Rating Report

Bumper 9 (NL) Finance B.V.

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DBRS

Insight beyond the rating.

Ratings and Issuer's Assets and Liabilities

Debt	Par Amount (EUR) 1	Initial Subordination 2	Coupon	Issue Price	Rating	Rating Action
Class A ISIN: XS1629047017	542,500,000	22.5%	One-month Euribor + 0.40%	100.241%	AAA (sf)	Provisional Rating - Finalised
Class B ISIN: XS1629065936	31,500,000	18.0%	One-month Euribor + 0.60%	100.000%	AA (sf)	Provisional Rating - Finalised
Subordinated Loan	125,999,997	N/A	Fixed Rate		N/A	N/A
Reserve Advance 3	2,900,000	N/A			N/A	N/A

	Amount (EUR)	Size (%)
Aggregated Discounted Balance	699,999,997	100%
Liquidity Reserve 4	2,900,000	0.41%

Notes:
The ratings address the timely payment of interest and the ultimate payment of principal by the legal final maturity in accordance with the transaction documents.
1 As at the closing date.
2 Subordination is expressed in terms of portfolio overcollateralisation and does not include the reserves or any theoretical excess spread.
3 The Reserve Advance is provided by LeasePlan Nederland N.V. (LPNL) acting as Reserves Funding Provider.
4 The Liquidity Reserve will be funded upon closing at 0.505% of the rated notes. Only the Liquidity Reserve will be funded upon closing, other reserves will only be funded following a Reserves Trigger Event as outlined later in the report.

DBRS Ratings Limited (DBRS) has finalised its provisional ratings on the Class A notes and the Class B notes (the Notes) issued by Bumper 9 (NL) Finance B.V. (the Issuer) in the context of a securitisation transaction governed by Dutch law.

The Notes are backed by receivables and residual value claims (vehicle realisation proceeds) related to auto lease agreements granted by LPNL to corporate, small- and medium-sized enterprises (SME) and public-sector clients in the Netherlands. The underlying receivables represent the right to receive payment of regular lease collections and vehicle realisation proceeds that are linked to the rights to receive all proceeds from the sale of the underlying vehicles.

Upon closing, proceeds from subscription of the Notes and the Subordinated Loan Advance financed the purchase of the initial portfolio from LPNL as the Seller and LPNL as the Reserves Funding Provider, granted the Issuer a loan that funds the Liquidity Reserve. The receivables are serviced by LPNL (the Servicer). The Class A notes subordination consists of the Class B notes (4.5%) and the Subordinated Loan (18.0%).

The transaction benefits from a one-year revolving period, during which the Seller may offer additional receivables and their related vehicle realisation proceeds that the Issuer will purchase subject to eligibility criteria, concentration limits, performance triggers and other conditions set out in the transaction documents.

The transaction represents further European issuance of notes backed by auto lease agreements through European branches or subsidiaries of LeasePlan Corporation N.V. (LPC). DBRS has previously assigned ratings to other LPC-sponsored transactions in the Netherlands, Germany and the United Kingdom.

Asset Class	Auto Lease (with residual value)
Governing Jurisdiction	Kingdom of the Netherlands
Sovereign Rating	AAA

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Transaction Parties

Roles	Counterparty	Rating*
Issuer	Bumper 9 (NL) Finance B.V.	N/A
Seller / Servicer / Maintenance Coordinator / Realisation Agent	LeasePlan Nederland N.V.	DBRS Private Rating
Call Option Buyer / RV Guarantee Provider	LeasePlan Nederland N.V.	DBRS Private Rating
Reserves Funding Provider	LeasePlan Nederland N.V.	DBRS Private Rating
Back-Up Servicer Facilitator	ABN AMRO Bank N.V.	A (high) / R-1 (mid)
Back-Up Maintenance Coordinator Facilitator	ABN AMRO Bank N.V.	A (high) / R-1 (mid)
Account Bank	ABN AMRO Bank N.V.	A (high) / R-1 (mid)
Reference Agent	ABN AMRO Bank N.V.	A (high) / R-1 (mid)
Paying Agent	ABN AMRO Bank N.V.	A (high) / R-1 (mid)
Interest Rate Swap Counterparty	ABN AMRO Bank N.V.	A (high) / R-1 (mid)
Security Trustee	Stichting Security Trustee Bumper 9 (NL) Finance	N/A
Arranger	LeasePlan Corporation N.V.	DBRS Private Rating
Joint Lead Managers	ABN AMRO Bank N.V. HSBC Bank plc	A (high) / R-1 (mid) DBRS Private Rating
Listing Agent	ABN AMRO Bank N.V.	A (high) / R-1 (mid)
Issuer Administrator	Intertrust Netherlands B.V.	N/A

*Note: Ratings relate to (1) Long-Term Debt & Deposits Ratings and (2) Short-term Debt & Deposits Ratings.

Relevant Dates

Term	Description
Closing Date	13 July 2017
Collection Period	Each calendar month.
Payment Date	22nd calendar day of each month (or next business day).
Interest Period	From and including a Payment Date to but excluding the next succeeding Payment Date.
Calculation Date	Three business days prior to Interest Payment Date
Expected Revolving Period Expiry Date	Payment Date falling in August 2018
Final Maturity Date	Payment Date falling in July 2031
First Payment Date	August 2017

Portfolio Summary as at 31 May 2017 (balances relate to Aggregate Discounted Balance)	
Portfolio Balance (EUR)	699,999,997
Of which Lease Receivables (EUR)	378,506,546
Of which Vehicle Realisation Proceeds (EUR)	321,493,451
Number of Contracts	33,972
Of which Closed Calculation	29,029
Of which Open Calculation	4,943
Cars #	33,197
Commercial Vehicles #	775
Top 20 Lessees as % of Initial Portfolio	21.6%
Vehicle Realisation Proceeds as % of Initial Portfolio	45.9%
Weighted-Average Lease Interest Rate	2.2%
Portfolio Discount Rate	5.0%

Rating Considerations

- The transaction represents the securitisation of automotive lease agreements and vehicle realisation proceeds associated with the leased vehicles, all of which are governed by Dutch law.
- Because of the nature of the receivables, the transaction has a dependency on LPNL, which performs the role of Seller, Servicer, Realisation Agent and Maintenance Coordinator.
- The underlying agreements represent operational lease contracts that expose the Issuer to various types of risk. These include credit risk, market risk associated with estimated residual values and risks associated with the provision of maintenance services, amongst others.
- The transaction has a revolving period of one year, during which the Issuer is expected to purchase additional receivables that LPNL may offer. Additional receivables must meet the replenishment criteria outlined in the transaction documents.
- Funds available to repay the Notes represent monthly instalments from lessees that include interest and principal components as well as vehicle sales proceeds. Receivables in relation to lease services are sold to the Issuer and the Issuer has appointed LPNL to act as Maintenance Coordinator; subsequent payments for such services are distributed to LPNL to cover these associated costs.
- Lease customers are predominantly corporate-focused with the top 20 lessees accounting for 22% of the initial portfolio.
- The underlying agreements are discounted at a uniform fixed rate of 5.0% while floating-rate notes have been issued. Interest rate risk is mitigated through an interest rate swap.

Strengths

- DBRS considers LPNL to be a specialised and experienced automotive leasing company which is fully owned by its ultimate parent, LPC, a multinational leasing group with relevant servicing and securitisation experience.
- The transaction benefits from a liquidity reserve that is fully funded on the closing date. Amounts standing to the liquidity reserve are made available to cover senior expenses, interest swap payments and interest on the rated Notes during both the revolving and normal amortisation periods. The liquidity reserve is set at 0.505% of the Class A and B notes with a floor of EUR 2.0 million, which can ultimately be used to repay principal according to the relevant priority of payments when the aggregate discounted balance of the portfolio has reached zero.
- Receivables are transferred to the Issuer at their aggregate discounted balance, which is calculated by discounting the scheduled payments under the lease agreements and the estimated RVs by 5.0%. The use of this fixed discount rate provides theoretical excess spread to the transaction, considering the transaction's senior costs and the weighted-average (WA) coupon of the Notes.
- Prior to an insolvency event involving LPNL, LPNL has the option to repurchase balances in respect of contracts from the Issuer where agreements have matured, been terminated early or where warranties have been breached. If this option is not executed LPNL, as Guarantee Provider, will reimburse the Issuer should there be a shortfall.

- DBRS was provided with detailed vehicle realisation data that made it possible to estimate RV loss at each rating level. Overall, DBRS observed robust vehicle realisation proceeds compared with expected RVs and considers this to be a strength of LPNL against other originators that DBRS has reviewed where RV risk is taken.
- DBRS notes an improvement in residual value realisation performance, which has shown improvement since 2013, with LPNL frequently generating realisation proceeds greater than expected RVs.
- The transaction considers various performance-related triggers to determine whether the revolving period should be terminated. Among others, the revolving period will end if delinquency and default ratio thresholds are exceeded and if collections that are not reinvested in new receivables exceed 10% of the portfolio's initial balance.

Challenges

- The pool consists of operational lease agreements where the Issuer may be exposed to RV risk related to the leased vehicle upon LPNL's insolvency.

  Mitigants: (1) LPNL is potentially able to recalculate the RV associated with lease agreements if usage thresholds are met or if there is an early termination. (2) DBRS has considered the length of the revolving period and a migration toward the maximum RV exposure permitted under the transaction's replenishment criteria. (3) Within its cash flow analysis, DBRS has applied both frequency and severity rating-related stresses to RV performance.
- Title to the leased vehicles is retained by LPNL until all purchase instalments due under the associated hire purchase contract are paid in full.

