

**ASSET SECURITIZATION FUND
SANTANDER CONSUMER SPAIN AUTO 2013-1
ISSUE PROSPECTUS
€550,000,000**

		Moody's	Fitch
Series A	€481,200,000	A3 (sf)	A+ (sf)
B Loan	€68,800,000	N.R.	N.R.

BACKED BY CREDIT RIGHTS ASSIGNED BY

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



MANAGERS OF THE ISSUE



Paying Agent



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 2013-1 (hereinafter, the “**Fund**”) approved and registered in the Spanish National Stock Exchange Commission on 10th October 2013, 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 fulfilment 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, 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, the Bank, 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 that the Credit Rights to be assigned to the Fund have no pending instalments 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 Waterfall 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 (22.15%), Catalonia (12.85%), Madrid (12.45%) and Valencia (11.73%), together representing 59.18%.

(vi) Date of formalization and depreciation of the vehicle

96.9% of the Outstanding Balance of the loans selected for their assignment to the Fund has been formalized between 2011 (17.93%), 2012 (45.47%) and 2013 (33.50%), 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 47.56% 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 table below shows data corresponding to the evolution of doubtful loans, delinquent loans and the rate of recovery for delinquent loans in the portfolio managed by the Assignor relating to the Automotive sector.

	Jun.13	Dec.12	Dec.11	Dec.10	Dec.09	Dec.08
Default ratio	6.23%	7.59%	6.94%	10.03%	11.32%	8.49%
Delinquency ratio	10.22%	14.66%	18.84%	12.86%	7.14%	2.19%

The default ratio is the percentage of the amount of loans classified as “doubtful loans” as regards the total amount pending redemption. “Doubtful loans” are deemed to be those that have amounts unpaid for more than 3 months, and those that have not exceeded the said 3 months, but that have been classified as such for precautionary reasons. And, delinquent loans are deemed to be those that have amounts unpaid for more than 12 months or those that the Assignor considers unrecoverable.

Data as at 31/12/2008			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	1,597,574,615.59	90.59%	7.55%	1.86%	40.22%
		Used	240,574,368.46	81.54%	14.40%	4.06%	33.43%
	Rest	New	373,849,681.26	89.54%	8.27%	2.19%	34.25%
		Used	28,014,102.26	80.98%	14.30%	4.72%	29.50%
TOTAL			2,240,012,767.57	89.32%	8.49%	2.19%	38.36%
Data as at 31/12/2009			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	1,369,090,910.35	84.59%	9.45%	5.96%	40.10%
		Used	160,290,880.87	64.05%	18.36%	17.59%	33.24%
	Rest	New	256,560,089.02	77.76%	15.98%	6.26%	34.00%
		Used	17,112,651.46	58.32%	24.71%	16.97%	29.25%
TOTAL			1,803,054,531.70	81.54%	11.32%	7.14%	38.51%
Data as at 31/12/2010, Updated			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	1,216,690,766.52	81.31%	8.55%	10.14%	42.27%
		Used	200,784,801.15	69.82%	7.68%	22.50%	39.38%
	Rest	New	320,893,501.64	66.86%	16.97%	16.17%	46.99%
		Used	17,368,127.57	56.67%	12.76%	30.57%	39.53%
TOTAL			1,755,737,196.88	77.11%	10.03%	12.86%	45.67%
Data as at 31/12/2011			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	995,989,852.43	78.42%	6.76%	14.82%	46.57%
		Used	139,355,735.06	72.44%	3.13%	24.43%	39.24%
	Rest	New	252,641,766.45	59.70%	9.82%	30.48%	47.90%
		Used	11,360,181.43	51.32%	5.61%	43.07%	39.79%
TOTAL			1,399,347,535.37	74.22%	6.94%	18.84%	45.81%
Data as at 31/12/2012			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	914,333,999.19	81.48%	7.39%	11.13%	46.97%
		Used	137,230,190.42	84.22%	4.17%	11.61%	41.37%
	Rest	New	207,552,818.42	57.34%	10.81%	31.85%	48.12%
		Used	9,771,247.77	71.83%	5.94%	22.23%	41.43%
TOTAL			1,268,888,255.80	77.76%	7.59%	14.66%	46.11%
Data as at 30/06/2013			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	
AUTOMOTIVE SECTOR	Passenger Car	New	1,016,725,920.45	86.48%	6.04%	7.49%	
		Used	206,236,657.23	91.27%	3.41%	5.33%	
	Rest	New	195,805,752.07	60.26%	10.29%	29.45%	
		Used	12,900,134.05	83.24%	4.49%	12.26%	
TOTAL			1,431,668,463.80	83.55%	6.23%	10.22%	

(*) Includes delinquent risk

Since 2009 there has been a dramatic reduction in used car (VO) financing, with the toughening of risk policies, which made Santander Consumer go from the market leading position to the sixth position. During 2010, the portfolio was cleaned up and the VO market was newly opened in an orderly manner, with more restrictive policies and a new more predictive scoring model, which explains the lower VO default rates at the end of that year.

Information on recoveries and returns as at 30th June 2013.

€millions	Accumulated 06/2013(*)	Data of June 2013
Total Returns	93.86	14.03
Total Recoveries	84.68	12.59
Total Recovery %	90.22%	89.74%

(*) On the period comprised between 01/01/2013 and 30/06/2013

The recovery ratio on returns during the month of June 2013 amounts to 89.74%. Recovery on returns is the ratio between the instalments recovered and the total instalments returned in the month. Technical non-payments are included.

(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 Instalment Sales of Movable Properties, but those representing 63.77% 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 Instalment Sales of Movable Properties. 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 Instalment 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.

III.- Risk factors specific to securities:

(i) Limited liquidity:

Given that the Bonds have been subscribed by the Subscriber, 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.

(ii) Price:

The Bonds are issued to be subscribed by the Subscriber, who irrevocably undertakes to subscribe them in full under the Management, Subscription and Payment Agency Agreement. The Subscriber, after having subscribed the Bonds, 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 Subscriber 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 favour.

(v) Duration:

The calculation of the average life and term of the Series A Bonds specified in section 4.10 of the Securities Note is subject, among other assumptions, to the early redemption and default rates of the Assets, which may or may not materialize. The fulfilment of the early redemption rate of the Assets 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 Moody's Investors Service España, S.A. 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) Redemption of Series A Bonds.

In compliance with the rules relating to the Principal Account contained in section 3.4.4. of the Additional Module, on each Payment Date and until the total redemption of the Series A Bonds, available funds must be retained in the maximum amount equal to 8% of the Outstanding Balance of the Credit Rights, by reducing the calculation of the Available Principal Funds according to the amount retained on each Payment Date. Consequently, the redemption of the Series A Bonds will not start until the amounts received by the Fund by way of principal exceed the limit of the Amount of Principal Retention (8% of the Outstanding Balance of the Credit Rights). Once that the redemption of the Bonds has been started, the distribution of the principal amounts for the redemption of the Bonds will slow down due to the amounts retained on each Payment Date in the Principal Account, which will finally make the average life of the Bonds be longer. In any case, the said obligation to retain will cease on the Payment Date on which the available funds retained until that Payment Date (not included) exceed the Outstanding Balance of the Series A Bonds on the immediately preceding Payment Date, and on the Payment Date on which the obligation to retain has ceased any amounts retained by way of Amount of Principal Retention must be used for the depreciation of Series A Bonds according to the Waterfall described in section 3.4.6.(1) (b) 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 10th October 2013.

1. PERSONS RESPONSIBLE

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

Ms MARÍA JOSÉ OLMEDILLA GONZÁLEZ, 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.

Ms MARÍA JOSÉ OLMEDILLA GONZÁLEZ acts in her capacity of Secretary of the Board of Directors of the Managing Company and exercises the powers that were expressly conferred to her for the incorporation of the Fund by the Board of Directors of the Managing Company at its meeting held on the 2nd day of September 2013.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is the promoter of the ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2013-1 and will be in charge of its administration and legal representation.

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

Ms MARÍA JOSÉ OLMEDILLA GONZÁLEZ, 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 her 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 2nd day of September 2013 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 2013, 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 Waterfall 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. Representation 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.

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 2013-1 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 2013-1 and F.T.A. SANTANDER CONSUMER SPAIN AUTO 2013-1.

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 10th October 2013.

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 16th October 2013.

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 fulfilment of the said requirements before the CNMV.

Once that the CNMV has confirmed the said fulfilment, 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 September 2026 (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 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 Waterfall.

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 Series A 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 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 and the B Loan, (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 and the B Loan. 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 Waterfall 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 Bond issue and the B Loan. The Early Redemption of all of the Bonds and the B Loan in any of the cases specified in section 4.4.c.1) above will be carried out for the Outstanding Balance of Series A Bonds and the Outstanding Balance of the B Loan 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 Waterfall 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 favour 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 Waterfall 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 Waterfall 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 transaction.

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 closed-end assets and liabilities, in accordance with the provisions of article 3 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 transactions– 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 transactions subject to the modality of “corporate transactions” 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 a transaction subject to and exempt from the Value Added Tax (article 20.One.18th of the Law 37/1992).
- (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 Second Additional Provision of the Law 13/1985, of 25th May, on investment ratios, own resources and reporting obligations of financial intermediaries. Since 1st January 2008, 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 transactions and on the development of the common standards of tax application procedures, approved by the Royal Decree 1065/2007, of 27th July, repealing the Royal Decree 2281/1998, of 23rd October, developing the provisions applicable to certain obligations relating to the supply of information to the Tax Agency, and amending the regulations on Pension Plans and Funds.

Article 44 of the said Regulation has been amended by the Royal Decree 1145/2011, of 29th 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 and the subscription of the B Loan.

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, counterparty to the B Loan and the Subordinated Loan, as well as Depository Institution of the Liquidity Reserve and Depository Institution of the Commingling Reserve.

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 in the absence of Santander Consumer as established in section 3.4.4 of the Additional Module, 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 transactions relating to the design of the temporary financial and commercial conditions of the issue, and to coordinate the relationships with the subscriber.

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: BBB+ (long term) and F2 (short term), with a negative outlook; date: 23rd May 2013.
- Moody's: Baa2 (long term) and P-2 (short term), with a negative outlook; date: 19th July 2013.
- Standard & Poor's: BBB- (long term) and A-3 (short term), with a negative outlook; date: 23rd November 2012.

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.

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.: BBB+ (long term) (23rd May 2013) and F2 (short term) (23rd May 2013) with a negative outlook.
- Standard & Poor's Credit Markets Services Europe Limited, Branch in Spain: BBB (long term) (confirmed in December 2012) and A-2 (short term), (confirmed in October 2012) with a negative outlook.
- Moody's Investors Service España, S.A.: Baa2 (long term) (confirmed in February 2013) and P-2 (short term), (confirmed in June 2012) with a negative outlook.
- DBRS Ratings Limited: A (long term) (confirmed in August 2013) and R-1 (low) (short term) (confirmed in February 2013) with a negative outlook.

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 transactions relating to the design of the temporary financial and commercial conditions of the issue, and to coordinate the relationships with the supervisory authorities and with 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 July 2013.
 - Moody's: A2 (long term) and P-1 (short term), with a stable outlook; date: 1st March 2013.
 - Standard & Poor's: A (long term) and A-1 (short term), with a negative outlook; date: 20th June 2013.
- 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 / Nervierslaan 85, B - 1040 Brussels.

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

- g) Moody's Investors Service España, S.A. ("**Moody's**") acts as a Credit Rating Agency as regards the Bonds.

Moody's is a Spanish subsidiary of the credit rating agency Moody's Investors Service Inc, with business address at: Príncipe de Vergara 131, 6º, Madrid, 28002 and with Tax Identification Code A-80448475.

- 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.

Moody's 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 2013-1.

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 transactions, 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”.

