All the collections and payments during the entire term of the Fund will be centralized in the Cash Account.

Likewise, the amounts drawn on the line of credit that the Managing Company is authorized to arrange for the Early Liquidation of the Fund will also be credited to the said account.

On the Disbursement Date, the Cash Account will receive the effective amount of the payment for the subscription of the issue of Bonds and the initial amount of the Subordinated Loan; and, the balance existing in the said account will be used to pay the price of acquisition of the Credit Rights assigned by Santander Consumer for their initial amount, as well as the expenses incurred due to the incorporation and issue of the Fund, and to create the Reserve Fund.

Principal Account

By virtue of the Reinvestment Agreement at a Guaranteed Interest Rate, the amounts that, from time to time, make up the Amount of Principal Retention will be deposited to the Principal Account opened with SCF in the name of Fund by the Managing Company.

Likewise, the amounts used from the credit line that the Managing Company is empowered to formalize in order to proceed to the Early Liquidation of the Fund will be credited to the said account.

Commingling Reserve Account

In compliance with the Reinvestment Agreement, the Commingling Reserve Account will receive, if applicable, the Required Amount of the Commingling Reserve (as this term is defined hereinafter) in order to mitigate the risk of non-fulfillment on the part of the

Administrator of its obligation to transfer to the Fund the amounts received from the Debtors in connection with the Credit Rights.

Likewise, on each Determination Date, and only in the event that the rest of Available Funds do not allow to make the payments established in positions from (1) to (9) of the Ranking (i.e., until the Reserve Fund has been created for the reestablishment of its Required Level), the amount of the Commingling Reserve Account drawn by the Managing Company, in the name and on behalf of the Fund, in accordance with the provisions of section “Amount of the Commingling Reserve” below, will be transferred to the Cash Account and will form part of the Available Funds on each Payment Date, pursuant to the provisions of section 3.4.6.1(a) of this Additional Module.

The Required Amount of the Commingling Reserve credited to the Commingling Reserve Account will not accrue any interest in favor of the Depository Institution of the Commingling Reserve.

Liquidity Reserve Account

In compliance with the Reinvestment Agreement, the Liquidity Reserve Account will receive, if applicable, the Required Amount of the Liquidity Reserve (as this term is defined hereinafter) in order to mitigate the risk of replacement of Santander Consumer as the Administrator and the eventual delay in the receipt on the part of the Fund of the amounts received by the Administrator in connection with the Credit Rights.

Likewise, on each Determination Date, and only in the event that the rest of Available Funds do not allow to make the payments established in positions from (1) to (3) of the Ranking (i.e., until the payment of interest on the Series B Bonds), the amount of the Liquidity Reserve Account drawn by the Managing Company, in the name and on behalf of the Fund, in accordance with the provisions of section “Amount of the Liquidity Reserve” below, will be transferred to the Cash Account and will form part of the Available Funds on each Payment Date, pursuant to the provisions of section 3.4.6.1(a) of this Additional Module.

The Required Amount of the Liquidity Reserve credited to the Liquidity Reserve Account will not accrue any interest in favor of the Depository Institution of the Liquidity Reserve.

Yield obtained from amounts credited to the Cash Account and to the Principal Account

SCF guarantees for the Fund, through its Managing Company, an annual fixed yield and payable on a monthly basis for the amounts deposited to the Cash Account and the Principal Account, equal to a fixed interest rate of one point seventy-five percent (1.75%).

The calculation of the yield obtained from the balance of the Cash Account and the Principal Account will be carried out on the basis of actual days and a year of three hundred and sixty (360) days. The interest will be monthly paid, on the 13th day of each month or, if any of such dates is not a Working Day, on the immediately following Working Day.

Downgrade in the credit rating of the holder of the Cash Account and/or the Principal Account and/or the Commingling Reserve Account and/or the Liquidity Reserve Account

In the event that the unsubordinated and unsecured debt of SCF, or of the entity with which the Cash Account and/or the Principal Account and/or the Commingling Reserve Account and/or the Liquidity Reserve Account are opened, undergoes, at any time during the life of the Bond Issue, a downgrade in the short term and long term credit rating below BBB+ or F2, respectively, according to Fitch’s rating scale, or downgrade in the long term credit rating below BBB according to DBRS rating scale, or in the absence of a long term credit rating by

DBRS (public or private), that (i) the average rating in the event that the public rating of Standard & Poor's, Moody's and Fitch exists; or (ii) the lowest level, in the event that there are only two (2) public ratings, or (iii) the equivalent public rating in the event that there is only one public rating of the agencies Standard & Poor's, Moody's and Fitch, are below BBB according to the equivalent rating scale of DBRS, the Managing Company must –within a maximum period of time of thirty (30) calendar days starting from the moment at which any of the said situations takes place– implement one of the options described below allowing to maintain an appropriate level of guarantee as regards the commitments derived from the Reinvestment Agreement (Cash Account, Principal Account, Commingling Reserve Account and Liquidity Reserve Account), so that the credit rating granted to the Bonds by the Rating Agencies is not impaired:

- a) to obtain from an entity with a minimum credit rating for its unsubordinated and unsecured debt equal to or above BBB+ and F2 in the long and short terms, respectively, according to Fitch's rating scale, and with a DBRS rating not below BBB in the long term, and provided that the requirements are met for the guarantees established in the *Legal Criteria for European Structured Finance Transactions* of DBRS, of 30th September 2014, an unconditional and irrevocable guarantee on first demand, with waiver of the benefits of order, division and exclusion in order to guarantee for the Fund, at the mere request of the Managing Company, the timely fulfillment by the holder of the Cash Account and/or the Principal Account and/or the Commingling Reserve Account and/or the Liquidity Reserve Account of its payment obligation as regards the amounts deposited to the Cash Account and/or the Principal Account and/or the Commingling Reserve Account and/or the Liquidity Reserve Account, during the time that the situation of loss of the credit ratings.
- b) to transfer the Cash Account and/or the Principal Account and/or the Commingling Reserve Account and/or the Liquidity Reserve Account to an entity, the unsubordinated and unsecured debt of which has a credit rating equal to or above BBB+ and F2 in the long and short term, respectively, according to Fitch's rating scale, and equal to or above BBB according to the rating scale of DBRS, without this reducing the credit rating given to the Bonds, and to contract the maximum possible yield for its/their balances, which may be different from the yield contracted by virtue of the Reinvestment Agreement (Cash Account, Principal Account, Commingling Reserve Account and Liquidity Reserve Account).

In the event that the above situation b) takes place and that, subsequently, the unsubordinated and unsecured debt of SCF once again obtains a minimum credit rating of BBB+ and F2 in the long and short term, respectively, according to Fitch's rating scale, and BBB in the long term, according to the rating scale of DBRS, the Managing Company will subsequently transfer the balances once again to SCF pursuant to the Reinvestment Agreement (Cash Account, Principal Account, Commingling Reserve Account and Liquidity Reserve Account).

All costs, expenses and taxes incurred due to the execution and formalization of the previous options will be borne by SCF or, if applicable, by the subsequent holder of the Cash Account and/or the Principal Account and/or the Commingling Reserve Account and/or the Liquidity Reserve Account.

SCF, from the moment in which its credit rating is downgraded, undertakes to make any reasonable commercial efforts, so that the Managing Company may adopt one of the above options: a) or b).

Amount of the Commingling Reserve

For the purposes of mitigating the risk of a failure to comply on the part of the Administrator with its obligation to transfer the amounts received from the Debtors to the Fund in connection with the Credit Rights, a Commingling Reserve will be created pursuant to the provisions of the following paragraphs.

In the event that (i) the unsubordinated and unsecured debt of SCF undergoes, at any time during the life of the Bond issue, a downgrade in the short term and long term credit rating below BBB+ or F2, respectively, according to Fitch's rating scale, or a downgrade in the long term credit rating below BBB (low) according to the rating scale of DBRS, or in the absence of a long term credit rating by DBRS (public or private), that (i) the average rating in the event that the public rating of Standard & Poor's, Moody's and Fitch exists; or (ii) the lowest level, in the event that there are only two (2) public ratings, or (iii) the public rating in the event that there is only one public rating of the agencies Standard & Poor's, Moody's and Fitch, are below BBB (low) according to the equivalent rating scale of DBRS, or (ii) the participation of SCF in Santander Consumer is reduced below 95%, SCF (the "**Depository Institution of the Commingling Reserve**"), must –within the maximum period of time of fourteen (14) days starting from the date on which the said downgrade in the credit rating or the said reduction in the participation of SCF in Santander Consumer has taken place– deposit to the Commingling Reserve Account of the Fund an amount equal to the Required Amount of the Commingling Reserve on the date of the deposit.

The Required Amount of the Commingling Reserve will be equal to $1.15 \times$ the principal amount of the Credit Rights collected in the preceding month (the "**Required Amount of the Commingling Reserve**"):

The amount credited to the Commingling Reserve Account may only be used for the fulfillment as regards the positions from (1) to (9) of the Ranking (i.e., until the creation of the Reserve Fund for the reestablishment of its Required Level), and provided that the rest of Available Funds are not sufficient to make the said payments.

As and when the Fund recovers those amounts received by the Administrator in connection with the Credit Rights that, as a result of its failure to comply with its obligations, were not credited to the Cash Account of the Fund and that obliged to use the amounts credited to the Commingling Reserve Account, the Managing Company will have to credit the said amounts to the Commingling Reserve Account.

If, on a certain Payment Date, the amount deposited to the Commingling Reserve Account exceeds the Required Amount of the Commingling Reserve, the surplus will be returned to the Depository Institution of the Commingling Reserve regardless of the Ranking of the Fund. Likewise, if on a certain Payment Date, the amount deposited to the Commingling Reserve Account is lower than the Required Amount of the Commingling Reserve, the Depository Institution of the Commingling Reserve will have to deposit the difference to the Commingling Reserve Account within the maximum period of time of fourteen (14) days.

Similarly, the whole amount deposited to the Commingling Reserve Account will be returned (regardless of the Ranking or, if applicable, the Post-Enforcement Ranking) to the Depository Institution of the Commingling Reserve on the first one of the following dates:

(a) on the date on which Santander Consumer has been effectively replaced as Administrator and there are not any outstanding amounts of the Credit Rights to be credited to the Cash Account of the Fund with a delay exceeding the delay established in section 3.4.5 below, or

(b) on the date on which these three circumstances take place: (i) that Santander Consumer keeps on acting as the Administrator; (ii) that SCF recovers its participation in the Administrator equal to or higher than 95%, and (iii) that the short and long term credit rating of SCF is equal to or above BBB+ and F2, respectively, according to Fitch's rating scale, and BBB (low) according to the rating scale of DBRS, or in the absence of a long term credit

rating by DBRS (public or private), an Equivalent Rating (i.e., a rating for its long term debt given by at least one of the following rating agencies: Fitch, Moody's or Standard & Poor's) of BBB (low), or

(c) in any case, on the date on which the Fund is liquidated.

Notwithstanding the foregoing, and in the event that the Fund is liquidated, the amounts of the Commingling Reserve Account drawn by the Managing Company, in the name and on behalf of the Fund, that had not been returned by the Managing Company and thus were not deposited to the Commingling Reserve Account prior to the date of liquidation of the Fund against the amounts received by the Fund from the recoveries carried out by the Administrator must be returned to the Depository Institution of the Commingling Reserve against the Post-Enforcement Ranking.