  Mitigants: Should an insolvency of the Seller occur, the master hire purchase agreement between the Seller and the Issuer allows for legal title to be transferred to the Issuer through an accelerated payment of the final purchase instalment which can be achieved through set-off of the issuer advance as outlined in the Issuer Facility Agreement.
- Commingling and Set-Off Risk – LPNL is entitled to commingle collections with funds standing in its own accounts and may transfer these to the Issuer at the end of each monthly period. Collections may therefore be commingled with LPNL's estate upon insolvency. Lessees may also be entitled to set-off payment obligations against amounts owed to them by LPNL that may arise through open-calculation lease agreements.

  Mitigants: (1) Following a Reserves Trigger Event, the Commingling Reserve and Set-Off Reserve are funded. (2) The Servicer may also increase the frequency of collection transfers to the Issuer's account. (3) In its stressed cash flow assumptions, DBRS does not anticipate open-calculation contracts to afford payments from LPNL to the lessees, given the application of RV stresses.
- Reliance on LPNL to coordinate maintenance activities.

  Mitigants: The transaction incorporates a Maintenance Reserve that is funded following a Reserves Trigger Event and is sized at a minimum of 0.1% of the collateral balance which is made available to the Issuer for distribution to maintenance providers. Furthermore, a Back-Up Maintenance Coordinator will be procured if LPC is not considered to be rated at least investment grade and can be appointed following termination of LPNL as Maintenance Coordinator.
- Since the Issuer is expected to purchase additional receivables during the revolving period, the pool composition at the end of the revolving period may differ in comparison with the issue date.

  Mitigants: Additional receivables added to the portfolio during the revolving period must adhere to specific replenishment criteria outlined in the transaction documents. At one year, DBRS considers the revolving period to be relatively short compared with other auto loan/lease transactions. DBRS has adjusted its cash flow analysis to accommodate a deterioration in the pool.
- Asset concentration – The portfolio contains certain characteristics that are not typical in an auto asset-backed security (ABS) portfolio. These characteristics include a maximum vehicle price of EUR 500,000, the inclusion of heavy goods vehicles (> 7.5 tonnes) and the allowance for comparably high lessee concentration.

  Mitigants: DBRS has considered these features and the transaction's replenishment criteria in determining its base-case and stressed asset-level assumptions.

Transaction Structure

Transaction Summary

Currency	Issuer's assets and liabilities are denominated in euros (EUR).
Relevant Jurisdictions	The underlying lease agreements and the transaction documents are governed by the Dutch law. The Issuer is incorporated in the Netherlands.
Interest Rate Hedging	Interest rate swap in place
Basis Risk Hedging	N/A

Interest Risk Hedging

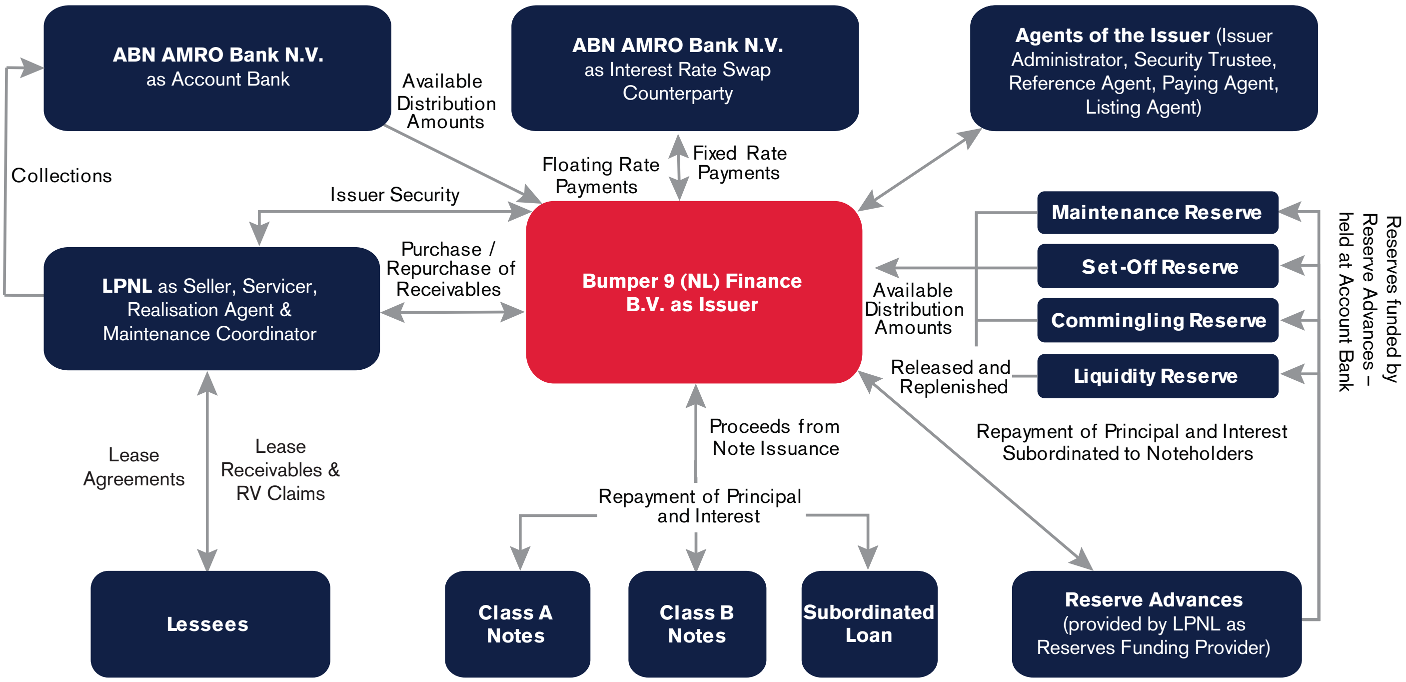
Issuer to Pay:	Issuer to Receive:
Notional:	Notional:
Sum of the principal outstanding amount of the Class A and Class B notes on the first day of the applicable interest period.	Sum of the principal outstanding amount of the Class A and Class B notes on the first day of the applicable interest period.
Fixed rate - 0.092%	One-month Euribor floored at the weighted-average margin of the Notes.

Reserves

Liquidity Reserve	Initial Amount	EUR 2,900,000
	Target Amount	0.505% of the Class A and Class B Notes
	Floor	EUR 2,000,000
Commingling Reserve	Initial Amount	EUR 0
	Target Amount	Following a Reserves Trigger Event, the aggregate of (1) 181% of coming month's lease interest and principal collections and (2) 125% of the maximum scheduled monthly sale of purchased vehicles (vehicle realisation proceeds).
	Floor	Zero
Set-Off Reserve	Initial Amount	EUR 0
	Target Amount	Following a Reserves Trigger Event, the sum of EUR 2,140,000 and variable amounts related to open calculation contracts and lessee deposits.
Maintenance Reserve	Initial Amount	EUR 0
	Target Amount	Following a Reserves Trigger Event, the positive difference between (1) the expected maintenance costs and (2) the actual maintenance costs, subject to a floor of 0.1% of the discounted portfolio balance

According to the transaction documents, LPNL as Seller has agreed to sell to the Issuer leased vehicles as well as the associated lease receivables. The purchase price payable by the Issuer is payable in instalments in accordance with related hire purchase contracts. Legal ownership of each vehicle remains with the Seller until the associated instalments owed by the Issuer have been fully paid. Following payment of the final purchase instalment, legal title to the purchased vehicle will pass to the Issuer automatically.

Upon closing, the Issuer has made available to the Seller an advance relating to each purchased vehicle and the associated lease receivables, equivalent to the present value of the purchase price. The proceeds of the Notes have been used by the Issuer to make the initial issuer advances. Subsequently, any purchase instalment owing by the Issuer to the Seller will be automatically netted against the interest and principal due on each payment date by the Seller with regard to the associated Issuer advance.



Account Bank

ABN AMRO Bank N.V. has been appointed as the Issuer's account bank for the transaction. DBRS publicly rates ABN AMRO Bank N.V.'s long-term deposits at A (high) with a Long term Critical Obligations Rating of AA. DBRS has concluded that it meets DBRS's minimum criteria to act in its capacity. The transaction contains downgrade provisions relating to the account bank consistent with DBRS's criteria.

Hedging Counterparties

ABN AMRO Bank N.V. has been appointed as the interest rate swap counterparty for the transaction. DBRS publicly rates ABN AMRO Bank N.V.'s long term deposits at A (high) with a Long Term Critical Obligations Rating of AA. DBRS has concluded that it meets DBRS's minimum criteria to act in its capacity. The transaction contains downgrade provisions relating to the hedging counterparties that are consistent with DBRS's criteria.

Seller Risk, Servicing and Collections

LPNL acts as Seller and has been appointed to service the lease receivables and the vehicle realisation proceeds on behalf of the Issuer in accordance with its credit and collection procedures. DBRS does not rate LPNL, but privately rates its ultimate parent, LPC. DBRS has concluded that LPNL meets DBRS's minimum criteria to act as Servicer as well as other supporting roles as outlined below. Following certain events outlined in the transaction documents, and within 120 days, LPNL is required to procure the appointment of a Back-Up Servicer that would be in a position to assume the role of Servicer following any termination of LPNL's role as Servicer. Upon closing, ABN AMRO Bank N.V. has been appointed as Back-Up Servicer Facilitator and is required, upon the occurrence of a Servicer Termination Event (as defined in the transaction documents), to identify potential entities to act as a substitute servicer.

The Servicer collects payments made by lessees and other proceeds related to the receivables, including principal, interest, servicing, management fees, VAT and early termination payments (collections). LPNL receives payments from lessees into its collections accounts, held and maintained with an independent third-party bank in its own name. The transaction documents require LPNL to transfer the Issuer's collections to the Issuer's accounts at the end of each monthly period. Following an insolvency event relating to LPNL, the Issuer's funds may be commingled and LPNL thus guarantees its obligation to transfer collections by posting a specific reserve (the Commingling Reserve) subject to a Reserves Trigger Event (see Commingling section).