As at 31st September 2013, 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	€ 17,649,457.10	3M Euribor + 0.23%	Moody's España	03/06/1999	€265,000,000.00
	Series B	€ 2,649,999.99	3M Euribor + 0.625%			
	Total	€20,299,457.09				
FTH HIPOTEBANSA XI	Series A	€ 198,374,502.48	3M Euribor + 0.24%	S&P España / Moody's España	26/11/2002	€ 1,062,000,000.00
	Series B	€ 12,292,875.12	3M Euribor + 0.45%			
	Total	€210,667,377.60				
FTH UCI 10	Series A	€ 153,497,999.20	3M Euribor + 0.16%	S&P España	14/05/2004	€700,000,000.00
	Series B	€ 9,797,747.40	3M Euribor + 0.50%			
	Total	€163,295,746.60				
FTH UCI 12	Series A	€ 296,543,549.44	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	€329,343,549.44				
TOTAL FTH		€723,606,130.73				€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	41,530,311.54	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	€46,100,304.12				
FTA UCI 7	Series A	53,204,241.42	3M Euribor + 0.250%	S&P España / Moody's España	25/10/2011	€455,000,000.00
	Series B	3,724,297.32	3M Euribor + 0.700%			
	Total	€56,928,538.74				
FTA HIPOTEBANSA X	Series A	112,252,482.98	3M Euribor + 0.21%	S&P España / Moody's España	04/03/2002	€917,000,000.00
	Series B	7,857,681.45	3M Euribor + 0.55%			
	Total	€120,110,164.43				
FTA UCI 8	Series A	73,668,690.24	3M Euribor + 0.220%	S&P España / Moody's España	24/06/2002	€ 600,000,000.00
	Series B	4,862,131.56	3M Euribor + 0.600%			
	Total	€78,530,821.80				
FTH UCI 9	Series A	198,778,807.77	3M Euribor + 0.265%	S&P España / Moody's España	16/06/2003	€1,250,000,000.00
	Series B	14,740,411.00	3M Euribor + 0.65%			
	Series C	3,251,560.58	3M Euribor + 1.20%			
	Total	€216,770,779.35				
FTAFTPYMESANTANDER 1	Series A	0.00	3M Euribor + 0.25%	Fitch / Moody's España	24/09/2003	€ 1,800,000,000.00
	Series B1 (G)	73,800,279.20	3M Euribor + 0.00%			
	Series B2	18,453,504.93	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	€206,553,784.13				
FTA SANTANDER HIPOTECARIO 1	Series A	400,938,634.56	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	€557,538,634.56				
FTAFTPYMESANTANDER 2	Series A	66,483,348.75	3M Euribor + 0.20%	S&P España	21/10/2004	€ 1,850,000,000.00
	Series B	20,212,886.25	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	€284,696,235.00				
FTA UCI 11	Series A	211,613,481.45	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	€240,513,481.45				
FTASANTANDERPUBLICO1	Series A	225,453,620.70	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	€237,639,426.40				

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	10,896,894.32	3M Euribor + 0.21%			
	Series C	96,100,000.00	3M Euribor + 0.29%			
	Series D	170,500,000.00	3M Euribor + 0.59%			
TOTAL		€277,496,894.32				
FTA UCI 14	Series A	516,733,998.75	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		€589,233,998.75				
FTA UCI 15	Series A	598,431,640.54	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		€709,431,640.54				
FTA SANTANDER HIPOTECARIO 2	Series A	702,101,117.10	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		€873,201,117.10				
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	858,381,487.12	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		€1,000,581,487.12				
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	140,038,388.05	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		€198,338,388.05				
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	6,427,544.30	3M Euribor + 0.20%			
	Series C	61,700,000.00	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		€156,527,544.30				
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	17,619,147.00	3M Euribor + 0.16%			
	Series B	84,100,000.00	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		€306,219,147.00				
FTA SANTANDER HIPOTECARIO 3	Series A1	245,655,107.12	3M Euribor + 0.06%	Fitch España / Moody's España	04/04/2007	€ 2,800,000,000.00
	Series A2	876,563,380.00	3M Euribor + 0.14%			
	Series A3	239,062,740.00	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		€1,610,381,227.12				
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	769,847,424.10	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		€886,047,424.10				

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	196,565,580.00	3M Euribor + 0.17%	Fitch España		
	Series A3	83,829,419.25	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	€598,394,999.25				
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	976,190,516.35	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	€1,058,690,516.35				

ASSET SECURITIZATION FUNDS						
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS
FTA	Promissory notes	990,000,000.00		S&P España / Fitch España	21/11/2008	€ 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 SPAIN 09-1	Series B	90,534,185.98	3M Euribor + 0.50%			
	Series C	37,800,000.00	3M Euribor + 1.50%			
	Series D	35,700,000.00	3M Euribor + 3.50%			
	TOTAL	€164,034,185.98				
FTA	Series A	270,368,448.00	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	€526,368,448.00				

ASSET SECURITIZATION FUNDS							
FUNDS	SERIES	OUTSTANDING BALANCE / SERIES	RATE PER SERIES	RATING AGENCY	DATE OF INCORPORATION	INITIAL BALANCE ASSETS	
FTA SANTANDER EMPRESAS 8	Series A Series B Series C	55,389,570.50 1,435,100,000.00 1,290,000,000.00 € 2,780,489,570.50	3M Euribor + 0.45% 3M Euribor + 1.75% 3M Euribor + 0.65%	Moody's España DBRS	24/01/2011	€ 6,450,000,000.00	
FTA SANTANDER CONSUMER SPAIN AUTO 2010	Series A Series B Series C Series D	74,263,311.15 57,000,000.00 49,500,000.00 88,500,000.00 €269,263,311.15	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 EMPRESAS 9	Series A Series B Series C	0.00 1,095,469,461.45 1,070,000,000.00 €2,165,469,461.45	3M Euribor + 0.45% 3M Euribor + 1.75% 3M Euribor + 0.65%	Moody's España DBRS	07/04/2011	€ 5,350,000,000.00	
FTA SANTANDER FINANCIACION 5	Series A Series B Series C	108,844,911.00 301,000,000.00 204,300,000.00 €614,144,911.00	3M Euribor + 0.30% 3M Euribor + 1.25% 3M Euribor + 0.65%	Moody's España DBRS	24/06/2011	€ 1,075,000,000.00	
FTA SANTANDER HIPOTECARIO 7	Series A Series B Series C	1,060,464,528.00 360,000,000.00 359,700,000.00 1,780,164,528.00	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	386,537,041.00 165,000,000.00 264,000,000.00 €815,537,041.00	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	354,429,256.00 940,000,000.00 940,000,000.00 €2,234,429,256.00	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	307,889,995.72 71,600,000.00 63,600,000.00 117,300,000.00 €560,389,995.72	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	490,432,576.00 160,000,000.00 160,000,000.00 €810,432,576.00	3M Euribor + 0.65% 3M Euribor + 1.00% 3M Euribor + 0.65% + Extra part	Moody's España DBRS	15/12/2011	€ 650,432,576.00	
FTA PYMES SANTANDER 3	Series A Series B Series C	726,791,775.86 266,900,000.00 314,000,000.00 €1,307,691,775.86	3M Euribor + 0.30% 3M Euribor + 0.50% 3M Euribor + 0.50% + Extra part	S&P DBRS	17/07/2012	€ 993,691,775.86	
FTA PYMES SANTANDER 4	Series A Series B Series C	1,146,815,550.25 397,500,000.00 530,000,000.00 €2,074,315,550.25	3M Euribor + 0.30% 3M Euribor + 0.50% 3M Euribor + 0.50%+Extra part	Moody's España DBRS	13/11/2012	€ 1,544,315,550.25	
SANTANDER CONSUMER SPAIN AUTO 12-1	Series A Series B	425,000,000.00 75,000,000.00 €500,000,000.00	3M Euribor + 0.30% 3M Euribor + 0.50%	Moody's España Fitch	20/11/2012	€ 500,000,000.00	
FTA PYMES SANTANDER 5	Series A Series B Series C	1,175,909,680.80 342,000,000.00 342,000,000.00 €1,859,909,680.80	3M Euribor + 1.00% 3M Euribor + 1.10% 3M Euribor + 0.50%	Moody's España DBRS	14/05/2013	€ 1,517,909,680.80	
F.T.A. SANTANDER	Series A Series B Series C	483,924,382.50 162,500,000.00 117,000,000.00 €763,424,382.50	3M Euribor + 0.30% 3M Euribor + 0.40% 3M Euribor + 0.50%	Moody's España DBRS	25/06/2013	€ 646,424,382.50	
TOTAL FTA		€31,725,991,228.19				€67,790,324,362.08	

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	Supervision Committee of the European Banking Federation	Chairman
				Banco Santander Brasil	Director
				Santander Consumer Finance SA	Director
				Supervision Committee of Santander Consumer AG	Member
				Supervision Committee of Bank 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
Gabriel de Escalante Yangüela	Banking	Employee	Deputy General Manager	Geoban, S.A.	Chairman
				Santander Operaciones Retail, SA	Chairman
				Grupo Konecta, SL	Director
Jesús Fuentes Colella	Banking	Employee	Assistant General Manager	-	-
Jesús Cepeda Caro	Banking	Employee	Assistant General Manager	Gesban S.A.	Chairman and Director
Ana Bolado Valle	Banking	Employee	Deputy General Manager	Sistemas 4B	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 2010, 2011 and 2012 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 2011 and 2012 and as at 31st August 2013 (not audited) are shown below (amounts expressed in thousands of euros):

Balance sheet as at 31st December 2011, 2012 and as at 30th September 2013 (amounts expressed in thousands of euros)

ASSETS	31/12/2011	31/12/2012	30/09/2013
FIXED ASSETS:			
Intangible fixed assets	-	-	-
Tangible fixed assets	-	-	-
Total fixed assets	-	-	-
CURRENT ASSETS:			
Debtors	330	310	249
Loans to employees	43	38	40
Other debtors	287	272	208
Temporary financial investments	-	-	-
Public Treasury	-	-	-
Cash and banks	9,678	9,966	11,432
Time-period adjustments	1,213	964	796
Total current assets	11,221	11,240	12,477
TOTAL ASSETS	11,221	11,240	12,477

LIABILITIES	31/12/2011	31/12/2012	30/09/2013
EQUITY:			
Subscribed capital	902	902	902
Reserves	182	182	182
Results of the year - Profits	2,917	1,905	2,998
Total Equity	4,001	2,989	4,082
LONG TERM CREDITORS:			
Debts with Group companies	5,663	6,879	6,887
	5,663	6,879	6,887
SHORT TERM CREDITORS:			
Public Treasury	59	71	1,325
Other debts	-	-	15
Debts with Group companies	1,248	997	-
Time-period adjustments	250	304	167
Payable dividend	-	-	-
Total short term creditors	1,557	1,372	1,507
TOTAL LIABILITIES	11,221	11,240	12,477

Profit and Loss Accounts corresponding to the years ended on 31st December 2011, 2012 and as at 30th September 2013 (amounts expressed in thousands of euros).

	31/12/2011	31/12/2012	30/09/2013
CONTINUOUS OPERATIONS			
Net amount of business turnover	10,487	8,948	7,556
Other operating income	6	40	27
Staff expenses	-1,163	-1,163	-729
Other operating expenses	-5,163	-5,161	- 3,380
Depreciation of fixed assets	-	-	-
Impairment and result from disposal of fixed assets	-	-	-
OPERATING RESULT	4,167	2,664	3,475
Financial income from marketable securities and other financial instruments	-	-	-
FINANCIAL PERFORMANCE	-	-	-
PROFIT BEFORE TAX	4,167	2,664	3,475
Profit tax	-1,250	-803	-477
PROFIT OF THE YEAR FROM CONTINUING OPERATIONS	2,917	1,861	2,998
INTERRUPTED TRANSACTIONS	-	-	-
Profit of the year from interrupted transactions, net of tax	-	-	-
RESULT OF THE YEAR	2,917	1,861	2,998

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 DUTIES OF THE ISSUER, FINANCIAL POSITION, AND PROFITS AND LOSSES

8.1. Representation regarding the commencement of transactions and financial statements of the Issuer prior to the date of the Registration Document.

The Managing Company represents 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 transactions 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 Material adverse change in the Issuer's financial situation.

Not applicable.

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

9.1 Representation 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 B Loan Agreement, 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 30th July 2013, 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 2nd September 2013, 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 Moody's and Fitch.
- (h) **The Annual Financial Representations 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 10th October 2013.

1. PERSONS RESPONSIBLE.

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

Ms MARÍA JOSÉ OLMEDILLA GONZÁLEZ, acting in her 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.

Ms MARÍA JOSÉ OLMEDILLA GONZÁLEZ acts in her capacity of Secretary of the Board of Directors of the Managing Company and exercises the powers that were expressly conferred to her for the incorporation of the Fund by the Board of Directors of the Managing Company at its meeting held on the 2nd day of September 2013.

SANTANDER DE TITULIZACIÓN, S.G.F.T., S.A. is the promoter of the ASSET SECURITIZATION FUND, SANTANDER CONSUMER SPAIN AUTO 2013-1 and will be in charge of its administration and legal representation.

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

Ms MARÍA JOSÉ OLMEDILLA GONZÁLEZ, represents 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 her 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. FUNDAMENTAL INFORMATION.

3.1. Interest of the individuals or legal entities participating in the issue.

The individuals and legal entities 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, counterparty to the Fund in the B Loan Agreement and the Subordinated Loan Agreement, as well as Depository Institution of the Liquidity Reserve and Depository Institution of the Commingling Reserve.
- 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, in the absence of Santander Consumer, 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 the Paying Agent.
- e) CREDIT AGRICOLE CIB, BRANCH IN SPAIN (“**CA-CIB**”) acts as Manager of the issue of the Bonds.
- f) SANTANDER BENELUX SA/NV (“**Santander Benelux**”) acts as the Subscriber of the Series A Bonds.

