

## **OZCAR CAR DEALERSHIP FINANCING GUARANTEE AND TRUST ARRANGEMENTS : OVERVIEW**

This Overview summarises the primary Transaction Documents and roles of the transaction parties for the Ozcar ABS Trust transaction.

Capitalised terms in this document have the meaning given in the accompanying Transaction Documents.

### **1. Transaction Documents**

The primary transaction documents for the Guarantee and trust financing arrangements are the:

- (a) Commonwealth Government Guarantee
- (b) The Master Trust Deed
- (c) Notices of Creation of Holding Trust;
- (d) Notice of Creation of Trust – Ozcar ABS Trust 2009-1
- (e) Subscription Agreement
- (f) Series Notice
- (g) Acquisition, Custodian and Servicing Agreements (pro forma)
- (h) Master Servicing Agreement
- (i) Security Trust Deed

#### **1. The Master Trust Deed**

The Master Trust Deed sets out the terms on which a series of trusts may be established, including the primary trust for this transaction, the Ozcar ABS Trust 2009-1 (the Trust).

It is the document under which Perpetual Corporate Trust Limited agrees to act as Trustee, Credit Suisse (Australia) Limited agrees to act as Programme Manager and Perpetual Nominees Limited agrees to act as Trust Administrator for the Trust and each other trust established under that document.

It sets out the basic duties and powers of the Trustee, the Programme Manager and the Trust Administrator.

It also sets out procedural matters relating to raising of funds by the Trust, the Notes issued by the Trustee and the administration and auditing of the Trust and its activities.

#### **2. Notices of Creation of Trust**

The notices of creation of trust establish the Trust and the Ozcar Holding Trust 2009-1 in accordance with the Master Trust Deed.

#### **3. Guarantee**

Under the Guarantee, the Commonwealth of Australia guarantees the monthly interest payments and the repayment of principal on the final maturity date, 1 January 2012, of all Guaranteed Notes issued by the Trustee.

#### **4. Subscription Agreement**

The Subscription Agreement sets out the terms on which the Note Subscribers will subscribe for Notes (debt instruments) issued by the Trustee. It sets out the maximum amount of Notes that each Note Subscriber will subscribe for in different classes (some covered by the Guarantee and some rated AAA by the Rating Agency which are not covered by the Guarantee) and the conditions that must be satisfied before that funding can occur.

#### **5. Series Notice**

The Series Notice is the primary document dealing with:

- (a) the terms of the Notes issued by the Trust (such as interest payable, payment dates and the final maturity date on which principal must be repaid);
- (b) how the Trust may use the funds its receives (primarily to buy assets (vehicles, receivables and receivable agreements) under each Acquisition, Custodian and Servicing Agreement and thereby provide funding to eligible dealers), to meet certain expenses of the Trust (including taxes) and to fund the Trust reserves); and
- (c) the 'waterfall' (or priority) of how the Trust must apply its funds and its excess available income.

The Series Notice also sets out "Amortisation Events" and "Amortisation Trigger Events" that may lead to a cessation of funding by the Note Subscribers and the early amortisation of the funding of the Trust.

It also sets out the fees (either expressly or by reference to fee letters) that are payable by the Trust to various transaction parties.

The Series Notice also contains a guarantee by the Trustee in favour of the Commonwealth of Australia, promising to repay all amounts paid by the Commonwealth of Australia under the Guarantee. As is usual for these structures, the Trustee's liability under this guarantee is limited to the Assets that it has available to it to meet that liability.

It also expressly requires the Programme Manager to have regard to the interests of the Commonwealth Government in exercising its rights, powers and discretions under the Transaction Documents.

#### **6. Acquisition, Custodian and Servicing Agreement (ACSA)**

The ACSA is the main operating agreement between the Trust and each eligible financier. There is a separate ACSA for each eligible financier. Each ACSA is based on a pro forma originally approved by all transaction parties, with changes as subsequently negotiated between each individual eligible financier.

Under the ACSA, the eligible financier is appointed as an "Approved Seller" and "Servicer" of the Trust, responsible for originating, underwriting, selling and then servicing eligible dealers funded via the Trust.

Each ACSA sets out:

- (a) the eligibility criteria for dealers and the types of assets eligible to be funded via the Trust;
- (b) the mechanics for funding of eligible financiers by the Trust (by way of the acquisition of vehicles and receivables of the eligible dealers and the sale back to the eligible financier) and the conditions to that funding;
- (c) the cash-flows between the Trust and the eligible financier (the revolving funding balance as vehicles and receivables are sold in and out of the Trust, the application of collections received from eligible dealers that are funded via the Trust and the funding charges payable to the Trust);
- (d) the "trust-back" of the securities that support both the agreements and other funding provided independently by the eligible financier to the dealer to enable the Trustee and the eligible financier to both benefit from those securities;
- (e) the servicing of the eligible dealers by the eligible financiers;
- (f) the audits that the Trust is entitled to conduct to ensure that the eligible financier is complying with certain of its material obligations to the Trust (such as checking that only eligible dealers are being funded via the Trust and the eligible financier is continuing to service the eligible dealers in accordance with the same standard that they did when they signed the ACSA);
- (g) what happens if an eligible financier defaults in its obligations to the Trust under the ACSA; and
- (h) representations, warranties and undertakings given by the eligible financier in favour of the Trust (for example, about the eligible dealers, the vehicles and receivables that are being funded via the Trust and how the eligible financier is to originate, underwrite, service and collect from those dealers).