Amount of the Liquidity Reserve

In anticipation of an eventual replacement of Santander Consumer as Administrator and for the purposes of mitigating the risk of an eventual delay in the receipt on the part of the Fund of the amounts received by the Administrator in connection with the Credit Rights, a Liquidity Reserve will be created pursuant to the provisions of the following paragraphs.

In the event that (i) the unsubordinated and unsecured debt of SCF undergoes, at any time during the life of the Bond issue, a downgrade in the short term and long term credit rating below BBB+ or F2, respectively, according to Fitch's rating scale, or a downgrade in the long term credit rating below the minimum level of BBB (low) according to the rating scale of DBRS, or in the absence of a long term credit rating by DBRS (public or private), that (i) the average rating in the event that the public rating of Standard & Poor's, Moody's and Fitch exists; or (ii) the lowest level, in the event that there are only two (2) public ratings, or (iii) the public rating according to the equivalent rating scale of DBRS in the event that there is only one public rating of the agencies Standard & Poor's, Moody's and Fitch, are below BBB (low) according to the equivalent rating scale of DBRS, or (ii) the participation of SCF in Santander Consumer is reduced below 95%, SCF (the "**Depository Institution of the Liquidity Reserve**"), must –within the maximum period of time of fourteen (14) days starting from the date on which the said downgrade in the credit rating or the said reduction in the participation of SCF in Santander Consumer has taken place– deposit to the Liquidity Reserve Account of the Fund an amount equal to the Required Amount of the Liquidity Reserve on the date of the deposit.

The amount credited to the Liquidity Reserve Account of the Fund may only be used for the fulfillment as regards the positions from (1) to (3) of the Ranking (i.e., until the payment of interests on the Series B), and provided that the rest of Available Funds are not sufficient to make the said payments.

As and when the Fund recovers those amounts received by the Administrator in connection with the Credit Rights that, as a result of its failure to comply with its obligations, were not credited to the Cash Account of the Fund and that obliged to use the amounts credited to the Liquidity Reserve Account, the Managing Company will have to credit the said amounts to the Liquidity Reserve Account.

On each Payment Date, the Required Amount of the Liquidity Reserve will be equal to 1.40% of the Outstanding Balance of the Series A and Series B Bonds (following the corresponding amortization of principal on the Payment Date) (the "**Required Amount of the Liquidity Reserve**").

On each Payment Date, the amount deposited to the Liquidity Reserve Account that exceeds the Required Amount of the Liquidity Reserve will be returned to the Depository Institution of the Liquidity Reserve regardless of the Ranking of the Fund.

Similarly, the whole amount deposited to the Liquidity Reserve Account will be returned (regardless of the Ranking or, if applicable, the Post-Enforcement Ranking) to the Depository Institution of the Liquidity Reserve on the first one of the following dates:

(a) on the date on which Santander Consumer has been effectively replaced as Administrator and there are not any outstanding amounts of the Credit Rights to be credited to the Cash Account of the Fund with a delay exceeding the delay established in section 3.4.5 below, or

(b) on the date on which these three circumstances take place: (i) that Santander Consumer keeps on acting as the Administrator; (ii) that SCF recovers its participation in the Administrator equal to or higher than 95%, and (iii) that the short and long term credit rating of SCF is equal to or above BBB+ and F2, respectively, according to Fitch's rating scale, and BBB (low) according to the rating scale of DBRS, or in the absence of a long term credit rating by DBRS (public or private), an Equivalent Rating (i.e., a rating for its long term debt given by at least one of the following rating agencies: Fitch, Moody's or Standard & Poor's) of BBB (low), or

(c) in any case, on the date on which the Fund is liquidated.

Notwithstanding the foregoing, and in the event that the Fund is liquidated, the amounts of the Liquidity Reserve Account drawn by the Managing Company, in the name and on behalf of the Fund, that had not been returned by the Managing Company and thus were not deposited to the Liquidity Reserve Account prior to the date of liquidation of the Fund against the amounts received by the Fund from the recoveries carried out by the Administrator must be returned to the Depository Institution of the Liquidity Reserve against the Post-Enforcement Ranking.

3.4.5 How payments are received in respect of the Credit Rights.

Santander Consumer, in its capacity of collection manager, will receive on behalf of the Fund the amounts that are paid by the Debtors deriving from the Credit Rights, both by way of principal or by way of interest, as well as any other item assigned to the Fund.

The amounts received by the Fund from the Credit Rights will be credited by the Administrator to the Cash Account. The said amounts will be credited within forty-eight (48) hours from their receipt.

The Administrator will not pay, in any case, any amount to the Fund that the Administrator has not previously received from the Debtors by way of payment of the Assets.

Powers of the holder of the Credit Rights in the case of breach by the Debtor or the Administrator of their obligations.

Santander Consumer, in its capacity of Administrator of the Credit Rights, will apply the same diligence and procedures for making a claim for the amounts due and not paid on the Credit Rights as for the rest of loans contained in its portfolio and, in particular, Santander Consumer will bring the relevant legal actions if, once that the internal periods for action aimed at obtaining the payment of the interests of the Fund have elapsed, the desired effect has not been achieved. And, in any case, Santander Consumer will bring the aforementioned legal actions if the Managing Company, on behalf of the Fund and after having analyzed the specific circumstances of the case, deems them to be appropriate, in agreement with Santander Consumer. The current terms for action that Santander Consumer is applying are the following:

From 1 to 60 days of delay – Telephone collection - Konecta – Lindorff and Atento

From 61 to 180 days – Collection in person, Santander Consumer and Lindorff

+180 days of delay – claim by means of the exercise of the relevant actions in ordinary declaratory proceedings, in the Payment Order Procedure (shorter than the ordinary declaratory and limited to amounts due below 250,000 euros) or in enforcement

proceedings, according to the Spanish Rules of Civil Law Procedure. Notwithstanding the foregoing, in cases < € 5,000 the massive platform is used, i.e., a Call Centre used by Santander Consumer in which a number of collection managers make massive calls through automatic dialing systems.

Beyond twelve (12) months, the Assignor considers them as “delinquent”.

Additionally, Santander Consumer undertakes to inform the Managing Company, on behalf of the Fund, on a quarterly basis, of any non-payments, early redemptions and adjustments of the interest rates, and to provide timely information regarding payment demands, certified notices given to the debtor, legal actions, and any other circumstances affecting the Loans. Furthermore, Santander Consumer will provide the Managing Company with all the documents that the latter might request in relation to the said Loans and, in particular, the documents that the Managing Company might need for the purposes of bringing any legal actions.

a) Action against the Administrator.

The Managing Company, for and on behalf of the Fund, may bring an action against the Administrator when the failure to comply with the payment obligation for these concepts is not a result of the Debtors' failure to pay and is attributable to the Administrator.

The Administrator will not be liable for such actions as may be taken according to the instructions given by the Managing Company.

b) Actions in case of non-payment of the Loans.

The Managing Company, on behalf of the Fund and in its capacity of holder of the Credit Rights, may bring all the legal actions arising from the ownership of the said Credit Rights, in accordance with the legislation in force.

For the aforementioned purposes, in the Deed of Incorporation, the Managing Company, acting on behalf of the Fund, will grant a power of attorney, as broad and sufficient as may be required by the Laws, in favor of Santander Consumer, so that Santander Consumer, acting through any of its representatives sufficiently empowered for such purpose, can (even acting in its own name in the corresponding proceedings, although on behalf of the Fund) demand from the Debtor of any of the Credit Rights the payment of its debt and bring the corresponding legal action against them, in addition to any other powers required for the performance of its duties as Administrator. These powers may also be granted under a document separate from the Deed of Incorporation or may be expanded, if necessary, for the performance of the said duties.

In general, the Administrator must initiate the corresponding judicial proceedings if, for a period of time of six (6) months, the Debtor of a Loan that has breached its payment obligations does not resume the payments to be made to the Administrator, and the Administrator, with the consent of the Managing Company, has not obtained a payment commitment that is satisfactory to the interests of the Fund. In any event, the Administrator must immediately file enforcement proceedings if an enforcement action is available to it, in the event that the Managing Company, on behalf of the Fund and after having analyzed the specific circumstances of the case, deems it to be appropriate. In order to speed up claim proceedings, the Managing Company may grant general powers to the Administrator pursuant to the terms and subject to the limitations that it considers appropriate, without prejudice to the obligations to provide information that are contained in this section.

Special consideration relating to the reservations of title

The reservation of title may be documented either by virtue of a deed granted before a Notary Public or under a private contract, whether it is registered or not in the Register of Installment Sales of Movable Properties.

Any reservations of title documented by virtue of a deed granted before a Notary Public, as well as those registered in the corresponding Register of Installment Sales of Movable Properties, grant their beneficiary, as provided in article 16.5 of the Law 28/1998, of 13th July, on the instalment sales of movable properties, the preference and priority set forth in the Civil Code in article 1922.2nd, by virtue of which, with regard to certain movable properties of the debtor, credits guaranteed with a pledge have preference over the item pledged up to the value thereof, and in article 1926.1st, by virtue of which, if two or more credits compete with respect to certain movable properties, and as regards the order of priority for their payment, the secured credit excludes the rest of credits up to the value of the item pledged as a security.

Any reservations of title documented by virtue of a deed granted before a Notary Public will serve as an enforceable instrument in compliance with the provisions of article 517.2.5th of the Spanish Rules of Civil Law Procedure for the purpose of the recovery of the vehicle involved.

Likewise, in the case of breach of a reservation of title clause registered in the Register of Installment Sales of Movable Properties and formalized under the official contractual form established to that end, the Administrator may act directly and exclusively against the goods purchased in installments, according to the procedure specified in article 16.2 of the Law 28/1998, of 13th July, on the instalment sales of movable properties, and the credit rights derived from the same will correspond in any case to the Fund, except for those amounts that had not been assigned to the Fund in accordance with the provisions of this Prospectus. Thus, in accordance with the said article 16.2 of the Law 28/1998, of 13th July, on the instalment sales of movable properties, the creditor may act directly and exclusively against the goods purchased in installments, according to the following procedure:

- a. The creditor, through a notary public competent to act in the place where the assets are located, where the payment is to be made or in the place of residence of the debtor, will demand payment from the debtor, by stating the total amount claimed and the cause of the maturity of the obligation. Similarly, the debtor will be warned that, in the event that the debtor fails to comply with the obligation, the creditor will proceed to act against the goods purchased in installments pursuant to the provisions of the said article. Unless otherwise agreed, the liquid amount which is payable in the case of enforcement will be the amount specified in the certification issued by the creditor, provided that it has been verified, through a Notary Public, that the liquidation has been performed in the manner agreed by the parties under the contract and that the balance coincides with the balance appearing in the account opened for the debtor.
- b. The debtor, within the next three working days following the date on which the debtor received the said demand, will pay the amount demanded or will deliver the possession of the goods to the creditor or to the person designated by the creditor in the demand for payment.
- c. If the debtor fails to pay, but voluntarily delivers the possession of the goods purchased in installments, the said goods will be sold at a public auction, with the intervention of a Notary Public or a Certified Business Broker, according to their respective competences.