Realisation Agent

LPNL has been appointed as the transaction Realisation Agent and is responsible for the sale of any vehicles returned by lessees at maturity or following repossession owing to default as well as any vehicles that have not been repurchased by the Seller in accordance with the master hire purchase Agreement. Similar to servicing activities, following an Appointment Trigger, LPNL is required within 120 days to procure a Back-Up Realisation Agent that would be in a position to assume the role of the Realisation Agent following any termination of LPNL acting in this capacity.

Maintenance and Servicing Counterparties and the Appointment Trigger
The transaction envisages various roles and counterparties that support the servicing and administration of the underlying receivables. All these roles have a reliance on an Appointment Trigger related to LPNL that can be summarised as:

The earlier of, as defined in the transaction documents:

1. A LPC Downgrade Event (LPC no longer being rated at least BBB (low));
2. A Non-Insolvency Servicer Termination Event;
3. A Non-Insolvency Maintenance Coordinator Termination Event; or
4. A Non-Insolvency Realisation Agent Termination Event.

Maintenance Coordinator
The lease agreements include vehicle maintenance services (such as optional maintenance, repair, tyre and breakdown services) that are paid for by the lessees as part of their monthly instalments. The issuer has appointed LPNL to fulfil these duties as Maintenance Coordinator. In this capacity, LPNL receives the component of lease payments that relate to the provision of these services (Senior Maintenance Coordinator Fee) within the applicable priority of payments senior to the payments made to noteholders and the Issuer's expenses; these senior fees cease upon LPNL's termination as Maintenance Coordinator and are replaced by a Maintenance Coordinator Fee which is paid pro rata with the Issuer's expenses. Following an Appointment Trigger, LPNL is required within 120 days to procure an alternative Back-Up Maintenance Coordinator that would be in a position to assume the role of the Maintenance Coordinator following any termination of LPNL acting in this capacity. Upon closing, ABN AMRO Bank N.V. has been appointed as Back-Up Maintenance Coordinator Facilitator and is required, upon the occurrence of a Maintenance Coordinator Termination Event (as defined in the transaction documents), to identify potential entities to act as a substitute maintenance coordinator.

The transaction's structure includes a Maintenance Reserve that provides support against future maintenance costs following an LPNL insolvency.

Seller Repurchase Option
LPNL acting in its capacity as the Call Option Buyer has the option to repurchase receivables under specific circumstances that include lease maturity, lease extension, early termination and upon any breach of lease warranties. Should LPNL not elect to exercise such repurchase option then the Issuer is entitled to receive from the RV Guarantee Provider (also LPNL) an equivalent sum. Should a lessee be considered insolvent, the Call Option Buyer may only repurchase all (not a selection) of the purchased vehicles relating to such lessee. The proceeds received from any repurchase activity form part of the collections received from the Servicer and are included within the available distribution amounts made available on each interest payment date.

Available Distribution Amounts
Payments by lessees form the majority of the distribution amounts available to the issuer along with repurchases. Additional sources of funds vailable to the Issuer are represented by:

- Deemed Collections – these are adjustments made by LPNL to the lease balance which are payable by LPNL.
- Realisation Proceeds from sale of the pledged vehicles along with any Net RV Guarantee Receipts that include RV Shortfall Amounts arising from realisation proceeds not being equal to the sum of any future lease instalments and the estimated RV.
- Earnings from eligible investments.
- Net swap payments when due and payable by the swap counterparty.
- Amounts accumulated on the Replenishment Ledger (during the revolving period, unused distribution amounts).
- The Liquidity Reserve.

The Lease Incidental Surplus Reserve, Commingling Reserve, the Maintenance Reserve and the Set-Off Reserve as well as the Swap Collateral Account do not form part of the available funds but can only be used in case the relevant counterparties' obligations are breached.

Funding of the Reserves

On the Closing Date, LPNL, as the Reserves Funding Provider, funded the Liquidity Reserve corresponding to 0.505% of the Rated Notes.

The Liquidity Reserve forms part of the available funds and can be used to cover senior expenses, swap payments as well as Class A and Class B interest during the life of the transaction. The Liquidity Reserve is not typically used to cover credit or residual value losses and amortises with the amortisation of the rated notes subject to a floor of EUR 2.0 million. Any amount released from the reserve following amortisation will be processed in accordance with the relevant priority of payments and the Liquidity Reserve can ultimately be used to repay the notes when the portfolio has reduced to zero.

The funding of the Commingling, the Set-Off and the Maintenance Reserves is subject to a Reserves Trigger Event and these are not expected to be funded upon closing. These reserve mechanics are described in greater detail in the Reserves Trigger Event section of this report, as well as corresponding sections for the Set-Off, Commingling, and Maintenance Reserves.

Priority of Payments

During both the revolving period and normal/accelerated amortisation, the Issuer applies the available distribution amounts in accordance with a single waterfall (priority of payments). The various priorities of payments applicable in circumstances are out-lined below.

Revolving Period Priority of Payments

Prior to either the payment date falling in August 2018 or a Revolving Period Termination Event, available funds will be distributed through the Revolving Period Priority of Payments outlined below:

1. Taxes payable by the Issuer;
2. Payment of Senior Maintenance Coordinator Fee;
3. Ordinary and extraordinary expenses (these include the servicer fee, back-up servicer fee, back-up servicer standby fee, maintenance coordinator fee, back-up maintenance coordinator fee, back-up maintenance coordinator standby fee, re-alisation agent fee, back-up realisation agent fee, and back-up realisation agent standby fee);
4. Towards satisfaction of any net guarantee payments and any lease incidental surplus;
5. Any net swap payments, if any, due and payable by the Issuer to the swap counterparty, and the applicable issuer profit amount;
6. Interest on the Class A notes;
7. Interest on the Class B notes;
8. Restore the Liquidity Reserve up to its required amount of 0.51% of the Class A and Class B notes, subject to a floor of EUR 2.0 million;
9. The Issuer Increase Advance Amount to the Seller in respect of recalculations that result in an increase in the Purchase Price;
10. Pay the Additional Issuer Advance in relation to additional receivables with any excess allocated to the replenishment ledger;
11. Interest on the Subordinated Loan Advance;
12. Interest on the Reserve Advance;
13. Principal on the Subordinated Loan Advance;
14. Principal on the Reserve Advance;
15. Pay any subordinated termination payments to the interest rate swap counterparty; and
16. Remaining amounts go to LPNL as a Variable Success Fee provided that the reserves are at their target level.

Normal Amortisation Period Priority of Payments

After the end of the revolving period, provided that no Note Acceleration Notice has been served, available funds are distributed through the normal amortisation period priority of payments. The waterfall follows the example above, except for:

1. Additional Issuer Advances are no longer made (no additional receivables are purchased);
2. The repayment of the required principal redemption amounts is made to the Class A and Class B notes following the replenishment of the Liquidity Reserve (to the required amount) prior to the payment of the Issuer Increase Advance Amount.

The repayment of principal recognises a theoretical principal amount, which ordinarily relates to the difference between the prior-period's aggregated discounted balance of the portfolio and the principal outstanding of the Notes and the initial Subordinated Loan on the preceding calculation date following adjustments related to the recalculation of the aggregate discounted balance of the lease agreements (positive or negative, as applicable). As the aggregate discounted balance excludes defaulted amounts, the waterfall allows any excess spread to be used to repay principal and also provides coverage for defaulted leases.

Principal is allocated on a sequential basis and funds are not allocated to principal in respect of the Subordinated Loan Advance until the Class A and Class B notes have been redeemed in full. The repayment of Class A and Class B principal ranks senior to the payment of interest on the Subordinated Loan Advance.

Accelerated Amortisation Period Priority of Payments

Following the service of a Note Acceleration Notice, the Issuer will switch to the Accelerated Amortisation Period Priority of Payments, which sequentially allocates interest and principal to the Notes according to their seniority.

Cleanup Call Option

The Seller has the option to repay the Notes prior to their natural amortisation and repurchase the underlying portfolio on any payment date when the collateral portfolio has reduced to 10% of its aggregated discounted balance as at the initial cut-off date or upon the full redemption of the Class And Class B notes.

Origination and Servicing

DBRS conducted an operational review of LPNL's auto lease operations in April 2017 in Almere, Netherlands. DBRS considers LPNL's origination and servicing practices to be consistent with those observed among other leasing companies.

LPNL was founded in 1963 and is a wholly owned subsidiary of LPC. LPNL is headquartered in Almere in the Flevoland province of the Netherlands. LPNL provides total fleet management solutions to the Dutch automotive leasing market and its customer base is predominantly represented by Dutch corporate clients. The remaining portfolio consists primarily of leases made to Dutch SMEs.

LPC has recently relocated its headquarters from Almere to Amsterdam and is 100% owned by LP Group B.V. which is the sole shareholder. TDR Capital (United Kingdom), sovereign wealth funds ADIA (United Arab Emirates) and GIC (Singapore), pension funds PGGM (the Netherlands) and ATP (Denmark) and Broad Street Investments indirectly own 100% of LeasePlan's issued and outstanding share capital.

LPC has held a universal banking licence in the Netherlands since 1993 and is regulated by the Dutch Central Bank. As a global fleet and vehicle management company that operates in 32 countries globally, LPC manages a fleet size of approximately 1.7 million vehicles and has assets of EUR 23.8 billion (as at 31 December 2016). In 2016, LPC recorded a full-year net profit of EUR 455 million.

As at year-end 2016, total lease assets globally amounted to approximately EUR 18.8 billion, with the Netherlands representing over 11% of the total (EUR 2.1 billion) and a fleet size exceeding 150,000 vehicles. The company maintains a strong market share in the Netherlands at approximately 18%, with a strong position especially in the large/strategic sector.

DBRS does not publicly rate LPNL, although a private rating has been assigned to the Dutch parent company.