- g) MOODY'S and FITCH act as the Credit Rating Agencies for the Bonds.
- h) 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 to be assigned to the Fund will be extracted, and has been appointed as auditor of accounts for the Fund.
- i) 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 will be used in its entirety for the acquisition of the Credit Rights pooled in the Fund. The Subscriber, after having subscribed the Bonds, 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 Subscriber 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.

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 four hundred and eighty-one million two hundred thousand euros (€481,200,000) that represents 100% of the nominal value of the Bonds, represented by four thousand eight hundred and twelve (4,812) Bonds with a nominal value of ONE HUNDRED THOUSAND (100,000) EUROS each one of them, which are distributed in one sole series (the **Series A**).

b) Subscription of the Issue.

The Managing Company will enter into a Management, Subscription and Payment Agency Agreement, by virtue of which the Subscriber of the Bonds undertakes to subscribe on 18th October 2013 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, will subscribe all the 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).

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.

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 will not charge any kind of fee in its capacity of Subscriber.

c) Compliance with the Royal Decree 216/2008

In compliance with the provisions of article 40 bis of the Royal Decree 216/2008, of 15th February, on the equity of financial entities (the “**Royal Decree 216/2008**”), implemented by the Royal Decree 771/2011, of 3rd June, 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 Bank of Spain. 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 covered or sold, except for the adjustments derived from the amortization of the Bonds described below and that do not affect the fulfilment of the retention commitment. The Assignor will undertake, by virtue of the Deed of Incorporation, to include in its web page 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 d) of the said article 40 bis.1, the Assignor, in its capacity of originator of the securitization, will undertake under the Deed of Incorporation to retain, in a constant manner, the principal of the B Loan and/or the principal of the Subordinated Loan, in such a way that the retention will be equal at any time, at least, to five percent (5%) of the nominal value of the securitized exposures; all of this, in compliance with the terms required by the Bank of Spain to that end.

That the Assignor will undertake to communicate the Managing Company, on a monthly basis, the compliance with the retention commitment assumed, so that the Managing Company, for its part, can make public the said confirmation through its web page, www.santanderdetitulizacion.com. 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 the second paragraph of article 40 quater of the Royal Decree 216/2008, the Assignor must ensure that potential investors can easily access all relevant data, so that they can comply with their obligations of due diligence. That is why –in the case of a transfer to third parties of the securitization bonds, regardless of the amount transferred– the Assignor will include in its web page a reference to the location where such information is available; this information, to the extent deemed relevant, will include data on the credit quality and the evolution of the underlying exposures, the cash flows and the real guarantees supporting 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 supporting 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 2013-1 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. Waterfall 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 Waterfall 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 Waterfall described in section 3.4.6. (4) of the Additional Module:

a) Payment of interest:

The payment of interest accrued on the Series A Bonds holds the second (2nd) position in the Waterfall.

b) Redemption of principal:

The Amount of Principal Retention for the provision of the Available Principal Funds holds the third (3rd) position in the Waterfall established in section 3.4.6.(1)(b) of the Additional Module without prejudice to the Post-Enforcement Waterfall described in section 3.4.6.(4) of the Additional Module. The Available Principal Funds on each Payment Date will be used for the redemption of principal corresponding to the Series A Bonds, which holds the fourth (4th) position in the Waterfall established in section 3.4.6.(1)(b) of the Additional Module without prejudice to the Post-Enforcement Waterfall described in section 3.4.6.(4) of the Additional Module, until it is redeemed in full.

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 transaction 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 Waterfall established in section 3.4.6.(1)(b) of the Additional Module or, as the case may be, according to the Post-Enforcement Waterfall 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: 3.00%;
- B Loan: 3.50%;

- 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 Waterfall established for the Series A in section 3.4.6.(1)(b) of the Additional Module or, if applicable, according to the Post-Enforcement Waterfall 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 December 2013.
- 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 Series A 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 the date corresponding to the fifth (5th) Working Day prior to each Payment Date.

Both any interest resulting in favour 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 Waterfall established in section 3.4.6.(1)(b) of the Additional Module or, if applicable, according to the Post-Enforcement Waterfall 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 Waterfall specified in section 3.4.6.(1)(b) of the Additional Module or, if applicable, according to the Post-Enforcement Waterfall 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 Waterfall 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 Waterfall, 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 Series A 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.

The Bonds will be redeemed at par.

4.9.2 Date and methods of redemption

Available Principal Funds will be used to redeem the Bonds and the principal of the B Loan, once that the Bonds have been redeemed in full, in accordance with the redemption rules.

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 that will be used on each Payment Date for the redemption of the Series A Bonds and the principal of the B Loan, and they 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 Bonds and the Outstanding Balance of the B Loan, and the amount of (ii) the Outstanding Balance of the Credit Rights, excluding any Delinquent Loans plus (iii) the Amount of Principal Retention, i.e., the amounts of principal that the Fund receives until the total redemption of the Series A Bonds by way of the Credit Rights for a maximum amount of eight percent (8%) of the Outstanding Balance of the Credit Rights on each Payment Date and that will be retained in the Principal Account, in compliance with the provisions of section 3.4.4 of the Additional Module, and b) the Available Funds, once that the positions from (1) to (3) of the Waterfall have been paid.

The Legal Maturity Date of the Fund the final redemption of the Bonds will take place on 20th September 2026 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 Waterfall 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**”).

The redemption of Series A Bonds will be accomplished by means of partial redemptions through the reduction of the nominal amount of each Bond included in the Series A on each Payment Date. Notwithstanding the foregoing, pursuant to the rules relating to the Principal Account contained in section 3.4.4. of the Additional Module, on each Payment Date and until the total redemption of the Series A Bonds, available funds will be retained in a maximum amount equal to 8% of the Outstanding Balance of the Credit Rights, by reducing the calculation of the Available Principal Funds according to the amount retained on each Payment Date. Consequently, the redemption of the Bonds will not start until the amounts received by the Fund by way of principal exceed the limit of the Amount of Principal Retention (8% of the Outstanding Balance of the Credit Rights). Once that the redemption of the Bonds has been initiated, the distribution of the principal amounts for the redemption of the Bonds will slow down due to the amounts retained on each Payment Date in the Principal Account, which will finally make the average life of the Bonds be longer. In any case, the said obligation to retain will cease on the Payment Date on which the available funds retained until that Payment Date (not included) exceed the Outstanding Balance of the Series A Bonds on the immediately preceding Payment Date, and on the Payment Date on which the obligation to retain has ceased any amounts retained by way of Amount of Principal Retention must be used for the depreciation of Series A Bonds according to the Waterfall described in section 3.4.6.(1) (b) 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: 8.66% (weighted average interest rate as at 9th September 2013);
- (ii) Default rate in the loan portfolio of Santander Consumer for the same type of assets: annual rate of 5.42% (non-payment for more than 90 days), with a recovery percentage of 35% within 12 months after the first non-payment, with the remaining 65% becoming delinquent loans;
- (iii) Delinquent Loans in the loan portfolio of Santander Consumer for the same type of assets: annual rate of 3.52% from the first year.
- (iv) That the Disbursement Date of the Bonds is 18th October 2013;
- (v) That the ACPR remains constant throughout the life of the Bonds.
- (vi) Accumulated delinquent loans in the Loan portfolio amounting to 4.30% with an ACPR of 2%; 4.12% with an ACPR of 4%; and 3.95% with an ACPR of 6%.
- (vii) Estimated annual Ordinary Expenses of the Fund: annual rate of 0.0245% on the outstanding balance of the Credit Rights, which, during the first year, will correspond to an amount equivalent to 126,000 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>	2.20	2.11	2.03
<i>IRR</i>	3.036%	3.036%	3.036%
<i>Duration (years)</i>	2.30	2.20	2.11
<i>Estimated final life</i>	20-Jun-18	20-Mar-18	20-Mar-18
B Loan			
<i>Average life (years)</i>	5.09	4.87	4.83
<i>IRR</i>	3.549%	3.549%	3.549%
<i>Duration (years)</i>	5.57	5.31	5.26
<i>Estimated final life</i>	20-Dec-18	20-Sep-18	20-Sep-18

The Managing Company expressly states that the financial servicing tables for the Series A 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 the Series A 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			B Loan		
	3.00%			3.50%		
Payment date	Principal	Interests (Gross)	Total flows	Principal	Interests (Gross)	Total flows
18-Oct-13						
20-Dec-13	-	€517.81	€517.81	-	€604.11	604.11
20-Mar-14	€5,353.20	€739.73	€6,092.93	-	€863.01	€863.01
20-Jun-14	€6,939.17	€715.69	€7,654.86	-	€882.19	€882.19
20-Sep-14	€7,859.84	€663.21	€8,523.05	-	€882.19	€882.19
20-Dec-14	€8,499.25	€597.22	€9,096.47	-	€872.60	€872.60
20-Mar-15	€8,157.36	€527.78	€8,685.15	-	€863.01	€863.01
20-Jun-15	€7,847.87	€477.83	€8,325.70	-	€882.19	€882.19
20-Sep-15	€7,507.05	€418.49	€7,925.53	-	€882.19	€882.19
20-Dec-15	€7,045.37	€357.79	€7,403.16	-	€872.60	€872.60
20-Mar-16	€6,494.37	€305.09	€6,799.47	-	€872.60	€872.60
20-Jun-16	€5,931.80	€259.34	€6,191.13	-	€882.19	€882.19
20-Sep-16	€5,496.48	€214.48	€5,710.96	-	€882.19	€882.19
20-Dec-16	€5,017.41	€171.04	€5,188.45	-	€872.60	€872.60
20-Mar-17	€4,526.33	€132.05	€4,658.37	-	€863.01	€863.01
20-Jun-17	€4,052.48	€100.76	€4,153.23	-	€882.19	€882.19
20-Sep-17	€3,642.57	€70.11	€3,712.68	-	€882.19	€882.19
20-Dec-17	€3,164.10	€42.11	€3,206.20	-	€872.60	€872.60
20-Mar-18	€2,465.36	€18.24	€2,483.60	€1,644.80	€863.01	€2,507.81
20-Jun-18	-	-	-	€15,681.02	€867.68	€16,548.70
20-Sep-18	-	-	-	€82,674.18	€729.34	€83,403.53
20-Dec-18	-	-	-	-	-	-
20-Mar-19	-	-	-	-	-	-

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 transactions– 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 30th July 2013, approving the assignment of the Credit Rights.
 - a.2 Resolutions of the Board of Directors of the Managing Company, dated on 2nd September 2013.
- b) Registration of this Prospectus in the CNMV, which was carried out on 10th October 2013.
- c) Formalization of the Deed of Incorporation, which will take place on 16th October 2013, a copy of which will be sent to the CNMV and to Iberclear.
- d) Formalization of the Assignment Agreement, which will take place on 16th October 2013, a copy of which will be sent to the CNMV.

4.13. Date of issue.

The Bonds will be issued on 16th October 2013, the Date of Incorporation.

4.13.1 Subscription Date.

The Subscription Date will be 18th October 2013, from 10.00 am to 12.00 am (Madrid time).

4.13.2 Disbursement Method and Date.

The Disbursement Date will be 18th October 2013.

On the Disbursement Date, the Subscriber 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 Subscriber 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 favour 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-fulfilment 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-fulfilment 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 Subscribor.

- **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**

Moody's criteria

In the event that the rating of the short term unsubordinated and unsecured debt of the Paying Agent as awarded by Moody's is downgraded to a rating lower than Baa3 or P-2, in the long and short terms respectively, then 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 Management, Subscription and Payment Agency Agreement:

(i) To obtain a guarantee on first demand, which guarantees for the Fund, at the mere request of the Managing Company, the prompt fulfilment by the Paying Agent of its payment obligations, from a credit entity or entities with a rating for their debt not lower than Baa3 and P-2, for long and short terms

respectively, which guarantees the commitments assumed by the Paying Agent during the period of time at which the situation of loss is maintained for the rating of Baa3 or P-2, for long and short terms respectively, of the Paying Agent's debt.

(ii) To replace the Paying Agent with an entity with a rating for its debt not lower than Baa3 and P-2, for long and short terms respectively, that undertakes, in the same terms, to perform the duties of the affected entity, as set forth in the respective agreement.

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:	605.00
Others (Rating Agencies, legal advice, notary public, auditor and structuring process):	729,439.29
Total (0.155%):	850,000.00⁻

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. Representation 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 2010, 2011 and 2012, 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:

	Moody's	Fitch
Series A	A3 (sf)	A+ (sf)

As described in Moody's *Rating Symbols & Definitions*, available at www.moody.com, Moody's long term ratings show the probability of default as regards the payment promise made under a contract and the expected financial loss suffered in the case of default.