At the said auction, the rules established in article 1872 of the Civil Code and any complementary provisions will be observed, as they may apply, as well as the standards regulating the professional activity of Notaries Public and Business Brokers. At the first auction, the value will be the value established for that purpose by the parties in the contract. Notwithstanding the provisions of the preceding paragraphs, the creditor may opt for the adjudication of the goods as payment of the debt without the need to attend the public auction. In this case, the provisions of item e) of this section will apply.

- d. Should the debtor fail to pay the amount claimed and to deliver the possession of the goods for their sale at a public auction (referred to in the previous item), the creditor may request from the competent court the summary protection of its rights, by means of the exercise of the actions established in items 10 and 11 of the first section of article 250 of the Spanish Rules of Civil Law Procedure.
- e. The acquisition by the creditor of the goods delivered by the debtor will not prevent the claim between the parties for the corresponding amounts, if the value of the goods at the time of their delivery by the debtor, according to the reference tables or indexes of depreciation established in the contract, is lower or higher than the debt claimed.

In the event that no procedure for the calculation of the depreciation of the said goods has been agreed, the creditor must justify the said depreciation in the corresponding declaratory process.

- f. The acquisition of the auctioned goods will not prevent the claim for the corresponding amounts, if the value of the goods obtained at the auction is lower or higher than the debt claimed.

In the event that the goods sold with a reservation of title clause or a prohibition against disposal, which is registered in the Register of Installment Sales of Movable Properties, are in the possession of a person other than the buyer, the said person will be required, through a Notary Public, to pay the amount claimed or to surrender the goods, within a period of time of three working days.

If the said person proceeds to pay, he or she will be subrogated in place of the satisfied creditor against the buyer. If the said person surrenders the goods, all the formalities of the enforcement transaction will be handled with him or her, whether before a Notary Public or by judicial means, and the remainder that might result after the payment to the plaintiff will be delivered to him or her. If the person in possession of the goods fails to pay or to surrender the said goods, the provisions of item d) and the following ones of the previous section will apply.

With regard to the reservations of title formally executed under a private contract and not registered in the Register of Installment Sales of Movable Properties, the recognition of the right to recover the vehicle involved, in favor of the Administrator and in the interests of the Fund, will be determined by means of the appropriate declaratory proceedings.

Notwithstanding the foregoing, in any case, the rights, payments and compensations resulting in favor of Santander Consumer as a result, if applicable, of the exercise of the reservations of title will correspond to the Fund, except for those amounts that were not assigned to the Fund in accordance with the provisions of this Prospectus.

Consequently and in accordance with the previous paragraphs, in the case of non-payment of the Loans, the judicial and extrajudicial actions listed in this section will

be initiated for the purposes of recovering the assets or, if applicable, the payment of the debt.

3.4.6 Origin and application of the funds.

(1) Origin and application of the Available Funds

(a) **Origin:** The Available Funds, calculated on the Determination Date preceding the specific Payment Date on which they will be credited to the Cash Account, will be as follows:

(i) Amounts received by way of principal of the Credit Rights and transferred to the Fund in each Determination Period prior to the Payment Date, as well as the Amounts of Principal Retention endowed on the preceding Payment Date.

The Determination Period will be the period between two consecutive Determination Dates; each Determination Period will include the initial Determination Date of the corresponding period and will exclude the final Determination Date of the corresponding period.

(ii) Any interest collected on the Credit Rights and transferred to the Fund during each Determination Period prior to the Payment Date.

(iii) Any yield obtained from the reinvestment of the Reserve Fund, as well as from the rest of amounts deposited into the Cash Account and the Principal Account, the payment of which will occur on the 13th day of each month.

(iv) The Reserve Fund, pursuant to the terms of section 3.4.2.2 of this Additional Module.

(v) If applicable, the amounts drawn from the Commingling Reserve Account, pursuant to the terms and conditions established in section 3.4.4 above;

(vi) If applicable, the amounts drawn from the Liquidity Reserve Account, pursuant to the terms and conditions established in section 3.4.4 above;

(vii) Any other amounts that the Fund might receive in each Determination Period prior to the Payment Date, including those that might result from the enforcement sale of vehicles awarded to it, as well as from the corresponding security (guarantees, if any).

(b) **Application:** The Managing Company, on behalf of the Fund, will proceed to apply on each Payment Date the amount of the Available Funds to the following payments and retentions, in accordance with the Ranking described below:

1. Payment of the ordinary and extraordinary expenses of the Fund, whether or not paid by the Managing Company and duly justified, including the administration fee in favor of the Managing Company, and the rest of expenses and service fees. According to this ranking, Santander Consumer will only be paid, in connection with the administration of the Credit Rights, those expenses that it has paid in advance on behalf of the Fund and any amounts that must be returned; all of them must be duly justified.
2. Payment of the interests accrued on the Series A Bonds.
3. Payment of interest accrued on Series B Bonds, unless this payment is postponed to the fifth (5th) place in the ranking described in item 3.4.6.(2) of this Additional Module.
4. Application of the Available Principal Funds to:

- a. During the Revolving Period, firstly to the payment of the Acquisition Amount of the Additional Credit Rights assigned on that Payment Date, secondly to the provision of the Amount of Principal Retention up to a maximum amount equal to 5% of the Outstanding Balance of Series A, B, C and D on the immediately preceding Determination Date, and thirdly to the early compulsory redemption of Series A, and
 - b. Following the expiration of the Revolving Period, to the sequential redemption of Series A and Series B Bonds.
5. Payment of interest accrued on Series B Bonds when this payment is postponed to the third (3rd) place in the ranking established in item 3.4.6 (2) of this Additional Module.
6. Payment of interest accrued on Series C Bonds.
7. Payment of interest accrued on Series D Bonds.
8. Following the redemption of Series B Bonds, application of Available Principal Funds to the sequential redemption of Series C and D Bonds.
9. Provision of the Reserve Fund for the reestablishment of its Required Level.
10. Payment of interest accrued on Series E Bonds.
11. Redemption of Series E Bonds.
12. Payment of interest accrued on the Subordinated Loan.
13. Redemption of principal of the Subordinated Loan.
14. Payment to the Series E Bondholders of a variable amount equal to the difference between accounting income and expenses for the Fund (the “**Variable Remuneration of Series E**”).

The expenses appearing in first place of the above ranking are itemized as follows:

The following items are considered as Ordinary Expenses:

- Expenses deriving from the annual audits of the Fund’s financial statements.
- Expenses derived from maintenance of the ratings for the Bonds.
- Expenses derived from the redemption of the Bonds.
- Expenses related to any notices that, in accordance with the provisions of this Prospectus, must be given to the holders of outstanding Bonds.
- In general, any other expenses borne by the Managing Company and derived from its duties relating to the representation and management of the Fund.

The following items are considered as Extraordinary Expenses:

- Expenses, if any, derived from the preparation and formalization of amendments to the Deed of Incorporation and the agreements, and the execution of any additional agreements.
- Expenses necessary to enforce the loans underlying the Credit Rights.

- In general, any other extraordinary expenses borne by the Fund or by the Managing Company for and on behalf of the Fund.
- The fee for the Paying Agent in the case of replacement.

In the event that, on a Payment Date prior to the current Payment Date, any item had not been paid, the Ranking established in this section will be strictly followed, starting from the oldest item.

(2) Exceptional rules of priority for payments made against the Fund.

If Santander Consumer is replaced as the Administrator of the Loans by another entity not forming part of Santander Consumer’s consolidated group, a fee will be accrued in favor of the third party, the new administrator, appearing in the 1st place of the Ranking established under section 3.4.6.(1)(b) above.

The payment of interest accrued on Series B Bonds will be postponed to the fifth (5th) place in the Ranking since the Payment Date (not included) on which there is a Principal Deficit for an amount exceeding the sum of (a) 50% of the Outstanding Balance of the Series B Bonds plus (b) 100% of the Outstanding Balance of the Series C and D Bonds, and provided that the Series A Bonds have not been already redeemed in full or they were not going to be redeemed in full on the corresponding Payment Date.

In this respect, the Principal Deficit on a Payment Date will be the positive difference, if any, between (a) the Outstanding Balance of the Series A, Series B, Series C and Series D Bonds, and (b) the sum of (i) the Outstanding Balance of the Credit Rights, excluding the Delinquent Loans, plus (ii) the Amount of Principal Retention.

(3) Failure to comply with the obligation to pay interest.

In the event that, on a Payment Date, the Fund is not able to make the total or partial payment of the interest accrued by the Bonds, according to the Ranking established in section 3.4.6.(1)(b) of the Additional Module, the amounts that the Bondholders have not received will be added on the following Payment Date to the interest that, if applicable, must be paid on that Payment Date, and will be paid on the next Payment Date on which, in accordance with the said Ranking, the Fund has sufficient funds to make such payment, and by order of maturity if it is not possible to pay them in full due to a lack of Available Funds.

(4) Post-Enforcement Ranking.

The Managing Company will proceed to the liquidation of the Fund, when the Fund must be liquidated on the Legal Maturity Date or on the Payment Date on which the Early Liquidation takes place, pursuant to the provisions of section 4.4.c) of the Registration Document. In both cases, this will coincide with the last Payment Date, by applying the available funds to the following items (hereinafter, the “**Funds Available for Liquidation**”): (i) the Available Funds, (ii) the amounts that are obtained by the Fund through the disposal of the remaining Credit Rights and of any other assets, and, if applicable, (iii) the amount drawn on the line of credit for the final redemption of the Bonds as provided in section 4.4 c.3) (iii) of the Registration Document, according to the following ranking (the “**Post-Enforcement Ranking**”):

1. Payment of the ordinary and extraordinary expenses of the Fund, whether or not paid by the Managing Company and duly justified, including the administration fee in favor of the Managing Company, and the rest of expenses and service fees. According to this ranking, Santander Consumer

will only be paid, in connection with the administration of the Credit Rights, those expenses that it has paid in advance on behalf of the Fund and any amounts that must be returned; all of them must be duly justified.

2. Payment of the interests accrued on the Series A Bonds.
3. Redemption of the Series A Bonds.
4. Payment of the interests accrued on the Series B Bonds.
5. Redemption of the Series B Bonds.
6. Payment of the interests accrued on the Series C Bonds.
7. Redemption of the Series C Bonds.
8. Payment of the interests accrued on the Series D Bonds.
9. Redemption of the Series D Bonds.
10. Return of the amounts drawn from the Commingling Reserve Account and/or the Liquidity Reserve Account that had not been returned by the Fund by crediting them to the Commingling Reserve Account and/or the Liquidity Reserve Account prior to the date of liquidation of the Fund (on a *pro-rata* basis).
11. Payment of the interests accrued on the Series E Bonds.
12. Redemption of the Series E Bonds.
13. Payment of interests accrued by the Subordinated Loan.
14. Redemption of principal of the Subordinated Loan.
15. Payment of the Variable Remuneration of Series E.

3.4.7 Details of any other agreements affecting the payments of interest and principal made to the Bondholders.

Not applicable.

3.5. Name, address and significant business activities of the Assignor.

The Assignor of the Credit Rights is Santander Consumer, E.F.C., S.A.

The business address of Santander Consumer, E.F.C., S.A. is: Avda. de Cantabria s/n, 28660 Boadilla del Monte (Madrid).