## **7. Master Servicing Agreement**

This document appoints Liberty Financial Pty Limited as Standby Servicer and Master Servicer of the Trust.

It requires the Master Servicer to conduct standby services in the event that an eligible financier fails to comply with its servicing obligations to the Trust and needs to be replaced (ie if an eligible financier falls over the Master Servicer will step-in and continue to service and collect from the dealers funded via the Trust so the Trust continues to get paid).

It also requires the Master Servicer to provide an electronic data base that interfaces with the eligible financiers which collects, aggregates and reports on the eligible dealers funded via the Trust on a micro and macro level. The Master Servicer is obliged to provide reports to the Programme Manager and other parties to enable them to monitor the performance of aspects of the activities of the Trust.

## **8. Security Trust Deed**

The Security Trust Deed contains a charge granted by the Trustee over all its assets and undertakings.

The charge is held by P.T. Limited as security trustee, who holds the benefit of the charge for a number of beneficiaries (primarily the Noteholders, the Commonwealth of Australia as guarantor and certain other transaction parties).

The charge is security for non payment of monies owing to the beneficiaries. It is enforceable when a defined "Event of Default" such as failure by the Trustee to pay Noteholders within 10 Business Days after the due date for payment occurs.

It sets out the rights of the security trustee following an Event of Default, how beneficiaries are entitled to vote following an Event of Default and how enforcement proceeds are to be allocated between beneficiaries.

## **2. Transaction Parties**

### **1. Note Subscribers**

The Note Subscribers are the Commonwealth Bank of Australia, Australia and New Zealand Banking Group Limited, National Australia Bank and Westpac Banking Corporation.

Each Note Subscriber agrees to subscribe and pay for Notes issued by the Trustee in accordance with the Transaction Documents up to a maximum amount. Notes are issued and repaid pro rata between the four Banks.

### **2. Trustee**

The Trustee is Perpetual Corporate Trust Limited.

The Trustee issues Notes to the Note Subscribers then provides funding to the eligible financiers in accordance with each ACSA. The Trustee owns all Assets of the Trust and is the entity that can exercise control over those Assets. It will generally exercise its rights, powers and discretions under the Transaction Documents at the direction of the Programme Manager or, in some limited cases, the Trust Administrator or the Noteholders.

### **3. Trust Administrator**

The Trust Administrator is Perpetual Nominees Limited.

The Trust Administrator is primarily responsible for the day to day administration of the assets of the Trust, particularly its cash. It undertakes and verifies certain calculations and administers payments by the Trust on the designated payment dates.

### **4. Programme Manager**

The Programme Manager is Credit Suisse (Australia) Limited.

The Programme Manager has a large number of decision making responsibilities and discretions in relation to the day to day activities of the Trust.

There is a general obligation on the Programme Manager to exercise its discretions and powers with regard to the interests of the Commonwealth of Australia. In some cases, the Programme Manager is required to act only on the express instructions of the Commonwealth of Australia or of other parties, such as the Noteholders.

The responsibilities of the Programme Manager include:

(a) managing the funding requirements of the Trust and co-ordinating the subscription for Notes and funding of the Trust;

- (b) obtaining Ratings Agency feedback on certain matters as required by the Transaction Documents;
- (c) determining whether breaches have occurred, have been satisfactorily cured under the Transaction Documents or whether transfer (default) events have occurred;
- (d) monitoring portfolio concentration levels and amending eligibility criteria as necessary;
- (e) directing the Trustee to take certain actions to protect the interests of the Trust and its Assets.

## **5. Custodian**

The Custodian is P.T. Limited.

The Custodian is responsible for the custody and safe keeping of the bailment and other agreements of the eligible dealers that are funded via the Trust.

## **6. Security Trustee**

The Security Trustee is P.T. Limited.

The Security Trustee holds the benefit of the charge granted by the Trustee on trust for the beneficiaries of the charge. The Security Trustee will enforce that charge if an Event of Default occurs and the Voting Chargee (the beneficiary entitled to vote) directs the Security Trustee to do so.

## **7. Master Servicer**

The Master Servicer is Liberty Financial Pty Limited.

The Master Servicer conducts "Standby Services" and "Master Services".

The Standby Services are back-ups to the eligible financiers – the Master Servicer has a plan and will step in if an eligible financier fails to meet its obligations to the Trust in its servicing of eligible dealers that are financed by the Trust.

The Master Services are information collection, aggregation and preparation services for the Trust through which the Master Servicer collects, maintains and reports on the assets of the Trust that are registered in its data base.

## **8. Approved Seller and Servicer – the eligible financiers**

The eligible financiers are appointed as "Approved Seller" and "Servicer" of the Trust.

The Approved Seller is responsible for originating, underwriting and approving dealers meeting the eligibility criteria. If it elects (and satisfies the conditions in the ACSA) the Approved Seller sells the eligible vehicles, receivables and agreements of that eligible dealer to the Trust in order to fund that eligible dealer.

The Servicer is responsible for servicing the eligible dealers that have been funded via the Trust. It conducts audits and risk reviews and other 'in-life' activities in accordance with its usual processes.

It collects payments and allocates and remits them to the Trust as required by the terms of the ACSA. It is also responsible for identifying and managing delinquent dealers and taking any necessary recovery or enforcement action.

## **9. Guarantor**

The Commonwealth of Australia is the Guarantor.

The Guarantor has provided a guarantee for certain Notes issued by the Trustee. Through its relationship with the Programme Manager, the Guarantor exercises certain rights and discretions in connection with the activities of the Trust.