Credit ratings issued by Moody's represent the current opinions of this rating agency as regards the credit risk, credit commitments or debt and debt-like securities of each analyzed entity and they do not imply the exposition of present or past facts.

Moody's credit ratings only assess the credit risk, without taking into account any other risk elements, including, but not limited to the liquidity risk, the market value risk or the price volatility. The said risks other than the credit risk can have a significant impact on the investor's profits.

The rating given by Fitch measures the capacity of the Fund to timely pay interest and principal of the Bonds over the life of the transaction, and, in any case, prior to the Legal Maturity Date of the Fund, in accordance with the terms set forth in this Prospectus and in the Deed of Incorporation.

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 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 five hundred and fifty million euros (€550,000,000), which is the nominal value of the issue of the Bonds and the principal of the B Loan, jointly.

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 transactions have been provided in order to mitigate the risk of default, as regards both the principal and the interest of the Bonds; the said transactions 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 transactions 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 material 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 individuals and legal entities 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. 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 provisions of its Transitional Provision.

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 Instalment 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 favour 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 Instalment 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 Instalment 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 Instalment 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 prejudge any matters relating to ownership, fulfilment 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 Instalment 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 Instalment 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 Instalment 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 instalments, 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 five hundred and fifty million euros (€550,000,000) (the “**Maximum Amount of the Credit Rights**”), equivalent to the nominal value of the issue of Series A Bonds and the principal of the B Loan.

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 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.

The assignment by Santander Consumer of the 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., five hundred and fifty million euros (€ 550,000,000) 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 Credit Rights will be drawn is made up of fifty-six thousand nine hundred and sixty-eight (56,968) loans, with a principal that has not become due yet, as at 9th September 2013, amounted to five hundred and seventy-nine million seven hundred and seventy-one thousand nine hundred and forty-six euros with sixty-three euro cents (€579,771,946.63). These are loans with no grace period for the repayment of principal or interest, with constant instalments and concession periods ranging from eight (8) months to one hundred and twenty-three (123) months, and with an average granted amount of ten thousand one hundred and seventy-seven euros with fifteen euro cents (€10,177.15).

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

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 car derivatives	21,534,287.51	3.71	2,609	4.58
Light commercial vehicles	21,145,990.33	3.65	1,880	3.30
Medium commercial vehicles	681,222.75	0.12	10	0.02
Four-wheel drive vehicles	123,069,753.75	21.23	8,719	15.30
Passenger Cars	413,340,692.29	71.29	43,750	76.80
Totals	579,771,946.63	100	56,968	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: N / U	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
New	443,383,758.63	76.48	37,664	66.11
Used	136,388,188.00	23.52	19,304	33.89
Totals	579,771,946.63	100.0	56,968	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	275,746,971.10	47.56	22,288	39.12
20 - 40	204,903,685.86	35.34	19,725	34.63
40 - 60	77,948,377.74	13.44	10,577	18.57
60 - 80	20,310,690.81	3.50	4,074	7.15
80 - 100	862,221.12	0.15	304	0.53
Totals	579,771,946.63	100	56,968	100

Down payment < 20%	47.56%
Down payment from 20% to 60%	48.79%
Down payment > 60%	3.65%

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 28.58% 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 value of the purchase of the financed vehicle plus, where appropriate, the financing of the formalization fees (opening, study and information, where appropriate) and/or insurance expenses linked to the transaction.

% of the amount granted as regards the value of the vehicle	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
0 - 20	603,457.93	0.10	226	0.40
20 - 40	14,814,369.82	2.56	3,135	5.50
40 - 60	59,695,816.28	10.30	8,721	15.31
60 - 80	129,107,788.47	22.27	13,914	24.42
80 - 100	273,227,657.96	47.13	23,138	40.62
> 100	102,322,856.17	17.65	7,834	13.75
Totals	579,771,946.63	100	56,968	100

Minimum	3.42%
Maximum	1,524.70%
Average	78.43%

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 transactions 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	579,771,946.63	100	56,968	100
Totals	579,771,946.63	100	56,968	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)	15,572,461.97	2.69	1,305	2.29
With personal third-party guarantee (with co-holders)	244,574,914.19	42.18	22,056	38.72
Without personal third-party guarantee (without guarantor or co-holders)	319,624,570.47	55.13	33,607	58.99
Totals	579,771,946.63	100	56,968	100

2) Loan with reservation of title:

All the loans included in the Preliminary Portfolio have a reservation of title clause; for 63.77% of the outstanding principal of the Loans, the said reserve is registered in the Register of Instalment Sales of Movable Properties.

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 - 10,000	202,316,808.08	34.90	32,223	56.56
10,001 - 20,000	294,547,378.49	50.80	21,373	37.52
20,001 - 30,000	70,644,763.96	12.18	3,064	5.38
30,001 - 40,000	7,237,537.14	1.25	218	0.38
40,001 - 50,000	2,273,625.89	0.39	52	0.09
50,001 - 60,000	1,009,216.39	0.17	19	0.03
60,001 - 70,000	391,468.76	0.07	6	0.01
70,001 - 80,000	451,368.42	0.08	6	0.01
80,001 - 90,000	174,049.15	0.03	2	0.00
90,001 - 100,000	191,038.49	0.03	2	0.00
> 100,000	534,691.86	0.09	23	0.01
Totals	579,771,946.63	100	56,968	100

Maximum amount (€)	197,707.70
Minimum amount (€)	560.04
Average amount (€)	10,177.15

g) Debtors.

The following table shows the distribution according to the type of debtor (individuals or legal entities):

Type of person	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Individual	554,562,124.63	95.65	54,908	96.38
Legal entity	25,209,822.00	4.35	2,060	3.62
Totals	579,771,946.63	100	56,968	100

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

Nationality	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Foreign	36,958,797.55	6.37	4,060	7.13
Spanish	542,813,149.08	93.63	52,908	92.87
Totals	579,771,946.63	100	56,968	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	413,720,487.17	71.36	40,974	71.92
Self-employed	76,278,669.10	13.16	6,888	12.09
Companies	25,209,822.00	4.35	2,060	3.62
Unemployed	28,346.66	0.00	2	0.00
Does not work	41,426,555.96	7.15	4,413	7.75
Pensioner	23,108,065.74	3.99	2,631	4.62
Totals	579,771,946.63	100	56,968	100

The employment status of “Unemployed” corresponds to individuals that are currently receiving unemployment benefits and, thus, are registered with the Social Security.

The employment status of “Does not work” corresponds to students, housewives or people that do not receive any income. The Loans granted to these individuals 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 3.5% to 13.59%; the weighted average interest rate of the Loans amounts to 8.66%.

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

Interest rate	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
3.00 - 3.99	16,881.51	0.00	2	0.00
4.00 - 4.99	327,836.70	0.06	13	0.02
5.00 - 5.99	3,417,592.88	0.59	155	0.27
6.00 - 6.99	45,119,859.09	7.78	3,708	6.51
7.00 - 7.99	133,797,754.51	23.08	12,222	21.45
8.00 - 8.99	174,854,349.12	30.16	17,064	29.95
9.00 - 9.99	205,357,096.21	35.42	20,766	36.45
10.00 - 10.99	16,025,012.93	2.76	2,870	5.04
11.00 - 11.99	768,019.32	0.13	148	0.26
12.00 - 12.99	80,839.29	0.01	17	0.03
13.00 - 13.99	6,705.07	0.00	3	0.01
Totals	579,771,946.63	100	56,968	100

Maximum interest rate	13.59
Minimum interest rate	3.50
Weighted average interest rate	8.66

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

Formalization date.

Year of granting	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
2008	4,782.36	0.00	1	0.00
2010	17,959,084.26	3.10	1,925	3.38
2011	103,939,375.31	17.93	9,617	16.88
2012	263,638,380.48	45.47	25,927	45.51
2013	194,230,324.22	33.50	19,498	34.23
Totals	579,771,946.63	100	56,968	100

Minimum date of granting	18-09-2008
Maximum date of granting	31-05-2013
Weighted average:	03-02-2012

The percentage of loans granted in 2012 amounts to 45.47% of the total balance in the Preliminary Portfolio.

The percentage of loans granted in 2013 amounts to 33.50% of the total balance in the Preliminary Portfolio.

The average age of the Preliminary Portfolio is 13.42 months.

Final Maturity Date.

The weighted average for the maturity date is 4.96 years.

Date of maturity	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
2013	53,171.20	0.01	24	0.04
2014	7,398,343.97	1.28	2,262	3.97
2015	32,086,097.27	5.53	6,314	11.08
2016	77,729,892.65	13.41	10,869	19.08
2017	118,210,673.86	20.39	12,360	21.70
2018	121,219,342.03	20.91	10,460	18.36
2019	84,852,054.57	14.64	6,207	10.90
2020	52,572,175.87	9.07	3,450	6.06
2021	37,305,376.97	6.43	2,277	4.00
2022	39,265,994.75	6.77	2,251	3.95
2023	9,078,823.49	1.57	494	0.87
Totals	579,771,946.63	100	56,968	100

Minimum date of maturity	05-11-2013
Maximum date of maturity	25-05-2023
Weighted average:	06-03-2018

Term to maturity

Term to maturity (months)	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
0 - 25	23,357,697.27	4.03	5,807	10.20
25 - 50	186,898,215.70	32.24	23,661	41.53
50 - 75	225,769,303.85	38.94	18,648	32.73
75 - 100	95,401,911.57	16.45	6,107	10.72
100 - 125	48,344,818.24	8.34	2,745	4.82
Totals	579,771,946.63	100	56,968	100

Minimum remaining term	2
Maximum remaining term	116
Weighted average	51

j) Original term of the loans.

Term of granting (months)	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
0 - 25	15,216,004.63	2.62	4,129	7.25
25 - 50	96,865,400.48	16.71	14,048	24.66
50 - 75	256,383,044.57	44.22	24,836	43.60
75 - 100	133,977,213.76	23.11	9,442	16.57
100 - 125	77,330,283.19	13.34	4,513	7.92
Totals	579,771,946.63	100	56,968	100

Maximum term of granting	123
Minimum term of granting	8
Weighted average term	73

k) Specification of geographical distribution according to Autonomous Regions.

Autonomous Region	Outstanding Principal		Loans	
	Amount (€)	%	Number of loans	%
Andalusia	128,430,158.40	22.15	12,738	22.36
Catalonia	74,522,681.65	12.85	6,849	12.02
Madrid	72,151,479.48	12.45	7,172	12.59
Valencia	68,005,826.11	11.73	6,517	11.44
Canary Islands	47,082,726.43	8.12	5,234	9.19
Galicia	41,658,704.94	7.19	4,134	7.26
Castile - La Mancha	24,624,257.64	4.25	2,409	4.23
Castile - Leon	21,083,891.77	3.64	2,015	3.54
Murcia	17,835,965.45	3.08	1,584	2.78
Balearic Islands	16,178,740.31	2.79	1,763	3.09
Extremadura	14,599,533.55	2.52	1,527	2.68
Basque Country	12,981,365.92	2.24	1,214	2.13
Asturias	11,040,332.32	1.90	992	1.74
Aragon	9,701,712.00	1.67	948	1.66
Cantabria	7,418,356.71	1.28	709	1.24
Navarre	4,817,204.16	0.83	442	0.78
Melilla	3,337,339.43	0.58	299	0.52
La Rioja	2,880,526.24	0.50	308	0.54
Ceuta	1,421,144.12	0.25	114	0.20
Totals	579,771,946.63	100	56,968	100

l) Repayment system by means of monthly instalments

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

Data as at 31/12/2008			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	1,597,574,615.59	90.59%	7.55%	1.86%	40.22%
		Used	240,574,368.46	81.54%	14.40%	4.06%	33.43%
	Rest	New	373,849,681.26	89.54%	8.27%	2.19%	34.25%
		Used	28,014,102.26	80.98%	14.30%	4.72%	29.50%
TOTAL			2,240,012,767.57	89.32%	8.49%	2.19%	38.36%
Data as at 31/12/2009			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	1,369,090,910.35	84.59%	9.45%	5.96%	40.10%
		Used	160,290,880.87	64.05%	18.36%	17.59%	33.24%
	Rest	New	256,560,089.02	77.76%	15.98%	6.26%	34.00%
		Used	17,112,651.46	58.32%	24.71%	16.97%	29.25%
TOTAL			1,803,054,531.70	81.54%	11.32%	7.14%	38.51%
Data as at 31/12/2010, Updated			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	1,216,690,766.52	81.31%	8.55%	10.14%	42.27%
		Used	200,784,801.15	69.82%	7.68%	22.50%	39.38%
	Rest	New	320,893,501.64	66.86%	16.97%	16.17%	46.99%
		Used	17,368,127.57	56.67%	12.76%	30.57%	39.53%
TOTAL			1,755,737,196.88	77.11%	10.03%	12.86%	45.67%
Data as at 31/12/2011			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	995,989,852.43	78.42%	6.76%	14.82%	46.57%
		Used	139,355,735.06	72.44%	3.13%	24.43%	39.24%
	Rest	New	252,641,766.45	59.70%	9.82%	30.48%	47.90%
		Used	11,360,181.43	51.32%	5.61%	43.07%	39.79%
TOTAL			1,399,347,535.37	74.22%	6.94%	18.84%	45.81%
Data as at 31/12/2012			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	RECOVERY RATIO
AUTOMOTIVE SECTOR	Passenger Car	New	914,333,999.19	81.48%	7.39%	11.13%	46.97%
		Used	137,230,190.42	84.22%	4.17%	11.61%	41.37%
	Rest	New	207,552,818.42	57.34%	10.81%	31.85%	48.12%
		Used	9,771,247.77	71.83%	5.94%	22.23%	41.43%
TOTAL			1,268,888,255.80	77.76%	7.59%	14.66%	46.11%
Data as at 30/06/2013			TOTAL RISK	NON-DOUBTFUL	DOUBTFUL	DELINQUENT	
AUTOMOTIVE SECTOR	Passenger Car	New	1,016,725,920.45	86.48%	6.04%	7.49%	
		Used	206,236,657.23	91.27%	3.41%	5.33%	
	Rest	New	195,805,752.07	60.26%	10.29%	29.45%	
		Used	12,900,134.05	83.24%	4.49%	12.26%	
TOTAL			1,431,668,463.80	83.55%	6.23%	10.22%	