Collateral Summary

The lease collections and vehicle realisation proceeds that are assigned to the Issuer consist of lease agreements granted by LPNL to corporate, SME and public-sector clients in the Netherlands for the purpose of leasing passenger vehicles, commercial vehicles, light commercial vehicles and heavy goods vehicles. LPNL offers agreements through a master-hire product, whereby multiple vehicles are leased under a single set of terms and conditions, or alternatively under a separate lease agreement, where each vehicle has individual terms and conditions.

LPNL offers two types of operating lease agreements known as open calculation and closed calculation. Under an open calculation contract, the product looks to provide flexibility by aligning the client usage with the lease instalments. There is a profit-sharing arrangement between LPNL and the lessee if there arises any financial gain in relation to the combined result of (1) the sale of the vehicle and (2) the utilisation of the budgeted maintenance facilities against the terms and conditions of the contract within the master-hire agreement. These amounts are calculated on an annual basis and debits/credits are applied to a client's settlement account. Under a closed calculation contract, the lessee is not provided with the same transparency and does not have the option of receiving any refund from LPNL if its usage is lower than budgeted at the start of the contract. For both open- and closed-calculation agreements, LPNL takes the RV risk.

LPNL provides formal and informal extensions to its clients. Formal extensions act as an RV risk mitigant as the agreement is recalculated following the revision of the contract tenor and mileage provisions. Formal extensions typically have a 12-month duration. Informal extensions may also occur and, under this scenario, the lessee continues to make the same lease instalment following the expected contract maturity (typically only for several months).

As the Class A Notes have been issued at a premium, this has resulted in the principal purchase price being greater than the aggregate closing loan balance by approximately EUR 1.3 million. This represents the issue price of the Class A Notes in excess of 100% and is paid by the Issuer to the Seller.

The following tables and graphs summarise the portfolio's composition and evolution. All data refers to the portfolio mix according to the net book value of the receivables.

Exhibit 1: Product Type

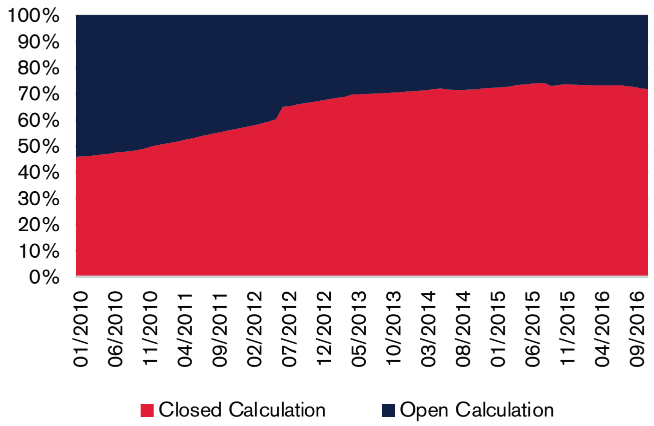


Exhibit 2: Vehicle Type

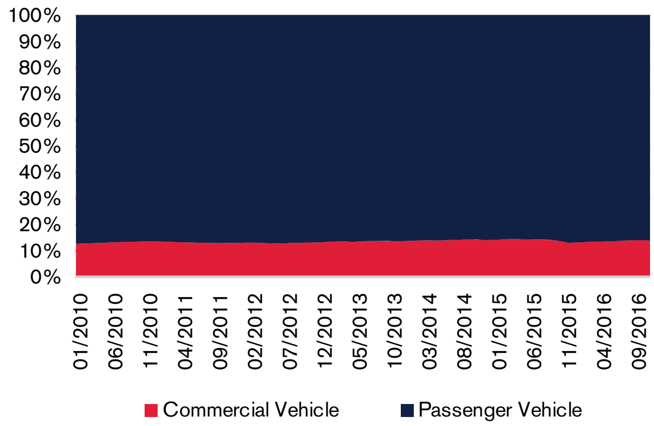


Exhibit 3: Vehicle Brand

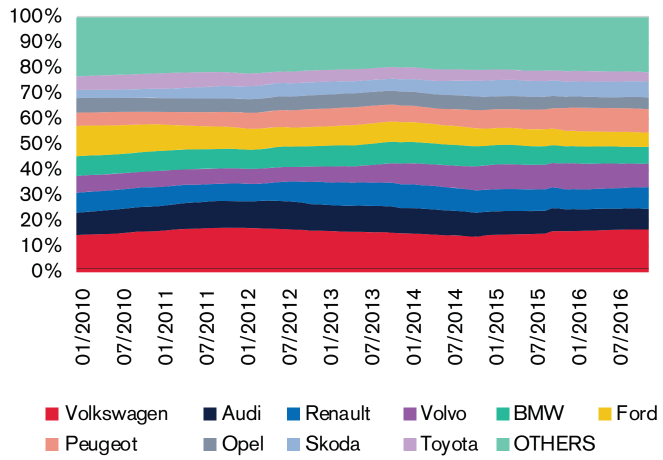
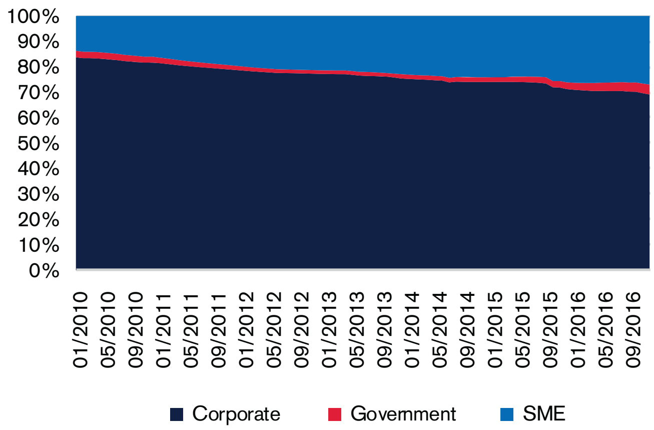


Exhibit 4: Client Type



Eligibility Criteria

Receivables assigned on the issue date meet certain criteria specified in the transaction documents. The criteria required for assignment are summarised below:

- The leased vehicle qualifies as a passenger vehicle, a commercial vehicle, a heavy goods vehicle or a light commercial vehicle;
- The lessee is a legal entity or private individual conducting business in the Netherlands including as a branch operation of a legal entity located in a Rome I Country.
- Leases are denominated in euros.
- Leases are governed by the Dutch law.
- The leased vehicles are registered in the Netherlands, including as a branch operation of a legal entity located in a Rome I Country.
- The leased vehicle purchase price has been paid in full to the relevant supplier.
- Lease contracts that are not in arrears for more than 31 days and for an amount exceeding: (1) EUR 1,000 for corporate and public-sector lease agreements and (2) EUR 50 for SME lease agreements.
- The lease contract has been entered in to in accordance with the terms and conditions which were common to the Dutch auto lease market.
- The lease agreement is not defaulted.
- The lessee is not part of the LeasePlan Group and not an employee of LPNL.
- The payment frequency of the lease contracts is monthly.
- The lease contract has recorded at least one instalment.
- The lease does not have a maturity greater than the payment date falling in July 2031.
- The original term of the lease is not greater than 120 months.
- The lease contract is not a financial lease *(huurkoop)*.
- The Lease Agreement does not prohibit the delegation of associated services to third parties.
- The initial purchase price (excluding VAT) of the Leased Vehicle is less than or equal to EUR 500,000.
- The Lease Agreement does not permit the Lessee to terminate the Lease Agreement following an Insolvency Event related to the Seller or LPC.
- The associated Lease Agreement does not permit the Lessee to sublease the Leased Vehicle.
- The Seller has not been granted a right of enforcement or material damages by a court as a result of a missed payment within three years prior to the date of origination of the Lease Agreement in relation to the relevant Lessee.
- The Lessee under the associated Lease Agreement does not have a credit assessment indicating, based on the Seller's underwriting policy, a significant risk that contractually agreed payments will not be made.

Replenishment Criteria

During the twelve month revolving period, certain portfolio limits have been established that prevent negative selection upon assignment as summarised below:

Description	% of Aggregate Discount Balance
Top 1 to 5 Lessees do not exceed	2.0 %
Top 6 to 10 Lessees do not exceed	1.25 %
Top 11 to 20 Lessees do not exceed	0.75 %
Excluding top 20, maximum Lessee does not exceed	0.50 %
Estimated RV does not exceed	48 %
Specific industry group does not exceed	20 %
SME Lease Agreements do not exceed	35 %
Lease Agreements with a remaining term greater than 60 months do not exceed	5 %
Heavy Goods Vehicles and Commercial Vehicles do not exceed	4 %

Pool Characteristics

DBRS has analysed a pool of receivables selected as at the end of May 2017 by LPNL. The main characteristics of the portfolio are shown within the graphs below:

Exhibit 5: Lease Agreement Value

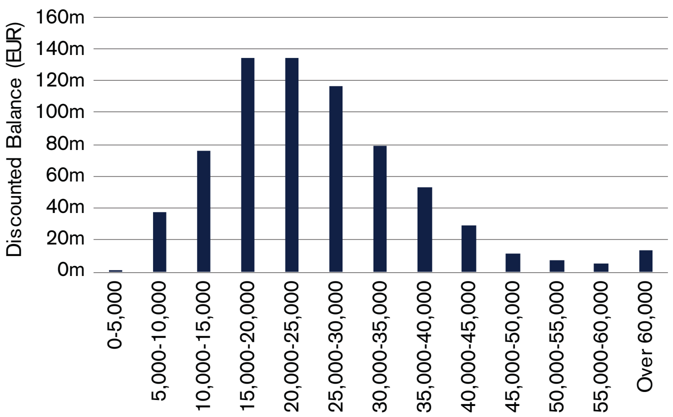


Exhibit 6: Instalment Amount

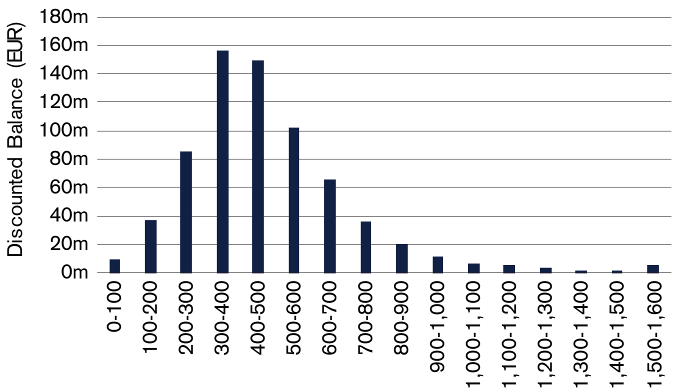


Exhibit 7: Lessee Type

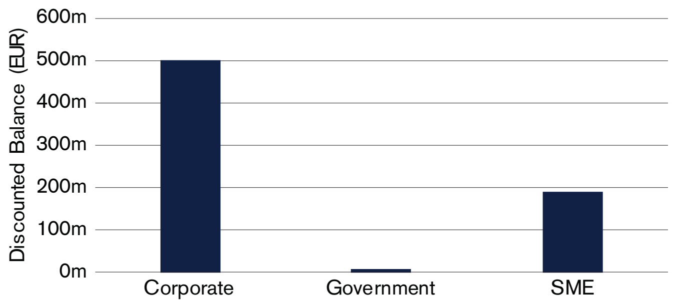


Exhibit 8: Open / Closed Calculation

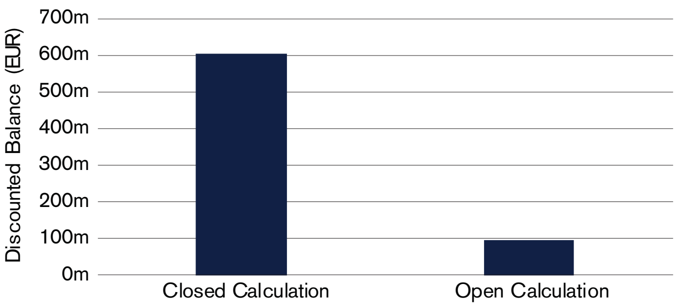


Exhibit 9: New / Used Vehicle

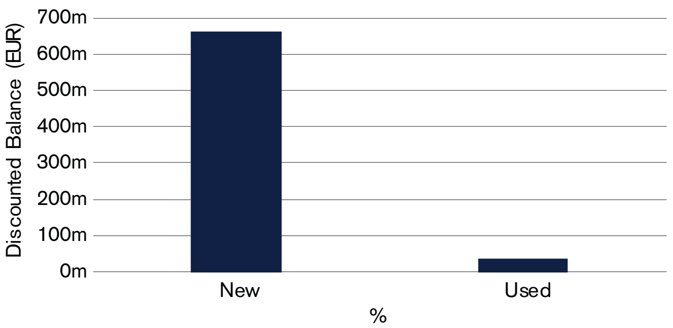


Exhibit 10: Original Term (months)

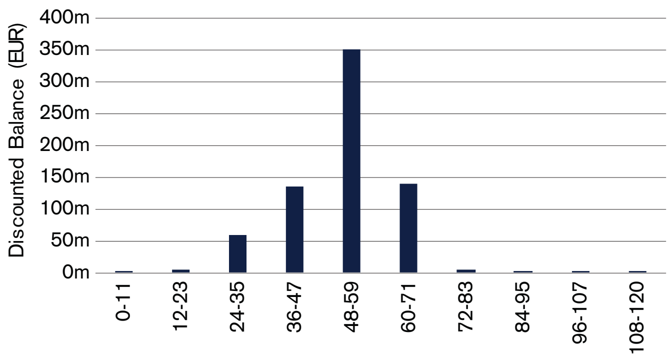


Exhibit 11: Remaining Term (months)

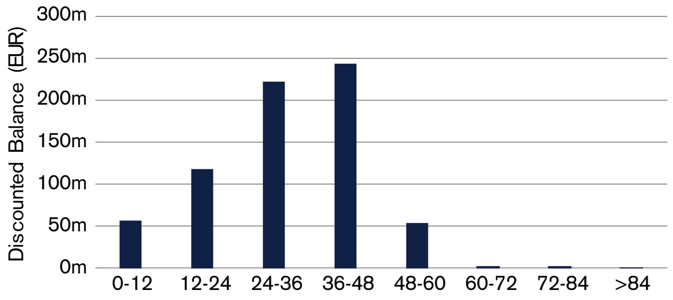


Exhibit 12: Year of Origination

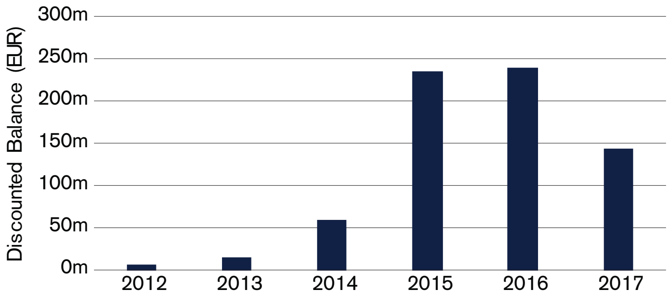


Exhibit 13: Vehicle Type

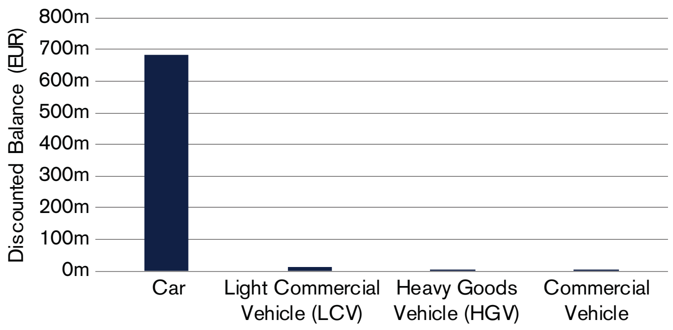


Exhibit 14: Vehicle Brand Mix (Top 25)

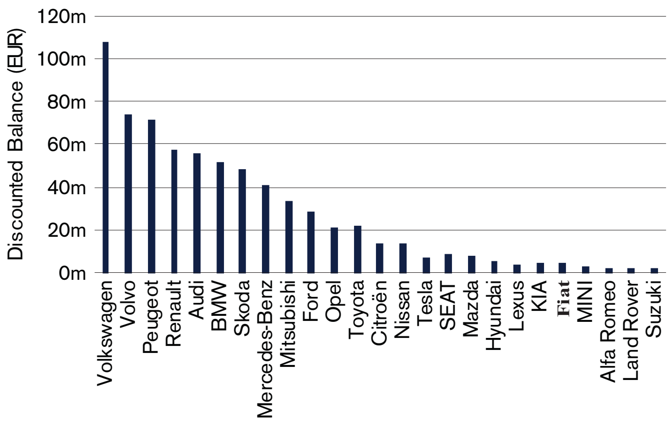


Exhibit 15: Industry Mix

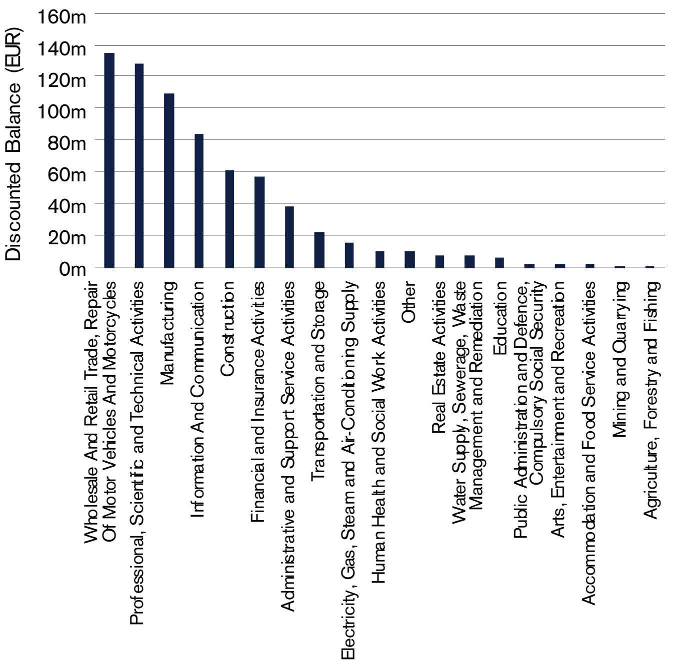
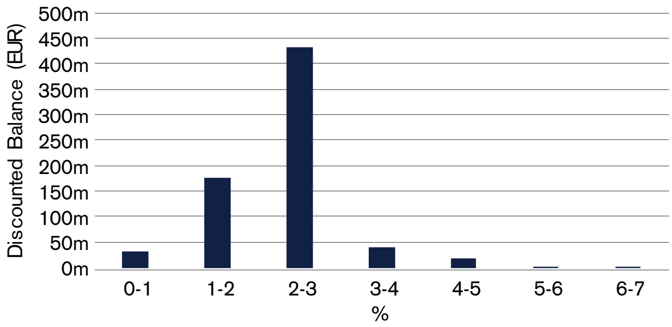


Exhibit 16: Lease Interest Rate Mix



Compared with other auto ABS transactions rated by DBRS in Europe, the following is noted:

- The pool has a well-diversified vehicle brand mix with Volkswagen representing the largest brand at about 15% of the portfolio. The broad array of brands recognises the non-captive nature of LPNL and the wider Dutch auto market.
- There are no retail borrowers within the pool. Corporate borrowers represent 72% of the receivables, SMEs 27% and the remainder are associated with public entities. Corporate borrowers have their highest industry concentration within the auto sector itself with 19% of receivables relating to the wholesale and retail trade, repair of motor vehicles and motorcycles.
- The weighted-average lease instalment is broadly aligned with other European auto ABS portfolios at approximately EUR 480. This reflects the diverse vehicle and brand mix of the pool where 95% of vehicles are classified as new.
- The portfolio is considerably seasoned. The weighted-average seasoning is approximately 15 months with 45% of leases originated between 2012 and 2015.
- All agreements pay on a monthly basis and all are classified as operational leases.
- The proportion of receivables related to closed calculation agreements has remained stable with the prior Bumper 6 transaction and represents 86% of the receivables.
- The weighted-average lease interest rate of 2.2% is considered low; however, the minimum discount rate set for the portfolio is 5.0%.