The main financial activities of Santander Consumer are the activities typical to any credit financial institution, in accordance with the specific nature of such entities and as established by the Laws. In this respect, we could basically highlight the following activities:

- Lending, including consumer credit, mortgage credit and financing of commercial transactions.
- Factoring, with or without recourse, and any complementary activities, such as investigation and classification of customers, accounting registration of debtors and, in general, any other activity intended to favor the administration, evaluation, security and financing of the credits arising from domestic or international trade operations that are assigned to it.
- Financial leasing, including the following complementary activities:
 - Maintenance and upkeep of the assigned assets.

- Granting of financing in relation to a present or future financial leasing transaction.
 - Intermediation in and management of financial leasing transactions.
 - Non-financial leasing transactions, which may or may not be accompanied by a purchase option.
 - Commercial reports and advisory services.
- Issuing and administering credit cards.
 - Granting of guarantee and security and the formalization of similar commitments.

The table below shows selected financial information on Santander Consumer, EFC, S.A. (Assignor) as at 31st December 2013 (audited), and a comparison with the information relating to the financial year ended on 31st December 2012 (audited), and as at 30th June 2014 (not audited).

The information in millions of euros has been prepared according to the International Financial Reporting Standards that are applicable by virtue of the EC Regulation 1606/2002 and the Circular 4/2004 of the Bank of Spain.

ASSETS	JUN/14	DEC/13	VARIATION 13-12 (%)	DEC/12	VARIATION 12-11 (%)	DEC/11
1. CASH AND DEPOSITS - BANK OF SPAIN	0.79	0.82	0.00%	0.82	-47.22%	1.55
2. NET CREDIT INVESTMENT	3,798.21	3,751.81	0.50%	3,733.13	-1.83%	3,802.85
3. PORTFOLIO OF SECURITIES AND STOCKS	53.87	53.87	0.00%	53.87	0.00%	53.87
4. FIXED ASSETS	2.52	2.99	-15.08%	3.52	-10.68%	3.94
5. INTANGIBLE ASSETS	6.93	18.42	-15.45%	21.79	3.72%	21.01
6. VARIOUS ACCOUNTS	28.37	35.20	-56.69%	81.26	-9.24%	89.54
7. TAX ASSETS	123.24	119.45	-11.37%	134.78	-6.41%	144.00
8. ACCRUAL ACCOUNTS	6.76	10.48	23.88%	8.46	6.15%	7.97
TOTAL ASSETS	4,020.68	3,993.03	-1.10%	4,037.62	-2.11%	4,124.72

LIABILITIES	JUN/14	DEC/13	VARIATION 13-12 (%)	DEC/12	VARIATION 12-11 (%)	DEC/11
1. OWN RESOURCES	343.69	333.40	6.94%	311.77	15.57%	269.77
2. CREDIT ENTITIES	2,419.10	2,146.13	-2.04%	2,190.88	-1.04%	2,213.96
3. CREDITORS	0.00	0.00	-100.00%	0.00	-100.00%	1,199.76
4. RISK PROVISIONS	79.18	80.61	-3.34%	83.39	-5.48%	88.23
5. OTHER FINANCIAL LIABILITIES	1,098.88	1,361.50	-0.74%	1,371.60	526.20%	219.03
6. ACCRUAL ACCOUNTS	35.42	27.89	7.80%	25.87	-16.80%	31.10
7. VARIOUS ACCOUNTS	28.42	35.78	-8.23%	38.99	-58.85%	94.75
8. TAX LIABILITIES	15.99	7.72	-48.71%	15.05	85.27%	8.13
TOTAL LIABILITIES	4,020.68	3,993.03	-1.10%	4,037.62	-2.11%	4,124.72

PROFIT AND LOSS ACCOUNT	JUN/14	DEC/13	VARIATION 13-12 (%)	DEC/12	VARIATION 12-11 (%)	DEC/11
1. INTERMEDIATION MARGIN	69.27	144.71	-1.47%	146.87	5.82%	138.79
Result on an equivalent basis	0.00	1.65	-	0.00	-	1.73
Net fees	24.92	51.23	-7.21%	55.21	-15.26%	65.14
2. BASIC MARGIN	94.19	197.58	-2.22%	202.08	-1.74%	205.66
Net results from financial operations	0.74	-0.97	-110.08%	9.65	-310.70%	-4.58
3. ORDINARY MARGIN	94.93	196.61	-7.14%	211.73	5.29%	201.08
Income from Renting	0.00	0.00	-	0.00	0.00%	0.00
Other operating products	0.60	0.75	-127.41%	-2.72	-3,629.87%	0.08
Operating expenses	46.94	89.86	1.36%	88.66	-9.43%	97.89
Amortization	2.40	10.51	-82.46%	59.89	-36.79%	94.74
Other operating costs	1.76	3.57	-	0.00	-	3.54
4. OPERATING MARGIN	44.43	93.42	54.50%	60.46	1,111.46%	4.99
Losses from impairment of the rest of assets	28.04	59.23	-	0.00	-	0.00
Losses from non-current assets on sale	1.45	1.79	-	0.00	-	1.31
RESULT BEFORE TAX	14.94	32.41	-46.41%	60.46	1,543.94%	3.68
Profit Tax	4.48	9.23	-50.02%	18.46	2,627.18%	0.68
RESULT OF THE YEAR	10.46	23.18	-44.82%	42.00	1,299.57%	3.00

3.6 Return on and/or repayment of the securities linked to others that are not assets of the issuer.

Not applicable.

3.7. Administrator and duties of the Managing Company.

3.7.1 Administrator.

Santander Consumer, the name, address and significant activities of which are detailed in section 5.2 of the Registration Document and in section 3.5 of the Securities Note, Assignor of the Credit Rights, in compliance with the provisions of article 2.2. of the Royal Decree 926/1998, undertakes to be in charge of the custody and administration of the Credit Rights; the relationships between Santander Consumer and the Fund will be governed under this Prospectus.

Santander Consumer will accept the order received from the Managing Company and, by virtue of the said order, agrees as follows:

- (i) to be in charge of the administration and management of the Credit Rights acquired by the Fund pursuant to the terms and ordinary procedures of administration and management established in this Prospectus;
- (ii) to continue administering the Credit Rights, by devoting the same time and attention and the same level of expertise, care and diligence in their administration as those that it would devote and exercise in the administration of its own loans and, in any case, it will apply an appropriate level of expertise, care and diligence in the provision of the services specified in this Additional Module;
- (iii) that the procedures that it applies and will apply to the administration and management of the Credit Rights are and will be in accordance with the applicable laws and legal rules in force;
- (iv) to abide by the instructions given to it by the Managing Company, with due loyalty;
- (v) to indemnify the Fund for such damages as may be derived from the breach of the obligations assumed.

A description of the rules and of the ordinary procedures for the administration and custody of the Credit Rights is contained in the following sections.

(1) Duration

The services will be provided by Santander Consumer until, once that all of the Credit Rights have been redeemed, all the obligations assumed by Santander Consumer in relation to the said Credit Rights have been extinguished, without prejudice to the eventual early revocation of its mandate.

In the case of breach by the Administrator of the obligations established in this Additional Module, as well as in the case of a downgrade in its credit rating implying any damage or risk for the financial structure of the Fund or the rights and interests of the Bondholders, as well as by reason of insolvency of the Administrator or intervention of the Bank of Spain, the Managing Company may take one of the following actions:

- (i) to replace the Administrator with another entity that, in the opinion of the Managing Company, has the suitable legal and technical capacity, provided that this does not negatively affect the rating of the Bonds;
- (ii) to require it to subcontract, delegate or be secured in the fulfillment of the said obligations by another entity that, in the opinion of the Managing Company, has the suitable legal and technical capacity, provided that this does not negatively affect the rating of the Bonds.

In the case of insolvency of the Administrator, the only possible action will be (i) above.

For the purposes of replacing the Administrator, Banco Santander, in its capacity of Back-Up Servicer Facilitator pursuant to the Guidance ECB/2013/4, of 20th March 2013, (as amended and consolidated), will undertake under a public document, if so required, to perform the duties of searching for a new administrator so that within sixty (60) days the said new administrator can replace Santander Consumer as the Administrator; all the foregoing in compliance with the Guideline ECB/2013/4, of 20th March 2013 (as amended and consolidated).

Without prejudice to this obligation of Banco Santander, the Managing Company will take into account the proposals made by the Administrator both in connection with the subcontracting, delegation or appointment of the new Administrator for the fulfillment of its obligations, and in connection with the entity that could guarantee the fulfillment of the said obligations.

Notwithstanding the foregoing, the final decision as regards the appointment of the new administrator and any of the aforementioned actions will correspond to the Managing Company, acting in the name and on behalf of the Fund.

The Administrator may, in turn, voluntarily decide not to administer and manage the Credit Rights, if permitted by the laws in force from time to time, and provided that (i) it is authorized by the Managing Company, (ii) the Managing Company has appointed a new Administrator, (iii) the Administrator has indemnified the Fund for any damages caused to the Fund by the resignation and replacement (moreover, any additional cost will be borne by the Administrator and, consequently, will not be charged to the Fund), and (iv) this does not negatively affect the rating of the Bonds.

(2) Liability of Santander Consumer as regards the custody and administration

Santander Consumer undertakes to act with due diligence in the custody and administration of the Loans and the documents regarding the said Loans deposited with Santander Consumer, and will be liable to the Fund, through its Managing Company, for such damage as may arise from its negligence.

Santander Consumer will indemnify the Fund, through its Managing Company, for any damage, loss or expense incurred as a result of the breach of its obligations relating to custody and/or administration of the Loans and the documents regarding the said Loans.

(3) Liability of Santander Consumer as regards the collection management

Santander Consumer undertakes to act with due diligence in the collection management for the Loans, and will be liable to the Fund, through its Managing Company, for such damage as may arise from its negligence.

Santander Consumer does not assume any responsibility in guaranteeing, directly or indirectly, the successful completion of the transaction, will not grant any guarantees or bank guarantees, and will not enter into any repurchase agreements in respect of the Credit Rights, except for those that do not adapt to the representations and guarantees contained in section 2.2.8 of this Additional Module.

(4) Custody of contracts, deeds, documents and files

The Administrator will keep all the contracts, documents and computer records relating to the Loans in safe custody and will not abandon the possession, custody or control thereof without the prior written and relevant consent of the Managing Company, unless the Administrator is required to produce any of the said documents in order to start proceedings for the enforcement of a Loan.

The Administrator will provide reasonable access, at all times, to the said contracts, documents and records to the Managing Company or to the auditor of accounts of the Fund, duly authorized by the Managing Company. Likewise, if so requested by the

Managing Company, the Administrator will furnish, within five (5) Working Days following the said request and free of charge, a copy or photocopy of any of the said contracts and documents. The Administrator will act in the same manner in the event that the auditor of accounts of the Fund requests any information.

In any case, the Administrator waives the privileges granted to it by the Law in its capacity of collection manager of the Fund and custodian of the Loan agreements and, in particular, those provided by articles 1730 and 1780 of the Spanish Civil Code (relating to retention under pledge of any properties on deposit) and 276 of the Spanish Commercial Code (guarantee similar to retention under pledge of any properties on deposit).

(5) Collection management

Santander Consumer, in its capacity of collection manager, will receive for the Fund such amounts as are paid by the Debtors arising from the Credit Rights, both for principal and interest, as well as any other item assigned to the Fund, and will proceed to credit to the Cash Account the amounts that correspond to the Fund, within forty-eight (48) hours starting from the receipt of funds.