(*) Includes delinquent risk

Since 2009 there has been a dramatic reduction in used car (VO) financing, with the toughening of risk policies, which made Santander Consumer go from the market leading position to the sixth position. During 2010, the portfolio was cleaned up and the VO market was newly opened in an orderly manner, with more restrictive policies and a new more predictive scoring model, which explains the lower VO default rates at the end of that year¹.

n) Information on recoveries and returns as at 30th June 2013

Information on recoveries and returns as at 30th June 2013.

€millions	Accumulated 06/2013(*)	Data for June 2013
Total Returns	93.86	14.03
Total Recoveries	84.68	12.59
Total Recovery %	90.22%	89.74%

(*) On the period comprised between 01/01/2013 and 30/06/2013

The recovery ratio on returns during the month of June 2013 amounts to 89.74%. Recovery on returns is the ratio between the instalments recovered and the total instalments returned in the month. Technical non-payments are included.

o) Formalization of Loans included in the Preliminary Portfolio

From the random sample of the Preliminary Portfolio, subject matter of the audit report, approximately 96.68% of the balance of the sample corresponds to loans formalized under private contracts and 3.32% of the balance of the sample corresponds to loans formalized under a deed granted before a Notary Public.

p) 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	343,174.46	0.06	34	0.06
Debtor 2	226,599.71	0.04	2	0.00
Debtor 3	197,707.70	0.03	1	0.00
Debtor 4	197,707.70	0.03	1	0.00
Debtor 5	137,031.34	0.02	2	0.00
Debtor 6	97,634.52	0.02	1	0.00
Debtor 7	93,403.97	0.02	1	0.00
Debtor 8	92,919.57	0.02	4	0.01
Debtor 9	86,725.90	0.01	1	0.00
Debtor 10	78,925.95	0.01	17	0.03
Rest of debtors	578,220,115.81	99.73	56,904	99.89
Totals	579,771,946.63	100	56,968	100

¹ Source used: ASNEF.

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.

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 Instalment Sales of Movable Properties and in the Register of Motor Vehicles of the Directorate-General for Traffic).

The Loans 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 May 2023. Consequently, the Legal Maturity Date of the Fund is 20th September 2026.

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 on the Date of Incorporation. The maximum amount of the Outstanding Balance of the Credit Rights pooled in the Fund will be equal to or slightly higher than five hundred and fifty million euros (€550,000,000) equivalent to the nominal value of the issue of Series A Bonds and the principal of the B Loan. 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 Bonds and the principal of the B Loan.

The Preliminary Portfolio from which the Credit Rights will be drawn is made up of fifty-six thousand nine hundred and sixty-eight (56,968) loans, with a principal that has not become due yet, as at 9th September 2013, amounting to five hundred and seventy-nine million seven hundred and seventy-one thousand nine hundred and forty-six euros with sixty-three euro cents (€579,771,946.63).

Loans that have instalments 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 five hundred and fifty million euros (€550,000,000), the amount of the nominal value of the issue of Series A Bonds and the principal of the B Loan.

17.65% 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 licence withdrawal, total loss and all risk insurances) or fees (opening, equal to 3% of the financed capital with a minimum of 180 euros for transactions ranging from 3,000 euros to

6,000 euros, and a minimum of 90 euros for transactions 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 individuals or legal entities for the purchase of new and used vehicles. The procedure for the formalization of the Loans is described below.

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 behaviour 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 analyse 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)
 - Mortgage²
 - Others
 - *Stock Finance*³
- 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 transactions 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 transactions relating to the automotive sector financing for SMEs and Individuals of any portfolio).
- A part of the credit decisions (e.g., transactions 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 transactions, for the purposes of optimizing the ratio between risk and profitability.

² Portfolio with no new productions.

³ Product corresponding to the corporate risk scope.

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.

a) Sourcing channels

Transactions 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 individuals or legal entities 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 transactions.

	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 transaction (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 securitization process includes the *Doble TIN XXL* [Double NIR XXL] campaign; this is a product with 2 differentiated redemption tranches: a first tranche with a Nominal Interest Rate (NIR) at 0% for a period to be established according to the campaign (3, 6, 9 or 12 months) and a second tranche with a fixed Nominal Interest Rate (NIR). The process followed to admit the applications corresponding to these campaigns is not different from the process for any other applications and the same automatic decision-making models will be used; the highest instalment corresponding to the second tranche of the term of the loan will always be used to measure the indebtedness.

Given that the highest amount of the credit risk corresponds to individuals, businesses and small companies, it is apposite to state that the credit management of these transactions 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) Transactions 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 individuals.
- Applications for proposals from corporate bodies when the outstanding risk is lower than or equal to €250,000. Likewise, we have:
 - ✓ Individual transactions 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 transactions, we are dealing with credit lines (committed or uncommitted), they will fall within the evaluation scope of Portfolio Risks and will be analysed by the Company Analysis Unit (regardless of the risk amount requested).
 - ✓ Transactions with Companies in which any Public Bodies have a majority or minority participation.
 - ✓ Transactions 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 transactions 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 transactions is always started at the request of the Advisor. An Advisor is an individual or legal entity that assigns financing transactions 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 transaction (amount, term, purpose, payments...) and the information data (personal, employment and solvency) are introduced.

In the event that the transaction 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 behaviour 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 transactions for which the model, due to their type, cannot make an automatic decision (grey area of scoring or fulfilment of rules).

As transaction 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 transaction, 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 instalments during the life of the transactions; 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 transactions 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-fulfilment of any of the credit rules and, more specifically, those related to default.

The system used for the resolution of transactions 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.

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

- **Approved:** the transaction is feasible according to the gathered information.
- **Rejected:** the transaction is not feasible.
- **Review:** the transaction 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 transaction 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 transactions 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 transaction.

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

II. Delegated powers or duties.

The procedure followed for the delegation of powers established by Santander Consumer España in connection with the approval of transactions 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 transactions 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 individuals
 - ✓ Up to €500,000 in the case of applications made by individuals with mortgage guarantee
 - ✓ Up to €250,000 of total risk for proposals made by legal entities

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 transactions 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 individuals	Applications made by individuals with mortgage guarantee	Applications made by legal entities (SMEs).
Standardized Risk Manager	€250,000	€500,000	€250,000
Person in charge of Policies and Portfolio Management	€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 individuals	Applications made by individuals with mortgage guarantee	Applications made by legal entities 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 transactions 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.

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 our appetite for risk, economic policies, client’s profile... but, in general, in all our 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 individuals - new vehicles, one for individuals - 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	Segment of customer	Scope of application	Area of application	Date of implementation	Date of end of validity	Development
SEAN	Individual	Automotive - New	Financing/Leasing	Dec-99	Dec-09	External - Experian
SEAU	Individual	Automotive - Used	Financing/Leasing	Dec-99	Nov-09	External - Experian
AUS1	Individual	Automotive - Used	Financing/Leasing	Nov-09		Internal (PM)
ANV1	Individual	Automotive - New	Financing/Leasing	Dec-09		External - FICO
PME1	SMEs	Automotive - Non-portfolio companies	Financing/Leasing	Jun-10		External - Experian
PV11	SMEs (Transolver)	Automotive - Non-portfolio companies	Financing/Leasing	Oct-12		External - Experian
ATN1	Individual - Self-Employed Worker	Automotive - New / Used	Financing/Leasing	Dec-12		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, our 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 behaviour.
 - ✓ **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 a transaction, regardless of the score obtained. These rules will be applied to all the applications assessed by the model.

There are three blocks of exclusion rules:

- ✓ **Fraud Rules:** Rules used to identify cases of possible fraud
- ✓ **External Experience Rules:** these are rules that show negative experience with the applicant of the transaction. The said rules are based on information from external files.
- ✓ **Internal Experience Rules:** Applicants with refinancing applications and/or transactions at SC España, applicants with ongoing transactions 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.).

- **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 fulfils one of these rules cannot be approved by the System, whilst the analyst does not validate that the said transaction 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 transaction. 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 transaction in question.
- Consequently, in the event that, following the said 45 days starting from the approval, the transaction 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 transactions, the investment amounts plus the risk assumed with the client, from which the contracts and annexes relating to Financing and Leasing transactions must be formalized before a notary public, are those listed below:

- ✓ Automotive sector products

Transactions 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
Transactions with New Commercial Vehicles	Equal to or higher than €24,000

- ✓ For the rest of transactions 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 transactions will be:

Rest of transactions	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 transaction 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 transaction 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 transactions, 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 transaction.

With respect to the mortgage transactions, 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 transactions (readjustment and refinancing) of standardized risk clients must be formalized before a notary public, when the following conditions are met:

- ✓ Transactions previously formalized as such (originally)
- ✓ Transactions the holder of which has any financial records in Asnef, communicated by entities other than the Group Santander Consumer España.
- ✓ Restructuring processes of transactions 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 transactions 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 Instalment Sales:

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

According to the behaviour of the interested parties, it may be necessary to register transactions the registration of which was not initially compulsory. These transactions 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 transactions to be carried out for the registration in the Register of Instalment 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 Instalment Sales of Movable Properties; the reservations of title corresponding to the transactions 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 instalments.
- 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 transactions), the registration will always be carried out, regardless of the financed amount.

- Motorbikes

The registration will be carried out if the investment of the transaction 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 transaction, they will not be registered, unless otherwise specified by the person authorizing the transaction.

Under a financing transaction, it is necessary to register the transactions 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 transaction.

✓ File of the Register of Instalment Sales

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

Once that the transaction 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 transaction.

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 transaction 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 instalments
- 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 transaction 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 transaction.
- 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 (Behaviour 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 transactions, 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 transactions assigned to them.

To that end, the purpose of the Risk Monitoring is to define, analyze, predict and model the behaviour 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 behaviours such as qualifying the quality of risks and detecting those that are problematic, but also to proactive behaviours 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 transactions 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 fulfilment 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 behaviour...)

Behaviour reports are prepared on a quarterly basis about the transactions 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 transactions 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 transactions 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
- ✓ Delinquent loans (with details on the delinquent loan)

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 transaction 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 transactions 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 transactions.

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 transactions 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

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 instalments 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 instalments 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 transaction 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 transaction 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).

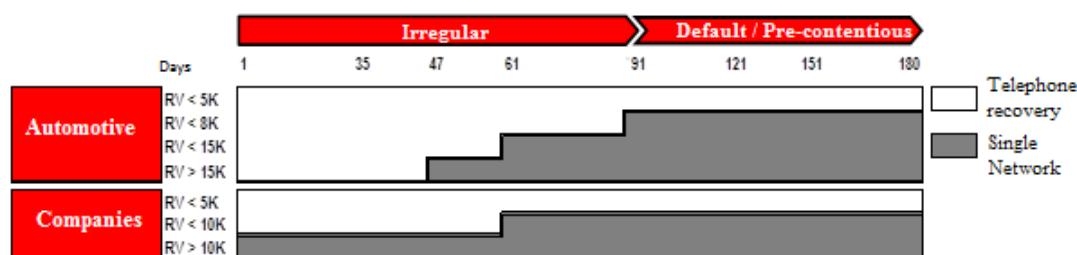
The main parameters are: method of entrance and exit of the tranche (manual or automatic), date of maturity of the tranche; date of receipt of the non-payment; and the number of instalments that have not been paid.