Rating Analysis

The ratings are based on DBRS's review of the following analytical considerations:

- Transaction capital structure and form and sufficiency of available credit enhancement.
- Credit enhancement levels are sufficient to support DBRS-projected expected cumulative net losses and RV losses under various stress scenarios.
- The transaction's ability to withstand stressed cash flow assumptions and repay investors according to the terms under which they have invested. For this transaction, the ratings address the payment of timely interest on a monthly basis and ultimate principal by the legal final maturity date.
- LPNL's financial strength as well as its capabilities with regard to originations, underwriting and servicing.
- DBRS conducted an operational risk review of LPNL's premises in Almere, the Netherlands and deems it to be an acceptable servicer.
- The transaction parties' financial strength with regard to their respective roles.
- The credit quality and concentration of the collateral and historical and projected performance of the Seller's portfolio.
- The sovereign rating of the Netherlands, currently AAA.
- The transaction's consistency of the legal structure with the DBRS's *Legal Criteria for European Structured Finance Transactions* methodology and the presence of legal opinions that address the true sale of the assets to the Issuer and non-consolidation of the special-purpose vehicle (SPV) with the Seller.

Portfolio Performance Data

DBRS received the following set of data sourced by LPNL:

- Dynamic portfolio composition and delinquency performance data;
- Static data including default data by lessee type, portfolio recovery data, termination performance and depreciation;
- Lease-level RV data assessing vehicle realisation proceeds against net book value, split by termination type; and
- A theoretical amortisation of the portfolio, split by lease collections and RV payments.

Vintage Default and Recovery Data

DBRS understands that the default definition applied is the same definition used in the transaction documents that refers to termination of the lease agreement. The default definition is split into two, whereby a distinction is made between lease agreements afforded to SME customers and those granted to corporate/public-sector lessees.

SME customers are considered to be in default when their agreement is 90 days in arrears whereas corporate and public-sector lessees are only considered in default when the Servicer deems that there is no reasonable chance that the customer is able to pay. For all customers, lease agreements are considered to be in default upon the lessee's insolvency.

DBRS received default data that corresponded to the transaction's eligibility criteria as depicted below.

Exhibit 17: Cumulative Defaults by Annual Vintage

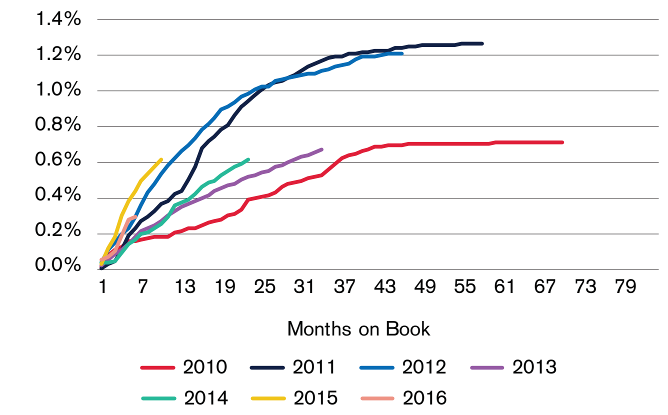
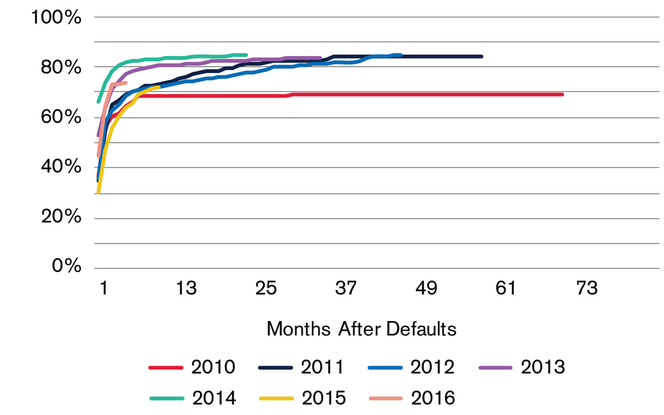


Exhibit 18: Cumulative Recoveries by Annual Vintage



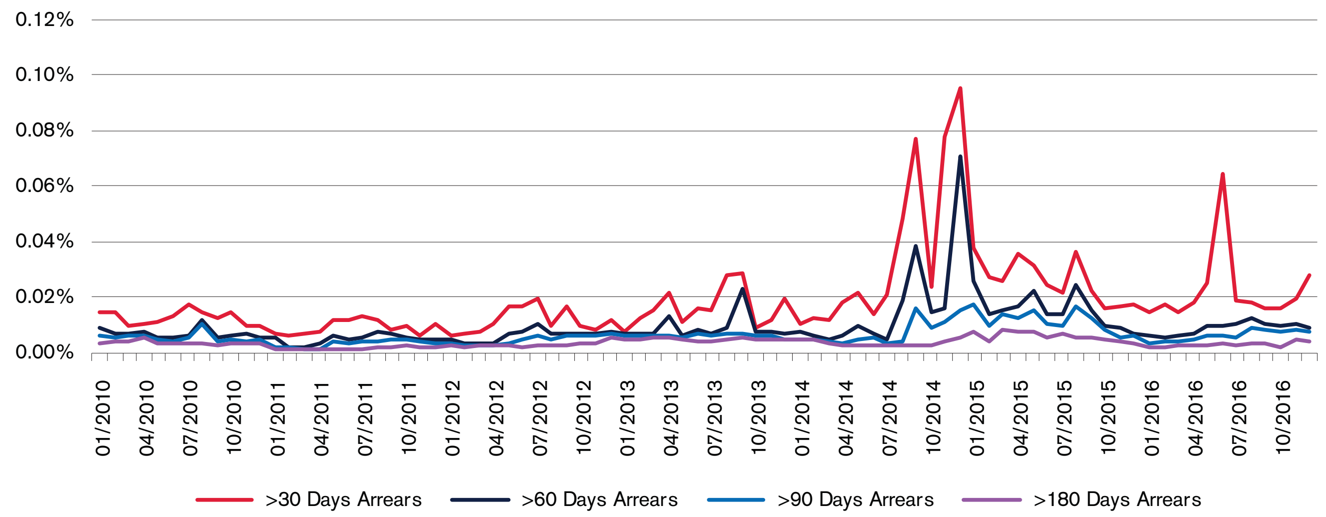
DBRS notes the following from its analysis of the vintage default and recovery data received:

- SME defaults are higher compared with corporate defaults. However, corporate defaults are concentrated and more volatile. The maximum monthly default vintage reported for the portfolio was 2.3% for receivables originated in December 2011; however, many vintages have recorded historic default levels less than 1.5% over a similar time period.
- The recoveries data represents both the sale of the underlying vehicle and subsequent cash recoveries. On average, approximately 90% of recoveries relate to the sale of the vehicle. Cash recoveries evolve over time and typically mature around three years. Overall, recoveries performance has improved since 2010 with similar recovery rates across all annual vintages apparent after cash recoveries have been considered.

Delinquencies

The graph below outlines invoices that are in arrears and the associated net book value. DBRS considers delinquency levels to have been low over the reporting period, although volatility can be observed in the early arrears buckets during 2014 and 2015. DBRS understands that this is due to (1) operational changes driven by the introduction of the Single Euro Payments Area (SEPA) and (2) delays or disputes associated with specific large corporate clients. Given the default definition and the distinction between the management of SME and corporate/public-sector lessees, the volume of arrears greater than 90 days has been consistently under three basis points.

Exhibit 19: Invoices in Arrears as % of Portfolio



Early Termination Data

Should a lessee request that a contract be terminated more than 30 days prior to the original contract end date, LPNL will typically charge the customer an early termination penalty that looks to mitigate RV risk. The approach varies for open- and closed-calculation agreements with the former calculated based on lost interest income and the difference between the book value and the vehicle sales price plus an extra penalty, while the latter is calculated as a percentage (up to 50%) of the forgone monthly rentals. Over the reporting period, the early termination performance has been consistent with cumulative early termination rates typically exceeding 10%.