(6) Advance of funds

Santander Consumer will not, in any case, advance any amount that it has not previously received from the Debtors by way of principal or an instalment pending maturity, interest, prepayment, etc., deriving from the Credit Rights.

(7) Information

The Administrator will periodically inform the Managing Company (within the maximum period of time of 48 hours) of the degree of compliance by the Debtors with the obligations deriving from the Credit Rights, the compliance by the Administrator with its obligation to deposit the amounts received deriving from the Loans, and the actions carried out in the case of late payment and the existence of any hidden defects in the Loans.

The Administrator will prepare and submit to the Managing Company such additional information as, in relation to the Loans or the rights deriving from them, may be reasonably requested by the Managing Company.

(8) Subrogation of the Debtor of the Credit Rights

The Administrator will be authorized to allow replacements in the position of the Debtor in the Loan agreements, exclusively in the cases in which the characteristics of the new Debtor are similar to those of the former Debtor and if they meet the criteria for the granting of loans, as described under section 2.2.7 of this Additional Module, and provided that the expenses derived from this modification are paid in full by the Debtors. The Managing Company may totally restrict this power of the Administrator, when the aforementioned replacements can adversely affect the ratings assigned to the Bonds by the Rating Agencies.

In all cases, any subrogation made in accordance with the provisions of the above paragraph must be immediately reported by the Administrator to the Managing Company.

(9) Powers and actions in relation to Loan renegotiation processes

The Managing Company authorizes the Administrator on a general basis to carry out renegotiations (understood as both readjustment and refinancing operations, for the

purposes of this item 3.7.1. (9)), without its prior consent, in the terms and conditions described below.

The Administrator may not voluntarily cancel the guarantees of the Credit Rights for any cause other than the payment of the Assets, waive or reach agreements in respect of the said Credit Rights, forgive the Credit Rights in full or in part or extend them, or, in general, carry out any action that diminishes the rank, legal effectiveness or economic value of the guarantees or of the Credit Rights; notwithstanding the foregoing, the Administrator will deal with the requests made by the Debtors with the same diligence and procedure as if dealing with other loans.

Renegotiations of loans will be only formalized under a deed granted before a Notary Public if the following conditions are fulfilled:

- Operations previously formalized as such (originally).
- Operations the holder of which has any financial records in ASNEF, communicated by any entities other than Santander Consumer.
- Restructuring processes of operations relating to the Automotive sector with an outstanding risk equal to or higher than 18,000 euros.
- Restructuring processes of groups of products with a total outstanding risk equal to or higher than 24,000 euros.

The Managing Company authorizes the Administrator to renegotiate the interest rate and the term of maturity of the Loans, provided that the amount of the Loan may not be increased in any case. The amount of the principal of the Loans assigned to the Fund in respect of which the interest rate or the term of maturity is renegotiated may not exceed 10% of the Initial Outstanding Balance of the Credit Rights on the Date of Incorporation of the Fund.

The interest rate for a specific Loan may be renegotiated provided that the following requirements are met:

- That the interest rate applied to the said Loan is not lower than 5.00%.
- That the weighted average rate of the Loans resulting from the renegotiation is not lower than 7.00%.

The term of maturity for a specific Loan may be renegotiated provided that the following requirements are met:

- In any case, the term between principal repayments of the Loan will be maintained or reduced, and the same repayment schedule will be maintained.
- The new final maturity date or last repayment date of the Loan will be, at the latest, 20th December 2031.

In any event, after any renegotiation takes place in accordance with the provisions of this section, the Administrator will immediately proceed to notify the Managing Company of the conditions resulting from each renegotiation.

The Managing Company, on behalf of the Fund, may at any time suspend or modify the authorization and the requirements for renegotiation by the Administrator that are contained in this section.

Notwithstanding the foregoing, and if Debtors are corporate bodies, it is necessary to bear in mind that pursuant to the provisions of the Royal Decree-Law 4/2014, of 7th March, adopting urgent measures in the field of business debt refinancing and restructuring (the “**RDL 4/2014**”), the fourth Additional Provision of the Insolvency Law is amended. As a result of the said amendment, the judge may order the judicial

endorsement of the refinancing agreement which may have the following effects on the Loans in accordance with the majorities of the financial liabilities that have approved the refinancing: (i) extension, whether of the principal, interest or any other amount owed for a period of five years or more, but in no case exceeding ten; (ii) debt relief; (iii) conversion of the debt into shares or interests in the debtor company; (iv) conversion of the debt into equity loans for a term of five years or more, but in no case exceeding ten; or (v) the assignment of the creditors' property or rights in lieu of payment of all or part of the debt.

(10) Exceptional expenses.

On the other hand, Santander Consumer, on each Payment Date, will be entitled to the reimbursement of all exceptional expenses incurred, once that they have been previously justified to the Managing Company, in relation to the administration of the Credit Rights. The said expenses, which will include, among others, those derived from the enforcement of guarantees, will be paid, provided that the Fund has sufficient Available Funds in the Cash Account and in accordance with the provisions of sections 3.4.6.(1)(b) and 3.4.6(4) of this Additional Module in respect of the Ranking and the Post-Enforcement Ranking, respectively.

(11) Set-off.

In the event that any of the Debtors of the Loans has a liquid, matured and enforceable credit right against the Administrator and, consequently, one of the Loans is totally or partially set off against the said credit right, the Administrator will remedy this circumstance or, if it is not possible to remedy it, the Administrator will deposit in the Fund the amount that has been set off plus the accrued interest that would have corresponded to the Fund until the date of the said deposit; the said interest will be calculated in accordance with the conditions applicable to the corresponding Loan.

(12) Subcontracting

The Administrator may subcontract any of the services that it has undertaken to provide by virtue of the foregoing, except for those services that cannot be delegated in compliance with the current regulations. This subcontracting may not entail in any case any additional cost or expense for the Fund or the Managing Company and may not result in a downgrade of the credit rating given by the Rating Agencies to the Bonds. Notwithstanding any subcontracting or delegation, the Administrator will not be exonerated or released by reason of the said subcontracting or delegation from any of its responsibilities that are assumed in accordance with this securitization process or that are legally attributable to or obligatory for the Administrator.

(13) Notices

The Managing Company and the Assignor have agreed not to notify the assignment to the respective Debtors. In this respect, notice is not a requirement for the validity of the assignment of the Loans.

Nevertheless, the Assignor will grant the broadest powers, as necessary in accordance with the Laws, to the Managing Company, so that it can, in the name of the Fund, inform the Debtors of the assignment at such time as it deems it appropriate.

However, in the case of insolvency or any indications of insolvency, of intervention by the Bank of Spain, of any measure relating to early action, restructuring process or termination adopted by the Fund for Orderly Bank Restructuring, of liquidation or replacement of the Administrator or because the Managing Company considers it to be reasonably justified, the Managing Company may request the Administrator to notify the Debtors and, when applicable, the guarantors, of the transfer to the Fund of the Loans pending repayment, as well as of the fact that the payments deriving from them will only discharge debt if they are made into the Cash Account opened in the name of

the Fund. However, in the event that the Administrator fails to notify the Debtors within the three (3) Working Days following receipt of the request, as well as in the case of insolvency of the Administrator, the Managing Company will directly notify the Debtors. The Managing Company will give such notice within the shortest possible period of time.

The Assignor will bear the expenses incurred due to the notices sent to the Debtors, even if they have been sent by the Managing Company.

3.7.2 Managing Company.

The administration and legal representation of the Fund corresponds to the Managing Company, the name, address and significant activities of which are detailed in section 6 of the Registration Document, pursuant to the provisions of the Royal Decree 926/1998 and any other applicable regulations.

The Managing Company, in its capacity of manager of third-party business operations, is also in charge of the representation and defence of the interests of the Bondholders and of the rest of ordinary creditors of the Fund. Consequently, the Managing Company will at all times safeguard the interests of the Bondholders and will make its actions conditional upon their defence and will abide by the provisions that might be established from time to time for this purpose.

The actions that the Managing Company will perform in order to comply with its duties of administration and legal representation of the Fund are –for information purposes only and without prejudice to any other actions established by this Additional Module– the following:

- (i) To open the Cash Account and the Principal Account, in the name of the Fund, initially with SCF.
- (ii) To exercise the rights inherent in the ownership of the Credit Rights of the Fund and, in general, to carry out any acts of administration and decision that might be necessary for the proper performance of the administration and legal representation of the Fund.
- (iii) To carry out the financial administration of the Credit Rights with due diligence and rigor, without prejudice to the management duties assumed by the Assignor in its capacity of Administrator, in accordance with the provisions of section 3.7.1 above.
- (iv) To verify that the amounts effectively received by the Fund correspond to the amounts that the Fund must receive in accordance with the conditions of each Asset and the conditions of the various contracts.
- (v) To validate and control the information that it receives from the Administrator in connection with the Loans, as regards collections of ordinary installments, prepayments of principal, payments received for unpaid installments, and status and control of non-payments.
- (vi) To calculate the available funds and movements of funds that it will have to make once that the application thereof has been carried out in accordance with the corresponding ranking, by ordering the transfers of funds between the various credit and debit accounts and the corresponding payment instructions, including those assigned to meet the financial servicing of the Bonds.
- (vii) To calculate and settle the amounts that, by way of interest and fees, it must receive and pay through the various financial credit and debit accounts, as well as the fees to be paid for the various financial services arranged and the amounts that, for the repayment of principal and interest, correspond to the Bonds.

- (viii) In the event that, at any time during the life of the Bonds, the credit ratings assigned by the Rating Agencies to Banco Santander's debt are downgraded as regards the capacity of Banco Santander as Paying Agent, to carry out the actions described in section 5.2 a) of the Securities Note.
- (ix) To comply with its calculation obligations established in this Additional Module, in the Subordinated Loan Agreement and in the Reinvestment Agreement, which are described in sections 3.4.3 and 3.4.4 of this Additional Module. If the Managing Company does not receive the information required to comply with the said calculation obligations in order to determine the Available Funds before the next Payment Date, these will be determined as the amounts deposited in the Cash Account on the Determination Date preceding the Payment Date, by carrying out the necessary estimates in order to calculate the amounts to be collected.
- (x) To closely supervise the actions of the Administrator for the recovery of non-payments, by giving instructions, when applicable, in order to bring any enforcement proceedings. To carry out the corresponding actions that might be required according to the circumstances.
- (xi) To keep the accounting books of the Fund with due separation from those of the Managing Company, to render accounts and to comply with the tax or any other legal obligations that might correspond to the Fund.
- (xii) To provide the holders of the Bonds issued against the Fund, the CNMV and the Rating Agencies with such information and notices as are required by the current regulations and, in particular, those specified in this Prospectus.
- (xiii) In order to enable the Fund's operations pursuant to the terms established by the Prospectus and by the regulations that might be in force from time to time, to extend or modify the contracts that it has formalized on behalf of the Fund, to replace each of the providers of services for the Fund by virtue of the said contracts and, if necessary, to enter into additional contracts; all the foregoing subject to the legislation that might be in force from time to time, to the prior authorization, if necessary, from the CNMV or the competent governmental agency, and to the notice thereof to the Rating Agencies, and provided that the said actions do not result in a downgrade of the credit rating of the Bonds and do not damage the interests of the Bondholders. Any amendment to the Deed of Incorporation will be made pursuant to the provisions of article 7 of the Law 19/1992.
- (xiv) To appoint and replace, if applicable, the auditor of accounts in charge of auditing the annual financial statements of the Fund.
- (xv) To prepare and submit to the CNMV and the competent agencies all documents and information that must be submitted as established by the current regulations and by this Prospectus, or that might be requested, and to prepare and send the Rating Agencies any information that they might reasonably require.
- (xvi) To make the appropriate decisions in relation to the liquidation of the Fund, including the decision for the early maturity of the Bond issue and liquidation of the Fund, in accordance with the provisions of this Prospectus.
- (xvii) Not to carry out any actions that could downgrade the credit rating of the Bonds and to arrange for the adoption of such measures as are reasonably available to it, so that the credit rating of the Bonds is not adversely affected at any time.
- (xviii) To manage the Fund in such a manner that its net asset value is always zero.