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 a transaction 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 instalments.

As regards the new 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 (including Payment Order Procedures), 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.

a) Telephone recovery

The Pre-telephone manageable Tranche or Tranche 0 (T0): this situation includes files with only a single unpaid instalment with no more than 26 days of non-payment starting from the maturity date. There are two management methods: the Technical Recovery and the Mass Management.

In the case of transactions 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 instalments 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 transactions 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 diallers) 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 instalments 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 dialling 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.

Transactions 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 or Payment Order Procedures 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 transactions are distributed among various recovery companies, and this generates greater competition. The management will continue to be made via telephone, by combining the mass dialling with the portfolio management and by giving great importance to locating clients by means of dialling 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 transactions 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 transactions that have surpassed the said deadline; they may only keep those transactions 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 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 transactions.

b) 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.

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

c) **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**, which in general manages clients/files with unpaid amounts exceeding 10,000 euros.

- “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 unpaid instalment does not exceed 180 days starting from its maturity. In general, the management tasks of this Network commence on the 45th day starting from the non-payment of the oldest instalment, although a client-based view is applied, which could “drag” files with shorter periods of non-payment to the managers of that Network.

The aim is to recover the debt and, to that end and according to the files, in addition to the recovery of the unpaid instalments, 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 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.

d) **Payment Order Procedures**

The transfer to Payment Order Procedures is made according to the products, in accordance with the criteria relating to the age of the debt, Outstanding Risk and Solvency, as shown below:

Product	Type of client	Amount	Vehicle type	Age	Reservation of title	Original Contract
Financing	Non-portfolio	> €2,000	VO	> 4 years	No	Yes
	Non-portfolio	> €2,000	VN	> 4 years	No	Yes

There is a possibility of transferring files to Payment Order Procedures 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.

- **Initial registration of files.**

On a weekly basis, the files that have arrived at each one of the Payment Order Procedure centres are registered; each transaction is assigned a Contentious file number.

The registration process is started by sending a request to the Data Processing Centre of Santander Consumer, which, on the following day, confirms the number of files that have been registered.

- **Assignment of files.**

Once that the file registration process is completed, the files are assigned to the agents according to the portfolio. This management is complemented by specific mass management campaigns through the use of mass dialling tools.

The assignment of files is manually carried out by the coordinator.

Once that the assignment is carried out, a check is performed to ensure that no file has been left unassigned.

- **Control instruments.**

This check is carried out through the AS400 system, which verifies that the distribution has been fully performed and informs the agents of the new transactions assigned. This assignment is also registered in SUGRE.

The control and follow-up of the management are carried out through the log existing in the contentious system in AS400.

- **Management of files.**

Once that the files have been assigned to the agents, it is necessary to initiate, in parallel, the procedural channel by the Payment Order Procedures administration department and the telephone management carried out by the agent.

- **Telephone Management.**

Once that the file is assigned to the agent, the agent must, on a daily basis:

- ✓ Verify the effective fulfilment of payment agreements reached in the management process; the management task must be resumed in the case of any breaches.
- ✓ In this classification, the agent will perform a follow-up of the payment agreements through the rescheduling of management processes.
- ✓ Review the new assignments and start the management of new files, by prioritizing the management of these files according to the Outstanding Risk.
- ✓ Try to make contact by means of possible telephone numbers for 15 days, by calling at different times of the day.
- ✓ If no contact is made by using the telephone number specified in the file, a search is begun in different public sources such as telephone directory, yellow pages, QDQ, etc. The telephone agent performs the management of files by bearing in mind, “always”, their procedural situation.

- **Judicial management.**

In parallel to the commencement of the telephone management, it is necessary to claim, by means of the Payment Order Procedures, the files with an Outstanding Risk exceeding €3,000 and with, at least, two unpaid instalments.

e) Contentious, other procedures

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

Department	Entry	Product	Outs. Risk/ Instalments	Contract Formalization Date	Vehicle type	Reservation of title	Original contract
Legal advice network	175 days	AUTOMOTIVE (Financing)	> €2,000	Less than 4 years			
				4 years or more		✓	

There is a possibility of transferring to Contentious those files with an age below the age specified above; this transfer must be authorized by the Regional Pre-contentious Committees or by direct decision of 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 transaction 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 transactions 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 20 days, as regards files assigned to the Legal Advice Network, and 30 days, as regards files assigned to the Office of Companies.

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, judgements, etc.

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.

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

Santander Consumer, in its capacity of holder of the Loans until their assignment to the Fund and as Assignor of the Credit Rights, will represent and warrant 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 entity 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 2010, 2011 and 2012 have been duly audited, and that it has the audit report corresponding to the last of the said years, the year 2012, with a favourable 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 their assignment to the Fund and all the aspects related to this transaction 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 Santander Consumer has faithfully followed the usual criteria contained in the Internal Memorandum and described in section 2.2.7 of this Additional Module in connection with the granting of each and every one of the Loans. Consequently, none of the Loans has been automatically denied or rejected according to the said criteria.
- (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 Instalment 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 Instalment 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 individuals or legal entities 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 individuals or legal entities 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 transactions.
- (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 analysed and supervised by Santander Consumer.
- (19) That on the Date of Incorporation, 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 May 2023.
- (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.

- (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 instalments of the Loans are payable on a monthly basis.
- (29) 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.
- (30) That the payments of the Debtor deriving from the Loans are not subject to any tax deduction or withholding.
- (31) That each Loan constitutes a valid payment obligation that is binding upon the Debtor and is enforceable in accordance with its own terms.
- (32) That the Credit Rights are governed under the Spanish laws.
- (33) That none of the Loans has been formalized as a financial lease agreement.
- (34) That all of the Loans have been fully drawn by the corresponding Debtor.
- (35) That the payments for Loans are up to date.

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. The Managing Company and the Assignor will guarantee in the Assignment Agreement that the Loans that will be assigned to the Fund do not have any outstanding instalments.

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 of the Additional Module, 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 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 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. Representation 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, will issue the Bonds and will formalize the B Loan.

This transaction will be formalized by virtue of (i) the Assignment Agreement and (ii) the Deed of Incorporation of the Fund and issue of the Bonds.

A copy of the Deed of Incorporation will be sent to Iberclear and to the CNMV prior to the Subscription Date of the Bonds.

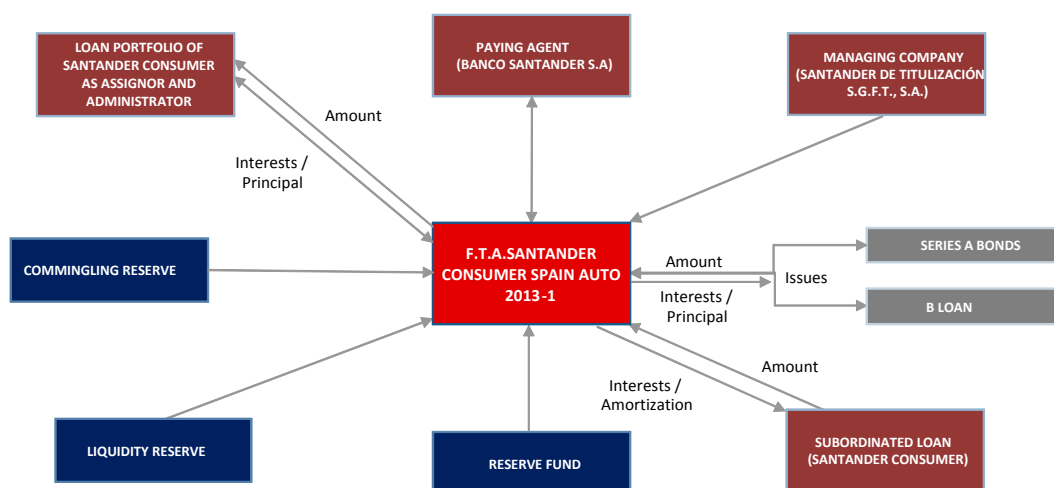
On another subject and in order to strengthen its financial structure and to procure the greatest possible hedge for the risks inherent in the issue, the Managing Company, acting on behalf of the Fund, will proceed to formalize, among others, the contracts specified below, with the power –in order to 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.

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 B Loan, used by the Managing Company for the partial acquisition of the Credit Rights, and 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 that has not become due, to create the Initial Reserve Fund and the various reserves established by the structure of the Fund.

Finally, the Managing Company, for and on behalf of the Fund, will enter into the Management, Subscription and Payment Agency Agreement with the Subscribor, 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	€552,300,000.00	ISSUES	€550,000,000.00
Principal	€550,000,000.00	Series A Bonds	€481,200,000.00
Interest accrued and not collected	€2,300,000.00	B Loan	€68,800,000.00
Cash Account	€55,850,000.00	Subordinated Loan	€58,150,000.00
TOTAL:	€608,150,000.00	TOTAL:	€608,150,000.00

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 in sub-sections b) and c).

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 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 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) Price of sale or assignment of the 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 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 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, the B Loan 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 Credit Rights is terminated, (i) the obligation of the Fund to pay the price for the acquisition of the 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 favour of the Fund due to the assignment of the 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.

c) Description of the rights that, in favour 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 favour 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 favour 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 fulfil 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.

SCF is a Spanish credit entity 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 weighted average interest rate of the selected Loans as at 9th September 2013, as set forth in section 2.2.2 h) above, is eight point sixty-six percent (8.66%), which is higher than the percentage of three percent (3.00%) that is the nominal rate of the 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 transactions described below in the act of execution of the Deed of Incorporation, in accordance with the applicable regulations.

The credit enhancement transactions 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 Subordinated Loan with the following characteristics:

(i) Required Level of the Reserve Fund:

The Reserve Fund will initially amount to fifty-five million euros (€ 55,000,000), equivalent to ten percent (10.00%) of the initial amount of the Series A Bonds and the B Loan (the "**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**", which will be equal to the highest amount among the following:

- (i) 20% of the Outstanding Balance of the Series A Bonds and the principal pending redemption of the B Loan; and
- (ii) twenty-seven million five hundred thousand euros (€7,500,000), equivalent to 5% of the initial amount of the Series A Bonds and of the B Loan.

If there are sufficient Available Funds according to the Waterfall or, if applicable, the Post-Enforcement Waterfall described in sections 3.4.6.(1)(b) and 3.4.6. (4) below, respectively, the Subordinated Loan will be amortized on each Payment Date for such an amount that the resulting outstanding balance of the Subordinated Loan is equivalent to the Required Level of the Reserve Fund on the said Payment Date.

Notwithstanding the foregoing, the Reserve Fund may not decrease during the three (3) years following the incorporation of the Fund and may never do so upon the occurrence of any of the following circumstances:

- That on the previous Payment Date, the Reserve Fund did not reach the Required Level of the Reserve Fund.
- That on the Determination Date prior to the Payment Date, the amount of the Outstanding Balance of Defaulted Assets is higher than 2.0% of the Outstanding Balance of Non-Delinquent Assets.
- That the accumulated balance of the Delinquent Assets is higher than 1.25% of the initial balance of the Assets.

(ii) Use:

The Reserve Fund will be applied, on each Payment Date, to the fulfilment of the payment obligations contained in the Waterfall and, where appropriate, in the Post-Enforcement Waterfall 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.

a) 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 fifty-eight million one hundred and fifty thousand euros (€58,150,000), which will be used (i) 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, (ii) to create the Reserve Fund.

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 three point five hundred and sixty-seven percent (3.567%) and will be paid only if the Fund has sufficient Available Funds in accordance with the Waterfall established by section 3.4.6.(1)(b) or, where applicable, in accordance with the Post-Enforcement Waterfall 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.

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 Waterfall established by section 3.4.6.(1)(b) of this Additional Module, on the immediately following Payment Date.

The Subordinated Loan –as regards the part of the excess of funds (used to cover the expenses incurred in the issue) and the amount of any interest accrued and not due and, if applicable, any interest due and not paid– will be early repaid on the first Payment Date, provided that the Fund has sufficient Available Funds in accordance with the Waterfall established by section 3.4.6.(1)(b) of this Additional Module; however, as regards the part corresponding to the amounts to be used for the creation of the Reserve Fund, it will be repaid subject to the Waterfall or, if applicable, to the Post-Enforcement Waterfall established by the sections 3.4.6. (1) (b) and 3.4.6. (4) below, respectively, according to the reductions of the Reserve Fund pursuant to the provisions of section 3.4.2.2 above.