Exhibit 20: Cumulative Early Terminations by Annual Vintage

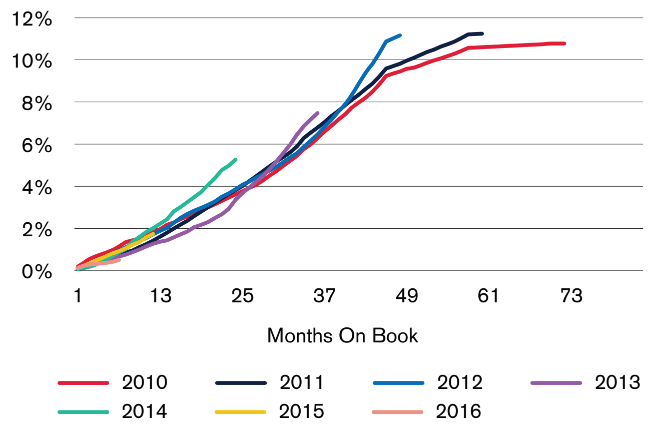
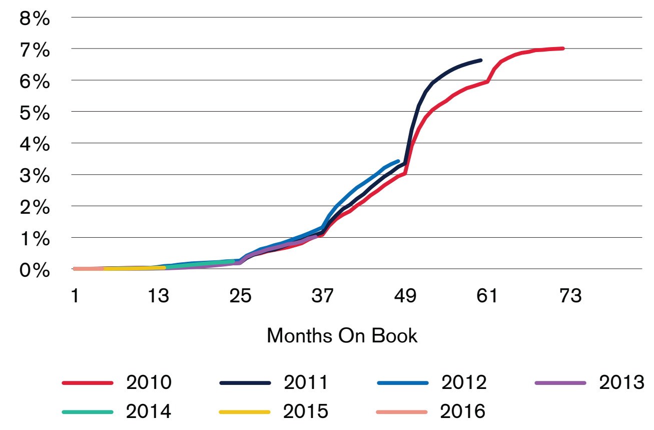


Exhibit 21: Cumulative Extended Terminations by Annual Vintage



Residual Value Realisation Data

DBRS received lease-level RV realisation data from Q1 2010. The data allowed DBRS to analyse RV performance for agreements that had (1) reached contract maturity, (2) been early terminated and (3) been extended. The vehicle realisation data demonstrated the following:

- LPNL consistently and on average achieved a gain upon realising vehicle sales proceeds at lease maturity. DBRS considers this to be a function of the robust RV setting process at contract inception and the risk mitigation tools utilised that allow for the possibility for agreements to be recalculated.

- Realisation performance from 2013 onwards has improved, although there is a degree of calendarisation with November and December regularly demonstrating weaker performance. LPNL seeks to manage this through its multi-channel remarketing approach.
- Approximately 21% of the vehicles realised by LPNL related to contracts that had been early terminated.
- Income related to post-contract charges (i.e., non-vehicle sales proceeds) represented approximately 10% of the gross sale proceeds with proportionately larger amounts received upon early terminations.

Overall, DBRS notes an improvement in residual value realisation performance which has consistently improved over recent years (2013+) with LPNL frequently generating realisation proceeds greater than expected residual values.

Reserves Trigger Event

The transaction benefits from the following reserves that seek to mitigate various risks:

- Liquidity Reserve,
- Set-Off Reserve,
- Commingling Reserve and
- Maintenance Reserve.

The Liquidity Reserve is fully funded by LPNL upon closing. All other reserves are funded following a rating-specific downgrade event of LPNL's ultimate parent, LPC (the Reserves Trigger Event). Upon closing a Reserves Trigger Event is not expected to have occurred and only the Liquidity Reserve is initially funded by LPNL as the Reserves Funding Provider.

Set-Off Risk

The eligibility criteria does not allow for lessees to be either employees of LPNL and part of the LeasePlan Group. However, set-off may arise through (1) the use of open-calculation lease contracts whereby the lessee may be due various sums from LPNL because of underutilisation of the vehicle, and (2) deposits held by LPNL that have been made by lessees.

As a mitigant, there is a Set-Off Reserve, which is funded upon a Reserves Trigger Event. Following such an event, the Set-Off Reserve is credited with an amount equal to:

- The positive difference relating to the sum of (1) EUR 2.14 million for mileage variation adjustments, (2) deposits made by lessees and (3) the estimated amount that may be payable by the Seller in relation to open calculation leases, and;
- Amounts previously withdrawn from the set-off reserve ledger and used as available funds.

Commingling Risk

Prior to a Reserves Trigger Event, LPNL is entitled to transfer collections on a monthly basis. The amount advanced to the Commingling Reserve and the transfer frequency of collections to the Issuer will depend on whether the Servicer notifies the Issuer that customers pay directly into the Issuer's account or not. If this is the case, then the Commingling Reserve is not funded; however, the Commingling Reserve will be funded with 181% of the expected lease interest and principal collections for the next month and 125% of the highest expected monthly income related to the sale of purchased vehicles over the life of the transaction with collections being transferred on the usual monthly payment date.

The transaction documents also envisage a situation whereby LPNL makes twice-weekly payment transfers to mitigate the risk of commingling. In this circumstance, LPNL funds the Commingling Reserve with 81% of the expected lease interest and principal collections for the next month and 25% of the highest expected monthly income related to the sale of purchased vehicles over the life of the transaction.

The calculations referenced above are adjusted for any amount previously withdrawn from the Commingling Reserve Ledger and used as available distribution amounts.

Continuity of Maintenance Services

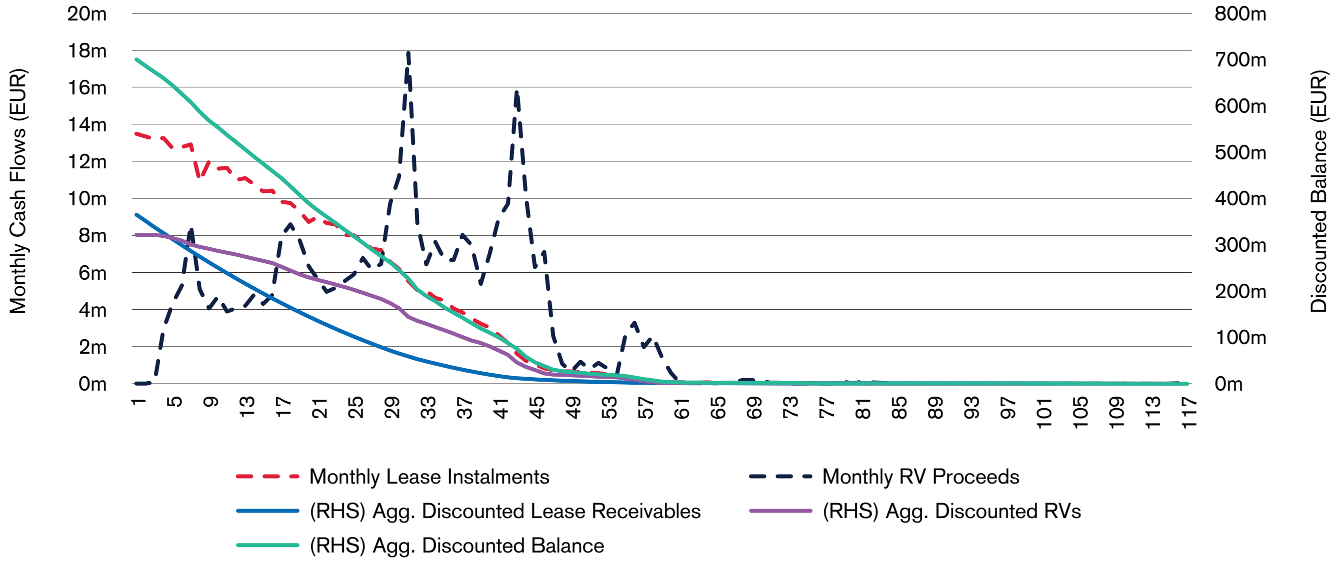
As previously described, specific leases comprise a maintenance component where a lessee elects to pay for the provision of these lease services. A Maintenance Reserve protects the SPV from losses that may result from assuming the maintenance services in the absence of LPNL. The Maintenance Reserve provides support against future maintenance costs following an LPNL insolvency and is funded following a Reserves Trigger Event. Following such event, the Maintenance Reserve has a target that dynamically shifts during the revolving period based on the difference between the expected and actual maintenance costs. The reserve will not be lower than 0.1% of the portfolio's discounted balance.

Portfolio Amortisation and Interest Rate

The portfolio purchase price is calculated on a net-present value basis. Each assigned lease receivable and RV Claim is discounted by a fixed rate of 5.0%. Thus, the entire portfolio generates the same fixed interest rate.

DBRS contemplated the applicable replenishment criteria and assumed negative selection throughout the revolving period. The graph below outlines the theoretical amortisation of the portfolio as at the cut-off date provided by LPNL at the end of the scheduled revolving period.

Exhibit 22:



Certain volatilities are noted within the theoretical cash flow timings that reflect both the seasoning of the portfolio and the typical 12 monthly intervals associated with contract tenors. Collectively both of these factors influence the volume of RV maturities.

Summary of the Cash Flow Scenarios

DBRS's cash flow model assumptions focused on the amount and timing of defaults and recoveries, prepayment speeds, interest rates and RV loss. Several different prepayment scenarios were evaluated when assessing the sufficiency of credit enhancement for the assigned rating levels and DBRS evaluated scenarios whereby prepayments were assumed to be between 0% and 20% constant principal repayment although higher stresses resulted in the reduction in RV risk. These assumptions were used in conjunction with loss timing curves shown below:

Period	Front	Base	Back
1-12	50%	20%	20%
13-24	30%	50%	30%
25-36	20%	30%	50%
	100%	100%	100%

A total of 18 cash flow scenarios were applied to test the performance of the rated notes (please see table below).

Scenario	Prepayments	Default Timing	Interest Rate
1	Slow	Front	Upward
2	Slow	Front	Downward
3	Slow	Base	Upward
4	Slow	Base	Downward
5	Slow	Back	Upward
6	Slow	Back	Downward
7	Mid	Front	Upward
8	Mid	Front	Downward
9	Mid	Base	Upward
10	Mid	Base	Downward
11	Mid	Back	Upward
12	Mid	Back	Downward
13	Fast	Front	Upward
14	Fast	Front	Downward
15	Fast	Base	Upward
16	Fast	Base	Downward
17	Fast	Back	Upward
18	Fast	Back	Downward

Interest Rate Risk, Basis Risk and Excess Spread

The receivables comprising the collateral portfolio yield a fixed rate of 5.0% because of the mechanism of assignment at a net present value. Since the Issuer's liabilities for Class A and Class B are indexed to one-month Euribor, the transaction benefits from an interest rate swap whereby the Issuer pays a fixed rate to the swap counterparty and receives the floating rate in return.

The interest rate swap has a notional amount corresponding with the aggregated outstanding principal of the Class A and Class B notes. Since the floating rate payable under the Notes is equal to the floating rate payable to the Issuer under the swap, there is substantially no basis risk.