The Managing Company will perform its activities with due diligence, as required in accordance with the Royal Decree 926/1998, in the representation of the Fund and the defence

of the interests of the Bondholders and of the rest of creditors of the Fund, as if it was dealing with its own interests, by maximizing the levels of diligence, reporting and defence of their interests, and by avoiding any situations that might involve conflicts of interest, by giving priority to the interests of the Bondholders and the rest of creditors of the Fund over its own interests. The Managing Company will be liable to the Bondholders and the rest of creditors of the Fund for all damages caused to them by the breach of its obligations. Furthermore, it will be liable as regards any sanctions applicable to it pursuant to the provisions of the Law 19/1992.

The Managing Company has the necessary resources, including the appropriate computer systems, to perform the duties of administration of the Fund that are attributed to the Managing Company by the Royal Decree 926/1998.

In compliance with the provisions of Chapter II of the Royal Decree 217/2008, of 15th February, on the legal structure of investment services companies and other entities that provide investment services, which partially amends the Regulatory Framework of the Law 35/2003, of 4th November, on Collective Investment Institutions, approved by the Royal Decree 1309/2005, of 4th November, the Managing Company has established Internal Rules of Conduct, which were reported to the CNMV.

The Managing Company may act as the Managing Company of the Fund, as well as of any other securitization fund, without the simultaneous management of the said funds implying in any way whatsoever a breach of its obligations of due diligence in its capacity of Managing Company of the Fund or other securitization funds.

3.7.3 Replacement of the Managing Company.

The Managing Company will be replaced as regards the administration and representation of the Fund in accordance with the provisions that might be established by regulation for that purpose. Consequently and in accordance with the provisions of articles 18 and 19 of the Royal Decree 926/1998, the replacement of the Managing Company will be carried out according to the following procedure:

- (i) The Managing Company may resign from its duties when it deems it to be appropriate and may voluntarily request its replacement, by sending a written document to the CNMV stating the appointment of the managing company replacing it. The said written document will be accompanied by another document corresponding to the new managing company, duly authorized and registered as such in the special registers of the CNMV; in the said document, the new managing company must declare that it is willing to accept such duties and that it is interested in the corresponding authorization. The resignation of the Managing Company and the appointment of a new company as the Managing Company of the Fund must be approved by the CNMV. The Managing Company may not, in any case, cease to perform its duties until the complete fulfillment of all the requirements and formalities necessary for the new Managing Company to be able to fully assume its duties in relation to the Fund. Likewise, the Managing Company may not cease to perform its duties if, as a result of the said replacement, the credit rating granted to the Bonds issued against the Fund is downgraded. All expenses incurred as a result of the said replacement will be borne by the Managing Company and will not be charged to the Fund in any case.
- (ii) In the event that the Managing Company is involved in any of the causes for dissolution established in article 360 and the following articles of the Spanish Law on Capital Companies, the Managing Company will be replaced. The existence of any of such causes will be notified by the Managing Company to the CNMV. In this case, the Managing Company will be obliged to comply with the provisions of section (i) above, prior to its dissolution.

- (iii) If the Managing Company is declared to be insolvent or if its administrative authorization is revoked, a managing company must be appointed to replace it. The replacement must take place within four (4) months starting from the date of the event that gave rise to the replacement. If, following the said period of four (4) months starting from the date of the event that gave rise to the replacement, the Managing Company has not appointed a new managing company, the Early Liquidation of the Fund and the redemption of the Bonds will take place; in such a case, the actions established in section 4.4.c.3) of the Registration Document will be carried out.
- (iv) The replacement of the Managing Company and the appointment of the new company, approved by the CNMV in accordance with the provisions of the above paragraphs, must be reported to the Rating Agencies and will be made public within the period of time of fifteen (15) days by means of an announcement published in two national newspapers and in the journal of the AIAF Market.

The Managing Company undertakes to grant any public and private documents that might be necessary for its replacement with another managing company, in compliance with the provisions of the preceding paragraphs of this section. The new managing company will be subrogated to the rights and obligations that, in connection with this Prospectus, correspond to the Managing Company. Likewise, the Managing Company will provide the new managing company with all the documents and accounting and computer records relating to the Fund that might be in its possession.

Rules on the remuneration in favor of the Managing Company for the performance of its duties

The Managing Company will be entitled on each Payment Date of the Bonds and provided that the Fund has sufficient Available Funds in the Cash Account according to the provisions of section 3.4.6.(1)(b) relating to the Ranking, or in section 3.4.6.(4) relating to the Post-Enforcement Ranking of this Additional Module, to a periodic annual administration fee equal to zero point zero twenty-three percent (0.023%) that will be calculated in accordance with the formula set forth below, with a minimum annual amount of seventy thousand euros (€ 70,000), which will accrue for the actual days in each Interest Accrual Period, will be paid quarterly on each of the Payment Dates, and will be calculated on the basis of the sum of the Outstanding Balance of the Bonds, on the Determination Date corresponding to that Payment Date. The fee accrued from the Date of Incorporation of the Fund until the first Payment Date of the Bonds will be adjusted in proportion to the days elapsed between both dates and will be calculated based on the nominal value of the Bonds issued.

The periodic administration fee, payable on a given Payment Date, will be calculated according to the following formula:

$$A=B \times 0,023\% \times \frac{d}{365}$$

where

- A = Fee payable on a given Payment Date.
- B = Outstanding Balance of the Bonds on the Determination Date corresponding to that Payment Date.
- d = Number of days elapsed during each Interest Accrual Period.

3.8. Name and address and a brief description of any counterparties involved in transactions relating to swap, credit, liquidity or accounts.

Santander Consumer is the counterparty of the Fund in the Subordinated Loan Agreement, described in section 3.4.3 of this Additional Module. Likewise, a brief description of Santander Consumer is included in section 5.2 of the Registration Document.

SCF, in turn, is the counterparty of the Fund in the Reinvestment Agreement, described in section 3.4.4 of this Additional Module. Likewise, a brief description of SCF is included in section 5.2 of the Registration Document.

4. POST-ISSUANCE INFORMATION

a) Obligations and deadlines established for the preparation, auditing and approval of the annual financial statements and the management report.

The Managing Company will submit to the CNMV the annual financial statements of the Fund and their audit report, within four (4) months starting from the closing date of the financial year of the Fund, which will coincide with the calendar year (i.e., before 30th April of each year).

b) Obligations and deadlines established for making the periodic information on the economic and financial situation of the Fund available to the public and its sending to the CNMV and the Rating Agencies.

b.1.- Ordinary periodic notices

The Managing Company, due to its duties relating to the management and administration of the Fund, undertakes to send (i) to the CNMV, any information that might be required in connection with the Bonds, and (ii) to the Rating Agencies, any information that might be required in connection with the Bonds, the evolution of the Credit Rights, prepayments and the economic and financial situation of the Fund; all of this, with the greatest possible diligence, on a quarterly basis or at any time at which it is so requested; furthermore, the Managing Company will also provide them with any other additional information that they might request.

- (b.1') At least, one (1) calendar day before each Payment Date, the Managing Company will inform the Bondholders of the following:
- i. The resulting interest on the Bonds together with their redemption;
 - ii. The early redemption average rates of the Credit Rights, as at the Determination Date;
 - iii. The residual average life of the Bonds calculated based on the hypotheses of maintenance of the said actual early redemption rate;
 - iv. The Outstanding Balance of the Bonds (after the redemption to be made on each Payment Date), expressed for each Bond, and the percentage that the said Outstanding Balance of the Bonds (expressed for each Bond) represents as regards the initial nominal amount of each Bond.

Likewise, and if applicable, the Bondholders will be informed of the interest accrued on the Bonds and not paid due to the fact that there are not sufficient Available Funds.

Notices specified in section b.1') will be given as provided in section b.3 below, and will also be sent to Iberclear and AIAF within a maximum period of time of two (2)

Working Days prior to each Payment Date. Moreover, and after each Payment Date, the Rating Agencies will be sent a report with the following information:

- Outstanding Balance of the Credit Rights, interest accrued on them, both collected and not collected, and the amount in default of the Credit Rights.
- Report on the origin and subsequent use of the Available Funds, according to the Ranking contained in section 3.4.6.(1).(b) of this Additional Module.

In addition to the information specified in the preceding paragraphs, the information specified in the Circular 2/2009 (as amended from time to time) will be sent to the CNMV.

b.2.- Extraordinary Notices.

The Fund, through its Managing Company, will also inform the Bondholders, the CNMV and the Rating Agencies of any important fact that might take place in relation to the Credit Rights, the Bonds, the Fund, and the very Managing Company, which might significantly influence the trading of the Bonds and, in general, of any significant modification in the assets or liabilities of the Fund and any amendment to the Deed of Incorporation, and also as regards any eventual decision for Early Redemption of the Bonds due to any of the causes specified in the Prospectus. In such a case, the notarial document concerning the liquidation and procedure referred to in section 4.4.c.3) of the Registration Document will be sent to the CNMV.

In the case of modification of the credit ratings granted by the Rating Agencies to each Series or of the credit ratings of the counterparties to the contracts implying their replacement, the creation of guarantees or deposits, etc., or in the event that the Reserve Fund cannot be reduced because of the occurrence of any of the circumstances described in section 3.4.2.2 of this Additional Module or if there is any modification in the Ranking described in section 3.4.6 of this Additional Module, the said events and any others of a similar nature that might arise will be communicated as soon as possible to the CNMV.

b.3.- Procedure.

Any notices that, in accordance with the foregoing, must be sent to the Bondholders by the Fund through its Managing Company, will be given as follows:

1. Ordinary periodic notices referred to in section b.1) above, by means of their publication in the AIAF daily journal or any other journal that might replace it in the future or another having similar characteristics.
2. Extraordinary notices referred to in section b.2) above, by means of their publication as a Relevant Fact at the CNMV.

Furthermore, the aforementioned notices may also be given by means of their publication in other general media.

For purposes of this Prospectus, it will be considered that these notices have been given on the date of their publication; any day of the year, whether a Working Day or a Non-Working Day, will be suitable to that end.

Any downgrades in the credit ratings of the Bonds, as well as the measures to be taken in the case of activations of the *triggers* due to a downgrade in the credit rating of the counterparty in the financial agreements or any other cause, will be notified to the CNMV by sending the corresponding Relevant Facts.

c) Information to the Spanish National Stock Exchange Commission.

The Managing Company will provide the CNMV with the information established in the preceding sections, as well as any other additional information that might be required by the CNMV or by the current regulations from time to time.

d) Information to be provided by Santander Consumer to the Managing Company.