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.

b) B Loan Agreement

In accordance with the provisions of the B Loan Agreement, Santander Consumer will grant a subordinated loan to the Fund for a total amount of sixty-eight million eight hundred thousand euros (€ 68,800,000) (the “**B Loan**”), which will be used by the Managing Company for the partial acquisition of the Credit Rights.

The amount of the B Loan will be delivered on the Disbursement Date, by crediting the said amount to the Cash Account before 12.00 am on the Disbursement Date.

The B Loan will become due on the date of liquidation of the Fund.

The B Loan will be repaid according to an annual fixed interest rate payable on a quarterly basis and equal to three point fifty percent (3.50%). Interests will be paid on each Payment Date and 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.

The payment of the said interest will be made according to the Waterfall established in section 3.4.6.(1)(b) or, if applicable, according to the Post-Enforcement Waterfall described in section 3.4.6. (4) of this Additional Module.

Any amounts owed to Santander Consumer and not delivered pursuant to the provisions of the previous paragraphs will not accrue any late payment interest in favour of Santander Consumer.

All the amounts payable to Santander Consumer, both by way of interest accrued and by way of the repayment of the principal of the B Loan, will be subject to the Waterfall established in section 3.4.6.(1)(b) or, if applicable, to the Post-Enforcement Waterfall described in section 3.4.6. (4) of this Additional Module.

For the avoidance of doubt, it is hereby stated that the redemption of the principal of the B Loan will not start until the full redemption of the Bonds in compliance with the provisions of section 4.9.2 of the Securities Note, and, in any case, subject to the Waterfall or the Post-Enforcement Waterfall, as the case may be. However, the redemption of the B Loan will take place on each Payment Date, in the corresponding amount according to the Available Funds existing on each Payment Date.

Any amounts that, by way of interest accrued and repayment of principal, have not been delivered to the lending entity of the B Loan due to the fact that there are not sufficient Available Funds, will be paid on the following Payment Dates on which the said payment is possible according to the Available Funds, as established by the Waterfall, and will have priority over the amounts that should be paid in connection with the B Loan on the said Payment Date.

The B Loan may not be transferred, if the Bonds are pending payment. Once that the Bonds have been redeemed, the lending entity of the B Loan may assign and transfer, whether in full or in part, its participation in the B Loan to other credit entities. As a result of the said assignment or transfer, the assignee will be subrogated to the contractual position of the lending entity, with all the rights and obligations deriving from the participation that has been assigned to it.

If, on the Subscription Date and 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 B Loan Agreement.

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 Amount of Principal Retention, pursuant to the terms and conditions specified hereinafter;
- (v) 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;
- (vi) 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;
- (vii) 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;
- (viii) 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, the principal of the B Loan 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

For the purposes of retaining the principal, the Principal Account (which is governed under the Reinvestment Agreement) will receive on each Payment Date and until the total redemption of the Series A Bonds, the amounts of principal that the Fund receives by way of the Credit Rights, for a maximum amount on each Payment Date of eight percent (8%) of the Outstanding Balance of the Credit Rights (the “**Amount of Principal Retention**”); so, with this retention of principal of the Credit Rights, a higher Outstanding Balance of the Series A Bonds is maintained for the purposes of their discount before the European Central Bank. In no case, the interest from the Credit Rights will be credited to the said Principal Account. In any case, the said obligation to retain will cease on the Payment Date on which the available funds retained until that Payment Date (not included) exceed the Outstanding Balance of the Series A Bonds on the immediately preceding Payment Date, and on the Payment Date on which the obligation to retain has ceased any amounts retained by way of Amount of Principal Retention must be used for the depreciation of Series A Bonds according to the Waterfall described in section 3.4.6.(1) (b) of the Additional Module.

The cash flow will be as follows: on the first Payment Date, the amount that has been credited to the Cash Account (according to the previous section “Cash Account”) is used to comply with all the payment obligations of the Fund according to the Waterfall established in section 3.4.6.1(b), and the Principal Account will receive the Amount of Principal Retention (8%, maximum, of the Outstanding Balance of the Credit Rights on that Payment Date, without, in any case, the interests from the Credit Rights being credited to the said Principal Account). This amount retained will be released on the following Determination Date, by the Amount of Principal Retention deposited on the preceding Payment Date, and 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, and the Amount of Principal Retention will be newly retained in the Principal Account according to the Waterfall established in section 3.4.6.(1) (b).

Likewise, on each Determination Date, the Amount of Principal Retention deposited on the preceding Payment Date 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.

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-fulfilment 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 (4) of the Waterfall (i.e., until the Reserve Fund has been created), 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 favour 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 (2) of the Waterfall (i.e., until the payment of interest on the Series A Bonds, inclusive), 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 favour 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 two point five percent (2.50%).

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 Baa3 or P-2, respectively, according to Moody’s rating scale, or a downgrade in the short or long term credit rating of F2 or (i) BBB for SCF or (ii) BBB+ for an entity other than SCF with which the Cash Account and/or the Principal Account and/or the Commingling Reserve Account and/or the Liquidity Reserve Account are opened, respectively, according to Fitch’s rating scale, 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 of Baa3 and P-2 in the long and short terms, respectively, according to Moody’s rating scale, and/or of F2 or BBB+, in the short and long terms, respectively, according to Fitch’s rating scale, an unconditional and irrevocable guarantee on first demand, with waiver of the benefits of order, division and excussion in order to guarantee for the Fund, at the mere request of the Managing Company, the timely fulfilment 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 Baa3 and/or P-2 and/or F2 or (i) BBB for SCF or (ii) BBB+ for an entity other than SCF with which the Cash Account and/or the Principal Account and/or the Commingling Reserve Account and/or the Liquidity Reserve Account are opened, is maintained.

- 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 short term debt of which has a minimum credit rating of F2, according to Fitch's rating scales, and of Baa3 and P-2 in the long and short terms, respectively, according to Moody's rating scale, and with a minimum credit rating for its unsubordinated and unsecured long term debt of BBB+, according to Fitch's rating scale, 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 short term debt of SCF once again obtains a minimum credit rating of Baa and P-2 in the long and short terms, respectively, according to Moody's rating scale, and/or or F2 or of BBB, in the short and long terms, respectively and according to Fitch's rating scale, 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 Baa2 or P-2, respectively, according to Moody's rating scale, or a downgrade in the short or long term credit rating of F2 or BBB+, respectively, according to Fitch's rating scale, or (ii) the participation of SCF in Santander Consumer is reduced below 95%, Santander Consumer or, failing that, SCF (the "**Depository Institution of the Commingling Reserve**"), must –within the maximum period of time of ten (10) 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 3.50% of the Outstanding Balance of the Series A Bonds (following the corresponding amortization of principal on the

Payment Date) and the Outstanding Balance of the B Loan (following the corresponding amortization of principal on the Payment Date) until the first Payment Date (inclusive). From the second Payment Date (inclusive), the Required Amount of the Commingling Reserve will be the lowest of the following amounts (the “**Required Amount of the Commingling Reserve**”):

- a) The Required Amount of the Commingling Reserve on the preceding Payment Date; and
- b) 1.10 x of the monthly average of the amounts collected by way of principal of the Credit Rights during the three preceding months

The amount credited to the Commingling Reserve Account may only be used for the fulfilment as regards the positions from (1) to (4) of the Waterfall (i.e., until the creation of the Reserve Fund), 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 Waterfall 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 ten (10) days.

Similarly, the whole amount deposited to the Commingling Reserve Account will be returned (regardless of the Waterfall or, if applicable, the Post-Enforcement Waterfall) 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 (How payments are received in respect of the Credit Rights), or
- (b) on the date on which these two circumstances take place: (i) that SCF recovers its participation in the Administrator equal to or higher than 95%, and (ii) that the short and long term credit rating of SCF is Baa2 and P-2, respectively, according to Moody’s rating scale, and F2 and BBB+, respectively, according to Fitch’s rating scale, 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 Waterfall.

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 Baa2 or P-2, respectively, according to Moody's rating scale, or a downgrade in the short or long term credit rating of F2 or BBB+, respectively, according to Fitch's rating scale, or (ii) the participation of SCF in Santander Consumer is reduced below 95%, Santander Consumer or, failing that, 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 may only be used for the fulfilment as regards the positions from (1) to (2) of the Waterfall (i.e., until the payment of interests on the Series A Bonds, inclusive), 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% of the Outstanding Balance of the Series A Bonds (following the corresponding amortization of principal on the Payment Date) and the Outstanding Balance of the B Loan (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 Waterfall of the Fund.

Similarly, the whole amount deposited to the Liquidity Reserve Account will be returned (regardless of the Waterfall or, if applicable, the Post-Enforcement Waterfall) 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 (How payments are received in respect of the Credit Rights), or
- (b) on the date on which these two circumstances take place: (i) that SCF recovers its participation in the Administrator equal to or higher than 95%, and (ii) that the short and long term credit rating of SCF is Baa2 and P-2, respectively, according to Moody's rating scale, and F2 and BBB+, respectively, according to Fitch's rating scale, 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 Waterfall.

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:

1 to 90 days of delay - Telephone collection - Konecta

91 a 150 days of delay - Collection in person - Reintegra. Reintegra is a company hired by Santander Consumer for the recovery of the debt.

+150 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 30,000 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 dialling 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 favour 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 Instalment 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 Instalment 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 Instalment 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 instalments, 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 instalments, 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 instalments

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 instalments, 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 Instalment 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 Instalment Sales of Movable Properties, the recognition of the right to recover the vehicle involved, in favour 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 favour 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 Waterfall 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 favour 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. Endowment of the Amount of Principal Retention, i.e., the deposit made to the Principal Account until the total redemption of the Series A Bonds of the amounts of principal that the Fund receives from the Credit Rights, for a maximum amount of eight percent (8%) of the Outstanding Balance of the Credit Rights.
4. Redemption of the Series A Bonds.
5. Creation of the Reserve Fund for the reestablishment of the Required Level of the Reserve Fund.
6. Payment of the interests accrued by the B Loan.
7. Redemption of principal of the B Loan.
8. Payment of interests accrued by the Subordinated Loan.
9. Redemption of principal of the Subordinated Loan.
10. Payment to Santander Consumer of the Financial Intermediation Margin.

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 Waterfall 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 favour of the third party, the new administrator, appearing in the 1st place of the Waterfall established under section 3.4.6.(1)(b) above.

(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 Waterfall 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 Waterfall, 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 Waterfall.

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 waterfall (the "**Post-Enforcement Waterfall**"):

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 favour of the Managing Company, and the rest of expenses and service fees. According to this waterfall, 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 by the B Loan.
5. Redemption of principal of the B Loan.
6. 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).
7. Payment of interests accrued by the Subordinated Loan.
8. Redemption of principal of the Subordinated Loan.
9. Payment to Santander Consumer of the Financial Intermediation Margin.