Interest Rate Stresses

DBRS applied its standard interest rate stresses as detailed in its Unified Interest Rate Model Methodology for European Securitisations.

Yield Compression

The portfolio selected by LPNL as at the cut-off date has an effective fixed yield of 5.0% because of the application of the discount rate. Thus, compression of the portfolio yield is not applicable.

Default and Recovery Base-Case Assumptions

Given the revolving nature of the transaction, the portfolio composition is expected to change over time. To mitigate the potential for negative credit migration, replenishment criteria have been set to limit portfolio concentrations.

To determine a default estimate for the more granular SME subset, for vintages that were not fully seasoned, defaults were projected to the required maturity using historical data relating to default timing. Furthermore, DBRS considered lessee concentration specifically related to corporate borrowers by referencing its Rating CLOs Backed by Loans to European SMEs methodology. DBRS's base default assumption of 1.9% considered an SME mix of 35% in line with the replenishment criteria.

Gross recoveries include vehicle realisation proceeds and subsequent cash recoveries. Cash recoveries have accounted for approximately 10% of gross recoveries and approximately half of these were on average received within six months of default. After taking into account frequency distribution and historical default volumes, DBRS assumed a base recovery rate of 73.0%. Separate recovery rates were derived for each rating level across the portfolio with a three-month recovery lag applied as seen in the following table:

Rating	Recovery Rate
AAA	47%
AA	50%

Residual Value Assumptions

DBRS analysed the Seller's vehicle realisation data with consideration given to costs associated with vehicle disposal; in total, over 166,500 observations were analysed from Q1 2010 to Q4 2016. DBRS has also benchmarked LPNL's performance against the historic performance observed with other comparable portfolios and has also reviewed data points prior to 2010 in order to assess vehicle price volatility and to define the RV market loss.

A turn-in rate at lease maturity of 100% was assumed that allowed DBRS to determine the expected RV loss in the relevant rating scenarios as follows:

Rating	RV Loss
AAA	42%
AA	39%

DBRS considered the maximum RV exposure (48%) as per the replenishment criteria.

Risk Sensitivity

DBRS determines a lifetime base-case probability of default (PD), loss given default (LGD) and RV loss for each rated pool based on a review of historical data. Adverse changes to asset performance may cause stresses to base-case assumptions and therefore have a negative effect on credit ratings. The tables below illustrate the rating's sensitivity to various changes in the base-case default rates, loss severity and RV assumptions relative to the base-case assumptions which DBRS used to assign the ratings.

Class A Notes

		Increase in PD and LGD Rates (%)		
		0	25	50
Increase in RV Loss (%)	0	AAA	AA (high)	AA
	25	AA	AA (low)	AA (low)
	50	AA (low)	A (high)	A

Class B Notes

		Increase in PD and LGD Rates (%)		
		0	25	50
Increase in RV Loss (%)	0	AA	AA	AA (low)
	25	A (high)	A	A (low)
	50	A (low)	BBB (high)	BBB

Appendix

Origination & Underwriting

Origination and Sourcing

LPNL sources business from SMEs and corporate customers. The company has an online solution (LeasePlanDirect.nl) for SMEs, providing more efficient processing and attractive pricing. LPNL offers tailor-made solutions and bespoke contracts for its corporate clients, specifically designed to effectively address the clients' needs as well as to maximise price through package deals. More standardised products are offered for SME clients mainly because of the smaller nature of their fleets. The company also offers full administrative outsourcing, particularly for its large and strategic customers.

Underwriting Process

All underwriting activities at LPNL are appropriately segregated from marketing and sales and are centralised in Almere. LPNL adheres to standard income verification practices, including collection of income statements and audited financial statements. National credit bureau data is also assessed and incorporated into the automated scoring models. The models allow for quick decision-making.

LPNL uses internal scoring and rating models for its SME and corporate clients. For SMEs, the company uses a retail scoring system which was developed by LPNL's risk management group and validated by an external audit company. The model uses historical data to set default rates and includes parameters based on the company's internal credit policy. Corporate clients are run through LPC's rating model. The rating model has been approved by the Dutch Central Bank and is validated annually with the last upgrade in 2014. Manual overrides to the rating model are allowed but must be approved through LPNL's credit committee and all overrides are monitored by LeasePlan's corporate risk management group.

The ratings are monitored at least annually and the credit risk department is responsible for monitoring corporate clients. Larger, higher-risk clients are subjected to more frequent reviews. The monitoring process is designed to alert the company to potential problems with the customer more effectively as well as to ensure that maximum levels surrounding lending and fleets are not breached. All credit approvals are handled by the credit risk department following a uniform set of credit criteria. Dual sign-off by two credit analysts is required for all SME customers underwritten through the retail scoring system.

The LPNL credit committee meets monthly and its members are appointed by LPC, headquartered in the Netherlands, consistent with other group companies and subsidiaries.

Valuations and Residual Value

As LPNL is an auto leasing company, valuation practices relate to automotive RV and LeasePlan has a robust process for calculating, monitoring and managing RV risk. LeasePlan's global credit policy surrounding RV outlines minimum requirements and various committees are in place to ensure compliance with the policy. Fleet valuations and fleet risk assessments are completed quarterly. Group audit also verifies policy compliance and LPNL has consistently obtained a 'green' (satisfactory) rating from internal audit.

Along with the RV risk management committee, LPNL has instituted additional local policies to enhance the global policy, including a full separation of the asset risk committee (strategic decisions) and the RV Forum (tactical and operational), list of restricted vehicles, lease quote parameters including term and mileage limits, benchmarking initiatives and further elaboration of mitigating actions.

Board members and subject matter experts meet regularly to assess and manage RV exposure through the various RV-related committees. The Asset Risk Committee (ARC) consists of senior managers and meets quarterly to discuss the risks associated with RV. The RV Forum, which meets monthly, includes the head of risk management along with other significant team leaders across the group.

The RV model is validated annually, both internally and by an external accounting firm. The model is also benchmarked against external model providers. Current used vehicle values that form the basis of the RV forecasts are monitored at least quarterly and movements outside of normal seasonal patterns are identified and forecasts are recalculated if appropriate. A full RV review for all vehicle makes, models and types is performed at least bi-annually and new models are discussed more frequently between the bi-annual reviews. The reviews are done in the RV Forum and signed off by ARC.

Servicing

All general lease administration and collections activities are centralised in Almere. All lease contracts are on monthly payment cycles and payment is generally made via direct debit, particularly for SME customers.

For collections and arrears management, the teams work closely with the commercial account managers, particularly for the large and strategic accounts. The account managers provide the collection managers with recent client information. Behavioural scoring is in place whereby the ratings for corporates and the risk score from the retail scoring system for SME clients determines the appropriate collection strategy.

LPNL uses a collection system called OnGuard to monitor daily collections activity. Telephone contact is initiated almost immediately after a missed payment. The level of additional phone contact and lettering campaigns is based on the risk level associated with the client based on the credit score (SME) or counterparty rating (corporates). Loans are classified as defaulted and transferred from collections to the doubtful debtors department once the loan is 35 days (high risk) or 46 days (medium risk) in arrears, respectively. As LeasePlan is a Dutch bank, LPNL is subject to Dutch regulation and adheres to the respective regulatory guidelines.

The default management process is the responsibility of the doubtful debtors team, which decides when a loan is deemed in default because of the number of missed payments and/or customer insolvency. Once a customer is in default, several actions are initiated by the team including blocking of all credit lines, termination of fuel cards, repairs and maintenance and blocking of invoices, credit invoices and new orders. Provisions are then recorded relating to the total receivables balance outstanding, excluding value-added tax, and increased by the expected loss. Repossession of the vehicles begins about two weeks into the default management process. In 2016, LPNL requested an external agency to recover 135 cars covering over 35 independent cases.

Summary Strengths

- Majority of payments made via direct debit.
- Low delinquency and default rates.
- Behavioural scoring and good arrears management practices.
- Leading global largest leasing company and with strong presence in the Dutch market.
- Highly experienced management team with very low turnover among both the management team and operational staff.
- Robust RV process supported by strong risk management and audit oversight.

Summary weaknesses

- RV risk absorbed by LPNL.

  Mitigants: Underlying contracts permit recalculations and allow for clients to be charged for excessive use of the vehicle including exceeding mileage limit and damage beyond normal wear and tear.
- Manual rating model overrides allowed.

  Mitigants: Credit committee approval required and all overrides monitored by LeasePlan's corporate risk management group.

Opinion on Back-Up Servicer: There is no back-up servicer appointed on the Bumper transactions. DBRS believes that LPNL's current financial condition mitigates concerns about a possible disruption in servicing following a servicer event of default, particularly insolvency, and further notes the availability of a backup servicer facilitator with respect to the transaction.

Methodologies Applied

The principal methodology used to assign ratings to this transaction is *Rating European Consumer and Commercial Asset-Backed Securitisations* (October 2016).

Other methodologies referenced in this transaction are listed below.

- *Legal Criteria for European Structured Finance Transactions* (September 2016)
- *Derivative Criteria for European Structured Finance Transactions* (October 2016)
- *Operational Risk Assessment for European Structured Finance Servicers* (October 2016)
- *Operational Risk Assessment for European Structured Finance Originators* (October 2016)
- *Unified Interest Rate Model for European Structured Finance* (November 2016)
- *Rating CLOs Backed by Loans to European SMEs* (July 2016)

The rating methodologies and criteria used in the analysis of this transaction can be found at: http://www.dbrs.com/about/ methodologies. Alternatively, please contact info@dbrs.com.

Surveillance Methodology

The transaction is monitored by DBRS in accordance with its *Master European Structured Finance Surveillance Methodology* (March 2017), which is available at www.dbrs.com under Methodolgies. Alternatively, please contact info@dbrs.com.

Notes:
All figures are euros unless otherwise noted.

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