In addition, Santander Consumer undertakes to inform the Managing Company, on behalf of the Fund, on a quarterly basis and, in any case, at the request of the Managing Company, of any non-payments, early redemptions and changes in interest rates and, on a timely basis, of the payment demands, judicial actions and any other circumstances that might affect the Credit Rights. Likewise, Santander Consumer will provide the Managing Company with all documents that the latter might request from Santander Consumer in relation to the said Loans and, in particular, the documents that the Managing Company might need in order to bring any legal actions, if applicable.

Mr IGNACIO ORTEGA GAVARA, in the name and on behalf of SANTANDER DE TITULIZACIÓN, S.G.F.T. and in his capacity of General Manager of the Managing Company, signs this Prospectus in Madrid, on 19th November 2014.

DEFINITIONS

For the appropriate interpretation of this Prospectus, capitalized terms will be understood in accordance with the definition given to each one of them below, unless they are expressly attributed any other meaning. Any terms that are not expressly defined will be understood in their natural and obvious sense, according to their general usage. Likewise, it is stated for the record that any terms in the singular will include the plural and vice versa, whenever the context so requires.

The capitalized terms listed below will have the following meaning:

“**Administrator**”: means Santander Consumer, E.F.C., S.A.

“**Rating Agencies**”: means DBRS and Fitch.

“**Paying Agent**”: means Banco Santander, S.A.

“**AIAF**”: means AIAF, Fixed Income Securities Market.

“**Early Redemption**”: means the redemption of the Bonds on any date prior to the Final Maturity Date in the cases of Early Liquidation of the Fund in compliance with the requirements established by section 4.4 c) of the Registration Document.

“**Back-Up Servicer Facilitator**”: means Banco Santander.

“**Banco Santander**”: means Banco Santander, S.A.

“**Bonds**”: means the securitization bonds issued against the Fund.

“**CA-CIB**”: means Credit Agricole CIB, Branch in Spain.

“**Preliminary Portfolio**”: means the preliminary portfolio of loans from which the Loans giving rise to the Credit Rights to be assigned to the Fund on the Date of Incorporation will be extracted, and it is made up of the Preliminary Portfolio, from which the Initial Credit Rights will be extracted, with eighty-three thousand one hundred and eighty (83,180) loans, with a principal that has not become due yet, as at 20th October 2014, amounting to eight hundred and sixty-four million six hundred and sixty-nine thousand three hundred and fifty-nine euros with ten euro cents (€ 864,669,359.10).

“**Assignor**”: means Santander Consumer, E.F.C., S.A.

“**Circular 4/2004**”: the Circular 4/2004 of the Bank of Spain, of 22nd December, addressed to credit entities, on the rules relating to public and reserved financial information and financial statement forms.

“**CNMV**”: means Spanish National Stock Exchange Commission.

“**Assignment Agreement**”: means the agreement for the purchase and sale of Initial Credit Rights, formalized under a deed, by virtue of which Santander Consumer assigns the Initial Credit Rights derived from the Loans to the Fund.

“**Management, Subscription and Payment Agency Agreement**”: means the bond management and subscription and payment agency agreement to be entered into by the Managing Company, for and on behalf of the Fund, the Subscribers, the Managers and the Paying Agent.

“**Subordinated Loan Agreement**” or “**Subordinated Loan**”: mean the subordinated loan agreement for an amount of seven million eighty-five thousand euros (€ 7,085,000) to be entered into by the Managing Company, for and on behalf of the Fund, and Santander Consumer, to be used for the purposes of financing the expenses incurred in the issue of the Bonds, including the amount of any accrued interests that have not become due.

“**Reinvestment Agreement**”: means the reinvestment agreement by virtue of which (i) SCF will guarantee a variable yield on the amounts deposited by the Fund (through its Managing Company) in the Cash Account and the Principal Account, and (ii), if applicable, the Commingling Reserve Account and the Liquidity Reserve Account will be opened.

“**Cash Account**”: means the account to be opened with SCF on behalf of the Fund by the Managing Company, the operational aspects of which will be established by the Reinvestment Agreement.

“**Commingling Reserve Account**”: means the account to be opened, if applicable, with SCF on behalf of the Fund by the Managing Company, the operational aspects of which will be established by the Reinvestment Agreement.

“**Liquidity Reserve Account**”: means the account to be opened, if applicable, with SCF on behalf of the Fund by the Managing Company, the operational aspects of which will be established by the Reinvestment Agreement.

“**Principal Account**”: means the account to be opened with SCF on behalf of the Fund by the Managing Company, the operational aspects of which will be established by the Reinvestment Agreement.

“**DBRS**”: means DBRS Ratings Limited.

“**Principal Deficit**”: means, on a Payment Date, the positive difference, if any, between a) the Outstanding Balance of the Bonds of the Series A, Series B, Series C and Series D, and (b) the sum of (i) the Outstanding Balance of the Credit Rights, excluding the Delinquent Loans, plus (ii) the Amount of Principal Retention.

“**Credit Rights**”: means the portfolio of credit rights that will be the assets of the Fund, or that will be retained by the Assignor, as established in item 4.1. (c) of the Securities Note, and it is made up of credit rights deriving from loans for the acquisition of new and used vehicles. The said portfolio of credit rights will be made up of the Initial Credit Rights and the Additional Credit Rights.

“**Additional Credit Rights**”: means each one of the Credit Rights assigned to the Fund by the Assignor, or retained by the Assignor, as established in item 4.1. (c) of the Securities Note, subsequently to the Date of Incorporation, during the Revolving Period.

“**Initial Credit Rights**”: means each one of the Credit Rights assigned to the Fund by the Assignor, or retained by the Assignor, as established in item 4.1. (c) of the Securities Note, upon its incorporation.

“**Debtors**”: means any natural persons or corporate bodies, having their domicile in Spain, to which Santander Consumer has granted the Loans from which the Credit Rights subject to securitization derive.

“**Working Day**” means any day other than:

- (i) Saturdays;
- (ii) Sundays;
- (iii) bank holidays according to the TARGET 2 calendar (for the sole purpose of determining the Nominal Interest Rate applicable for each Interest Accrual Period). It includes, in addition to the days recognized in the sections (i) and (ii) above, the following days: 1st January, Good Friday, Easter Monday, 1st May, 25th December and 26th December; and
- (iv) bank holidays in Madrid (for the sole purpose of determining the Nominal Interest Rate applicable for each Interest Accrual Period and for the rest of terms of the issue).

“**Calendar Day**”: means any day of the year, including Sundays and bank holidays.

“**Registration Document**”: means the registration document, including Annex VII as approved by the CNMV on 20th November 2014.

“**Depository Institution of the Commingling Reserve**”: means SCF.

“**Depository Institution of the Liquidity Reserve**”: means SCF.

“**Subscriber of the Series A Bonds**”: means Santander Benelux.

“**Subscriber of the Series B, C, D and E Bonds**”: means Santander Consumer.

“**Managers**”: means SCF, SGBM and CA-CIB.

“**Subscribers**”: means Santander Benelux and Santander Consumer.

“**Deed of Incorporation**”: means the Deed of Incorporation of the Asset Securitization Fund, SANTANDER CONSUMER SPAIN AUTO 2014-1 and the Issuance of Bonds.

“**Risk Factors**”: means the description of the main risk factors linked to the issuance of the Bonds, to the securities and to the assets backing the issuance of the Bonds.

“**Date of Incorporation**”: means the date on which the Deed of Incorporation and the Assignment Agreement are formalized. It is expected that the Date of Incorporation will be 26th November 2014.

“**Disbursement Date**”: means 28th November 2014 before 2.00 pm (Madrid time).

“**Determination Dates**”: means (i) during the Revolving Period, the date corresponding to the tenth (10th) Working Day preceding each Payment Date and (ii) during the Redemption Period, the date corresponding to the fifth (5th) Working Day preceding each Payment Date.

“**Offer Dates**”: means the dates corresponding to the sixth (6th) Working Day preceding each Payment Date of the Revolving Period on which the Additional Credit Rights should be acquired.

“**Payment Dates**”: means the following dates: 20th March, June, September and December of each year, or, in the event that any of these dates is not a Working Day, the next following Working Day.

“**Offer Request Dates**”: means the dates corresponding to the eighth (8th) Working Day preceding each Payment Date of the Revolving Period on which the Additional Credit Rights should be acquired.

“**Subscription Date**”: means 28th November 2014, from 10.00 am to 12.00 am (Madrid time).

“**Final Maturity Date of the Loans**”: means 25th August 2028, or, in the event that this date is not a Working Day, the next following Working Day.

“**Final Maturity Date of the Fund**”: means 20th December 2031 or, in the event that this date is not a Working Day, the next following Working Day, or, if applicable, in the case of early redemption of this issue, the Payment Date on which the said early redemption must take place.

“**Legal Maturity Date**”: means 20th June 2032 or, in the event that this date is not a Working Day, the next following Working Day.

“**Fitch** “: means Fitch Ratings España, S.A.U.

“**Prospectus**”: means, collectively, the table of contents, the document describing the risk factors, the Registration Document, the Securities Note, the Additional Module and the document containing the definitions.

“**Fund**” or “**Issuer**”: means ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2014-1.

“**Reserve Fund**”: means the reserve fund to be created by the Managing Company, for and on behalf of the Fund, in compliance with the provisions of section 3.4.2.2 of the Additional Module.

“**Available Funds**”: means, on each Payment Date, the amount credited to the Cash Account, which the Managing Company on behalf of the Fund will apply, on each Payment Date, to the payments and retentions described in the Ranking.

“**Available Principal Funds**” means the amount that will be allocated on each Payment Date during the Revolving Period to the acquisition of Additional Credit Rights and/or the provision of the Amount of Principal Retention and/or the compulsory early redemption of the Series A Bonds, following the expiration of the Revolving Period, to the redemption of the Series A, B, C and D Bonds, and that will be the minimum amount of: a) the positive difference existing on the Determination Date preceding the corresponding Payment Date between (i) the Outstanding Balance of the Series A, Series B, Series C and Series D Bonds, and the sum of (ii) the Outstanding Balance of the Credit Rights, excluding any

Delinquent Loans, and b) the Available Funds, following the fulfillment of the payment obligations corresponding to the positions in the Ranking of the Fund preceding the application of the Available Principal Funds.

“Available Funds for Liquidation”: means:

- a) the Available Funds, and
- b) amounts that the Fund obtains from the disposal of any remaining Credit Rights and of any other assets, if applicable, in the cases of Early Liquidation of the Fund pursuant to the requirements established by section 4.3.c of the Registration Document, and
- c) if applicable, the amount drawn from the line of credit available for the final redemption of the Bonds in compliance with the provisions of section 4.3.c) (iii) of the Registration Document.

“Iberclear”: means Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores (Managing Company for the Securities Registration, Clearing and Settlement Systems).

“Required Amount of the Commingling Reserve”: means 1.15 x the principal amount of the Credit Rights collected during the preceding month.

“Required Amount of the Liquidity Reserve”: means 1.40% of the Outstanding Balance of the Series A and B Bonds.

“Amount of Principal Retention”: means the Available Principal Funds that during the Revolving Period have not been used for the acquisition of the Additional Credit Rights and/or the compulsory early redemption of the Series A and that will be retained in the Principal Account up to the maximum amount of 5% of the Outstanding Balance of Series A, B, C and D on the immediately preceding Determination Date.