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 favour the administration, evaluation, security and financing of the credits arising from domestic or international trade transactions 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 2012 (audited), and a comparison with the information relating to the financial year ended on 31st December 2011 (audited), and as at June 2013 (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/13	DEC/12	VARIATION 12-11 (%)	DEC/11	VARIATION 11-10 (%)	DEC/10
1. CASH AND DEPOSITS - BANK OF SPAIN	0.82	0.82	-47.22%	1.55	0.52%	1.54
2. NET CREDIT INVESTMENT	3,796.64	3,733.13	-1.83%	3,802.85	6.20%	3,580.79
3. PORTFOLIO OF SECURITIES AND STOCKS	53.87	53.87	0.00%	53.87	63.39%	32.97
4. FIXED ASSETS	3.69	3.52	-10.68%	3.94	39.29%	2.83
5. INTANGIBLE ASSETS	19.59	21.79	3.72%	21.01	10.95%	18.93
6. VARIOUS ACCOUNTS	48.75	81.26	-9.24%	89.54	54.29%	58.03
7. TAX ASSETS	136.57	134.78	-6.41%	144.00	-1.09%	145.59
8. ACCRUAL ACCOUNTS	5.69	8.46	6.15%	7.97	-10.31%	8.88
TOTAL ASSETS	4,065.62	4,037.62	-2.11%	4,124.72	7.15%	3,849.57
LIABILITIES	JUN/13	DEC/12	VARIATION 12-11 (%)	DEC/11	VARIATION 11-10 (%)	DEC/10
1. OWN RESOURCES	329.45	311.77	15.57%	269.77	1.13%	266.77
2. CREDIT ENTITIES	2,446.35	2,190.88	-1.04%	2,213.96	8.26%	2,044.97
3. CREDITORS	0.06	0.06	-100.00%	1,199.76	7.37%	1,117.37
4. RISK PROVISIONS	77.59	83.39	-5.48%	88.23	-7.87%	95.77
5. OTHER FINANCIAL LIABILITIES	1,135.50	1,371.60	526.20%	219.03	-8.60%	239.65
6. ACCRUAL ACCOUNTS	31.78	25.87	-16.80%	31.10	-45.55%	57.11
7. VARIOUS ACCOUNTS	22.08	38.99	-58.85%	94.75	242.42%	27.67
8. TAX LIABILITIES	22.81	15.05	85.27%	8.13	3,025.00%	0.26
TOTAL LIABILITIES	4,065.62	4,037.62	-2.11%	4,124.72	7.15%	3,849.57
PROFIT AND LOSS ACCOUNT	JUN/13	DEC/12	VARIATION 12-11 (%)	DEC/11	VARIATION 11-10 (%)	DEC/10
1. INTERMEDIATION MARGIN	13.51	146.87	5.82%	138.79	20.58%	115.10
Result on an equivalent basis	0.00	0.00	-100.00%	1.73	-	0.00
Net fees	4.12	55.21	-15.26%	65.14	6.63%	61.09
2. BASIC MARGIN	17.63	202.08	-1.74%	205.66	16.73%	176.19
Net results from financial transactions	-0.37	9.65	-310.70%	-4.58	-54.65%	-10.10
3. ORDINARY MARGIN	17.26	211.73	5.29%	201.08	21.07%	166.09
Income from Renting	0.00	0.00	-	0.00	0.00%	0.00
Other operating products	-0.37	-2.72	-3,629.87%	0.08	-88.68%	0.68
Operating expenses	7.94	88.66	-9.43%	97.89	1.47%	96.47
Amortization	4.88	59.89	-36.79%	94.74	-24.86%	126.08
Other operating costs	0.00	0.00	-100.00%	3.54	117.06%	1.63
4. OPERATING MARGIN	4.07	60.46	1,111.46%	4.99	-108.69%	-57.41
Losses from impairment of the rest of assets	0.00	0.00	-	0.00	-	0.00
Losses of non-current assets on sale	0.00	0.00	-100.00%	1.31	-13,230.00%	-0.01
RESULT BEFORE TAX	4.07	60.46	1,543.94%	3.68	-106.41%	-57.40
Profit Tax	1.32	18.46	2,627.18%	0.68	-103.87%	-17.51
RESULT OF THE YEAR	2.76	42.00	1,299.57%	3.00	-107.52%	-39.89

Within the Ordinary Margin, the section relating to amortization is made up of the following items (in thousands of euros):

	JUN/13	DEC/12	DEC/11	DEC/10
AMORTIZATION	961	8,608	7,071	5,290
PROVISIONS (net)	3,918	51,278	-1,336	2,466
LOSSES FROM IMPAIRMENT OF FINANCIAL ASSETS (net)	0	0	89,001	118,324

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 fulfilment 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 aforementioned purposes, Banco Santander undertakes to replace Santander Consumer as the Administrator, if necessary and if so required. Likewise, the Managing Company will take into account the proposals made by the Administrator both in connection with the subcontracting, delegation or appointment of the replacement for the fulfilment of its obligations, and in connection with the entity that could guarantee the fulfilment of the said obligations. Notwithstanding the foregoing, the decision as regards 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, 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.

The Administrator, when necessary and only and exclusively in the case of non-payment, may renegotiate the interest rate to the benefit of the Fund; the interest rate applied to the Fund may not be lower than 5%.

Renegotiations of loans will be only formalized under a deed granted before a Notary Public if the following conditions are fulfilled:

- Transactions previously formalized as such (originally).
- Transactions the holder of which has any financial records in ASNEF, communicated by any entities other than Santander Consumer.
- Restructuring processes of transactions 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 term of maturity of the Loans; however, the amount of the Loan may not be extended in any case.

The maturity term of a specific Loan may be extended, provided that the following requirements are met:

- The amount of the principal of the Loans assigned to the Fund in respect of which the maturity is extended may not exceed 10% of the Initial Outstanding Balance of the Credit Rights on the Date of Incorporation of the Fund.
- 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, 25th May 2023.

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.

(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 Waterfall and the Post-Enforcement Waterfall, 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 transactions, 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 instalments, prepayments of principal, payments received for unpaid instalments, 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 Series A 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 and in the B Loan Agreement, 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 transactions 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 fulfilment 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 favour 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 Waterfall, or in section 3.4.6.(4) relating to the Post-Enforcement Waterfall of this Additional Module, to a periodic annual administration fee equal to zero point zero nineteen (0.019%) that will be calculated in accordance with the formula set forth below, with a minimum annual amount of forty-five thousand euros (€ 45,000), 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 Series A 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:

$$A=B \times [0,019\%] \times \frac{d}{365 \times 100}$$

where

A = Fee payable on a given Payment Date.

B = Outstanding Balance of the Series A 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 B Loan Agreement and 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 Series A Bonds (after the redemption to be made on each Payment Date), expressed for each Series A Bond, and the percentage that the said Outstanding Balance of the Series A Bonds (expressed for each Series A 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 Waterfall 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 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 Waterfall 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 in a leading Spanish newspaper.

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.

Likewise, the CNMV will be notified as a Relevant Fact of, among others, any downgrades in the credit ratings of the Bonds, as well as any measures to be taken in the case of activations of the *triggers* due to a downgrade of the counterparty in the financial agreements or any other cause.

Any modifications 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.

Ms MARÍA JOSÉ OLMEDILLA GONZÁLEZ, in the name and on behalf of SANTANDER DE TITULIZACIÓN, S.G.F.T. and in her capacity of Secretary of the Board of Directors of the Managing Company, signs this Prospectus in Madrid, on 9th October 2013.

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 Moody’s 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.

“**Banco Santander**” means Banco Santander, S.A.

“**Bonds**” or “**Series A Bonds**” mean 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 to be assigned to the Fund on the Date of Incorporation will be extracted, and it is made up of fifty-six thousand nine hundred and sixty-eight (56,968) loans, with a principal that has not become due yet, as at 9th September 2013, amounting to five hundred and seventy-nine million seven hundred and seventy-one thousand nine hundred and forty-six euros with sixty-three euro cents (€579,771,946.63).

“**Assignor**” means Santander Consumer, E.F.C., S.A.

“**Circular 4/2004**” means 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 Credit Rights, formalized under a deed, by virtue of which Santander Consumer assigns the 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 Subscribor, the Managers and the Paying Agent.

“**B Loan Agreement**” or the “**B Loan**” mean the loan agreement for an amount of sixty-eight million eight hundred thousand euros (€68,800,000) to be entered into by the Managing Company, for and on behalf of the Fund, and Santander Consumer, to be used for the partial acquisition of the Credit Rights.

“**Subordinated Loan Agreement**” or the “**Subordinated Loan**” mean the subordinated loan agreement for an amount of fifty-eight million one hundred and fifty thousand euros (€58,150,000) 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 (i) financing the expenses incurred in the issue of the Bonds, including the amount of any accrued interests that have not become due and (ii) creating the Reserve Fund.

“**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.

“**Credit Rights**” means the portfolio of credit rights that will be the assets of the Fund, and it is made up of credit rights deriving from loans for the acquisition of new and 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.

“**Debtors**” means any individuals or legal entities, 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 10th October 2013.

“**Depository Institution of the Commingling Reserve**” means Santander Consumer or, failing that, SCF.

“**Depository Institution of the Liquidity Reserve**” means Santander Consumer or, failing that, SCF.

“**Subscriber**” means Santander Benelux.

“**Managers**” means SCF and CA-CIB.

“**Deed of Incorporation**” means the Deed of Incorporation of the Asset Securitization Fund, SANTANDER CONSUMER SPAIN AUTO 2013-1 and the Issuance of 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 16th October 2013.

“**Disbursement Date**” means 18th October 2013 before 2.00 pm (Madrid time).

“**Determination Dates**” means the dates that correspond to the 5th Working Day preceding each Payment Date.

“**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.

“**Subscription Date**” means 18th October 2013, from 10.00 am to 12.00 am (Madrid time).

“**Final Maturity Date of the Loans**” means 25th May 2023, 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 March 2026 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 September 2026 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 2013-1.

“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 Waterfall.

“Available Principal Funds” means the amount that will be allocated on each Payment Date to the redemption of the Series A Bonds and the B Loan, 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 Bonds and the Outstanding Balance of the B Loan, and the amount of (ii) the Outstanding Balance of the Credit Rights, excluding any Delinquent Loans plus (iii) the Amount of Principal Retention, and b) the Available Funds, once that the positions from 1) to (3) in the Waterfall of the Fund have been paid.

“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 3.50% of the Outstanding Balance of the Series A Bonds and the Outstanding Balance of the B Loan until the first Payment Date (inclusive); and, starting from the second Payment Date (inclusive), the lowest amount among the following amounts: a) the Required Amount of the Commingling Reserve on the previous Payment Date; and b) 1.10x of monthly average principal amount collected on the Credit Rights during the three preceding months.

“Required Amount of the Liquidity Reserve” means 1% of the Outstanding Balance of the Bonds and the B Loan.

“Amount of Principal Retention” means the amounts of principal that the Fund receives until the total redemption of the Series A Bonds by way of the Credit Rights for a maximum amount of eight percent (8%) of the Outstanding Balance of the Credit Rights on each Payment Date and that will be retained in the Principal Account in accordance with the provisions of section 3.4.4 of the Additional Module.

“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 Bonds and the initial amount of the B Loan, jointly considered.

“**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, 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 September 2026 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.

“**Financial Intermediation Margin**” means the variable and subordinated remuneration to which the Assignor will be entitled by virtue of the Deed of Incorporation.

“**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 10th October 2013.

“**Moody’s**” means Moody’s Investors Service España, S.A.

“**Initial Level of the Reserve Fund**” means the amount of the Reserve Fund at the time of the incorporation of the Fund, equivalent to fifty-five million euros (€55,000,000), and equivalent to ten percent (10.00%) of the initial amount of the Series A Bonds and of the B Loan.

“**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) 20.00% of the Outstanding Balance of the Bonds and of the principal amount of the B Loan that has not been redeemed yet; and (ii) twenty-seven million five hundred thousand euros (€27,500,000), equivalent to 5.00% of the initial amount of the Bonds and the B Loan.

“**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 10th October 2013.

“**Waterfall**” 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 Waterfall**” 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.

“**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.

“**Determination Periods**” means each one of the periods 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. The duration of the first Determination Period will be equal to the days elapsed between the Date of Incorporation and the Determination Date prior to the first Payment Date.

“**Loans**” means the loans granted by Santander Consumer to individuals or legal entities residing in Spain, for the purpose of financing 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.

“**Delinquent Loans**” means those loans whose debt, in the opinion of Santander Consumer, will not be recovered or those loans that have instalments pending payment for periods equal to or longer than twelve (12) months.

“**Defaulted Loans**” means those loans, whose payment on any date is overdue for more than ninety (90) days, excluding the Delinquent Loans.

“**Outstanding Loans**” means any loans that have not become due yet and that are not considered as Defaulted Loans.

“**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 transactions 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.

“**Principal Retention**” means, on each Payment Date until the redemption of the Series A Bonds, the amount retained in the 4th position of the Waterfall established by section 3.4.6.(1)(b) of the Additional Module up to a maximum amount of 8% of the Outstanding Balance of the Credit Rights.

“**Outstanding Balance of the Series A Bonds**” means the total outstanding balances of the Bonds (i.e., the principal amount of the Bonds pending redemption).

“Outstanding Balance of the B Loan” means the total outstanding balance of the B Loan (i.e., the amount of principal of the B Loan pending redemption).

“Outstanding Balance of the Credit Rights” means the sum of the capital or principal pending maturity and of matured capital or principal not paid to the Fund of the corresponding Credit Right on a given date. The Outstanding Balance of the Credit Rights on a certain date will be the sum of the Outstanding Balance of each and every one of the Credit Rights on the said date.

“Outstanding Balance of the Defaulted Loans” means the amounts of principal accrued and not paid to the Fund, together with the amounts of principal not accrued and pending maturity on the Defaulted Loans, as well as the amounts due and not collected.

“Accumulated Balance of the Delinquent Loans” means the Outstanding Balance of the Credit Rights derived from Delinquent Loans, regardless of the amounts recovered, since the incorporation of the Fund.

“Santander Benelux” means SANTANDER BENELUX SA/NV.

“Santander Consumer” means Santander Consumer, E.F.C., S.A.

“SCF” means Santander Consumer Finance, S.A.

“Series A” means the Series with a total nominal amount of four hundred and eighty-one million two hundred thousand euros (€481,200,000), made up of four thousand eight hundred and twelve (4,812) Bonds, with a nominal value of ONE HUNDRED THOUSAND (100,000) EUROS 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 transaction decision-making unit.

“UDO-R” means restructuring transaction decision-making unit.