“Acquisition Amount”: means an amount equal to the nominal value of the principal pending payment of the Additional Credit Rights pooled in the Fund, on the corresponding Payment Date.

“Maximum Acquisition Amount”: means the maximum amount that the Managing Company will apply, on each relevant Payment Date, to the acquisition of Additional Credit Rights, and that will be equal to the Available Principal Funds on the said Payment Date.

“Maximum Amount of the Credit Rights”: means the maximum amount of the Outstanding Balance of the Credit Rights pooled in the Fund, which will be an amount equal to the nominal value of the issue of Bonds, and, consequently, equal to the initial balance of the Credit Rights. As an exception, on the Date of Incorporation of the Fund, the amount of the assigned Credit Rights may be slightly higher than the nominal value of the Issue of Series A, B, C and D.

“VAT”: means the Value Added Tax.

“Law 19/1992”: means the Law 19/1992, of 7th July 1992, governing the Real Estate Investment Companies and Funds and the Mortgage Securitization Funds, as amended.

“Law 37/1992”: means the Law 37/1992, of 28th December, on the Value Added Tax.

“Law 3/1994”: means the Law 3/1994, of 14th April, on the Adaptation to the Second Directive on Banking Coordination.

“Insolvency Law”: means the Law 22/2003, of 9th July; the Insolvency Law.

“Rules of Civil Law Procedure”: means the Law 1/2000, of 7th January, on the Rules of Civil Law Procedure.

“**Law on the Stock Exchange**” or “**Law 24/1988**”: means the Law 24/1988, of 28th July, regulating the Stock Exchange as amended by the Law 37/1998, of 16th November, by the Law 44/2002, of 22nd November, and by the Royal Decree-Law 5/2005, of 11th March.

“**Early Liquidation**”: means the liquidation of the Fund prior to the 20th day of December 2031 and, consequently, the Early Redemption on a Payment Date of the whole issue of the Bonds in the cases and according to the procedure established by section 4.4 c) of the Registration Document.

“**AIAF Market**”: means Fixed Income Securities Market of the *Asociación de Intermediarios de Activos Financieros* (Association of Financial Asset Intermediaries).

“**Additional Module**”: means the additional module to the securities note relating to the issue of Bonds, prepared according to Annex VIII of the Regulation (EC) no. 809/2004, approved by the CNMV on 20th November 2014.

“**Initial Level of the Reserve Fund**”: means the amount of the Reserve Fund at the time of the incorporation of the Fund, equivalent to thirty-eight million euros (€ 38,000,000), i.e., equivalent to five percent (5.00%) of the initial amount of the Series A, Series B, Series C and Series D Bonds.

“**Required Level of the Reserve Fund**”: means the amount that the Reserve Fund must have on each Payment Date. The said amount will be equal to the highest amount among the following: (i) ten percent (10.00%) of the Outstanding Balance of the Series A, B, C and D Bonds; and (ii) nineteen million euros (€ 19,000,000), equivalent to two point fifty percent (2.50%) of the initial amount of the Series A, Series B, Series C and Series D Bonds.

“**International Financial Reporting Standards**”: means the International Financial Reporting Standards that are applicable to the financial information provided by Santander Consumer, according to the EC Regulation 1606/2002 and the Circular 4/2004 of the Bank of Spain.

“**Securities Note**”: means the securities note relating to the Bond issue, as prepared in accordance with Annex XIII of the Regulation (EC) no. 809/2004, approved by the CNMV on 20th November 2014.

“**Ranking**”: means the ranking for the application of the payment or retention obligations of the Fund as regards the application of the Available Funds on each Payment Date.

“**Post-Enforcement Ranking**”: means the ranking for payment or retention obligations of the Fund as regards the application of the Available Funds for Liquidation on the date of liquidation.

“**Order EHA/3537/2005**”: means the Order EHA/3537/2005, developing article 27.4 of the Law 24/1988, of 28th July 1988, on the Stock Exchange.

“**Redemption Period**”: means the period from the last Payment Date of the Revolving Period and the Legal Maturity Date of the Fund, or, if applicable, in the event that this issue is early redeemed, the Payment Date on which the said Early Redemption must take place.

“**Revolving Period**”: means the period from the first Payment Date, 20th March 2015, to the Payment Date corresponding to 20th December 2018, both inclusive, or on a preceding Payment Date, in the event that the Revolving Period is early terminated.

“**Interest Accrual Periods**”: means each one of the periods into which the issue of Bonds is divided comprising the days actually elapsed between each Payment Date; each Interest Accrual Period will include the initial Payment Date of the corresponding period and will exclude the final Payment Date of the corresponding period. The first Interest Accrual Period will have a duration equivalent to the days elapsed between the Disbursement Date and the first Payment Date.

“**Loans**”: means the loans granted by Santander Consumer to natural persons and corporate bodies residing in Spain, for the purpose of financing the acquisition of new and/or used vehicles, from which the Credit Rights assigned to the Fund are derived.

“**Delinquent Loans**”: means those loans that, at any time starting from the Date of Incorporation of the Fund (i) have or have had installments pending payment for periods equal to or longer than twelve (12) months or (ii) whose debt, in the opinion of Santander Consumer, will not be recovered.

“**Defaulted Loans**”: means those loans, whose payment is overdue for more than ninety (90) days, excluding the Delinquent Loans.

“**Renegotiated Loans**”: means those loans that, at any time starting from the Date of Incorporation of the Fund, have been renegotiated, pursuant to the provisions of item 3.7.1.(9).

“**Default Ratio**”: means the Outstanding Balance of the Defaulted Loans divided by the Outstanding Balance of the Credit Rights.

“**Delinquency Ratio**”: means the Accumulated Balance of the Delinquent Loans divided by the Accumulated Balance of the Credit Rights.

“**Royal Decree 926/1998**”: means the Royal Decree 926/1998, of 14th May, regulating the Asset Securitization Funds and the Managing Companies of Securitization Funds.

“**Royal Decree 1777/2004**”: means the Royal Decree 1777/2004, of 30th July, approving the Regulations on the Corporate Income Tax.

“**Royal Decree 1310/2005**”: means the Royal Decree 1310/2005, of 4th November, whereby the Law 24/1988, of 28th July 1988, on the Stock Exchange is partially developed, as regards the admission to trading of securities on official secondary markets, public offers of sale or subscription and the prospectus required for these purposes.

“**Royal Decree 216/2008**”: means the Royal Decree 216/2008, of 20th December, on the own resources of financial entities.

“**Royal Legislative Decree 4/2004**”: means the Royal Legislative Decree 4/2004, of 5th March, approving the consolidated text of the Law on Corporate Income Tax.

“**Royal Legislative Decree 1/1993**”: means the Royal Legislative Decree 1/1993, of 24th September, approving the consolidated text of the Law on Tax on Capital Transfers and Documented Legal Acts.

“**Regulation (EC) no. 809/2004**”: means the Commission Regulation (EC) no. 809/2004, of 29th April 2004, relating to the application of the Directive 2003/71/EC of the European Parliament and of the Council as regards the information contained in prospectuses, as well as the format, incorporation by reference, publication of the said prospectuses and dissemination of advertisements.

“**Internal Rules of Conduct**”: means the Internal Rules of Conduct of the Managing Company regulating the operations of the administrative bodies, employees and representatives of the Managing Company pursuant to the provisions of Chapter II of the Royal Decree 217/2008, of 15th February, on the legal system of companies involved in investment services and of the rest of entities that provide investment services, and partially amending the Regulations of the Law 35/2003, of 4th November, on Collective Investment Institutions, approved by the Royal Decree 1309/2005, of 4th November, which were communicated to the CNMV.

“**Variable Remuneration of Series E**”: means the variable and subordinated remuneration to which the Series E Bondholders will be entitled.

“**Election Requirements**”: means the requirements to be met by the Additional Credit Rights for their assignment and inclusion in the Fund on the corresponding assignment date.

“**Global Requirements**”: means the requirements to be jointly met by the Additional Credit Rights for their assignment and inclusion in the Fund on the corresponding assignment date.

“**Individual Requirements**”: means the individual requirements to be met by each Additional Credit Right for their assignment and inclusion in the Fund on the corresponding assignment date.

“**Accumulated Balance of the Credit Rights**”: means the sum of the principal pending maturity and of the matured principal not paid to the Fund of the Credit Rights on the date of their assignment to the Fund.

“**Accumulated Balance of the Delinquent Loans**”: means the sum of the principal pending maturity and of the matured principal not paid to the Fund of the Delinquent Loans on the date on which each of them became a Delinquent Loan, regardless of the amounts recovered since the said date.

“**Accumulated Balance of the Renegotiated Loans**”: means the sum of the principal pending maturity and of the matured principal not paid to the Fund of the Renegotiated Loans on the date on which each of them became a Renegotiated Loan.

“**Outstanding Balance of the Bonds**”: means the total outstanding balances of the Bonds (i.e., the principal amount of the Bonds pending redemption).

“**Outstanding Balance of the Credit Rights**”: means the sum of the principal pending maturity and of matured principal not paid to the Fund of the Credit Rights corresponding to a given date.

“**Outstanding Balance of the Defaulted Loans**”: means the sum of the principal pending maturity and of matured principal not paid to the Fund of the Defaulted Loans corresponding to a given date.

“**Santander Benelux**”: means SANTANDER BENELUX SA/NV.

“**Santander Consumer**”: means Santander Consumer, E.F.C., S.A.

“**SCF**”: means Santander Consumer Finance, S.A.

“**SGBM**”: means Santander Global Markets & Banking.

“**Series**”: means each of the five (5) series into which the total amount of the Bonds issue is broken down.

“**Series A**”: means the Series with a total nominal amount of SEVEN HUNDRED AND THREE MILLION EUROS (€ 703,000,000), made up of SEVEN THOUSAND AND THIRTY (7,030) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them.

“**Series B**”: means the Series with a total nominal amount of TWENTY-SEVEN MILLION FOUR HUNDRED THOUSAND EUROS (€ 27,400,000), made up of TWO HUNDRED AND SEVENTY-FOUR (274) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them.

“**Series C**”: means the Series with a total nominal amount of FIFTEEN MILLION TWO HUNDRED THOUSAND EUROS (€15,200,000), made up of ONE HUNDRED AND FIFTY-TWO (152) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them.

“**Series D**”: means the Series with a total nominal amount of FOURTEEN MILLION FOUR HUNDRED THOUSAND EUROS (€ 14,400,000), made up of ONE HUNDRED AND FORTY-FOUR (144) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them.

“**Series E**”: means the Series with a total nominal amount of THIRTY-EIGHT MILLION EUROS (€ 38,000,000), made up of THREE HUNDRED AND EIGHTY (380) Bonds, with a nominal value of ONE HUNDRED THOUSAND EUROS (€ 100,000) each one of them.

“**Managing Company**”: means Santander de Titulización, S.G.F.T., S.A.

“**ACPR**”: means Annual Constant Prepayment Rate.

“**IRR**”: means Internal Rate of Return for the Bondholders of each Series.

“**Nominal Interest Rate**”: means the interest rate applicable to each Series of Bonds on each interest Payment Date.

“**UDO**” means operation decision-making unit.

“**UDO-R**” means restructuring operation decision-making unit.