
MASTER DEFINITIONS SCHEDULE

dated as of 25 October 2006

VOLKSWAGEN BANK GMBH
as Seller and Servicer

BNP PARIBAS AND SEB
as Lead Managers

LANDESBANK HESSEN-THÜRINGEN, BARCLAYS CAPITAL AND ING
as Managers

LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE FRANKFURT
as Swap Counterparty

BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH
as Paying Agent, Interest Determination Agent, Account Bank and Calculation Agent

FAEGRE & BENSON LLP
as Security Trustee

FAEGRE & BENSON LLP
as Data Protection Trustee

BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH
as Luxembourg Paying Agent and Listing Agent

TMF DEUTSCHLAND AG
as Corporate Services Provider

VOLKSWAGEN INTERNATIONAL FINANCE N.V.
as the Subordinated Lender

DRIVER THREE GMBH
as Issuer

BAKER & MCKENZIE

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THIS MASTER DEFINITIONS SCHEDULE is signed, for identification purposes only, on 25 October 2006

AMONG:

- (1) **DRIVER THREE GMBH**, a private limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of Germany and having its registered office at Eschenheimer Anlage 1, 60316 Frankfurt am Main, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main, Germany, under HRB 78068, represented by Mrs. Ursula Rutovitz and Mrs. Angela Bartl as its managing directors (the "**Issuer**");
- (2) **FAEGRE & BENSON LLP**, a law firm and a limited liability company under the laws of Minnesota and having its registered office at Main Tower, Neue Mainzer Strasse 52-58, 60311 Frankfurt am Main, Germany (the "**Security Trustee**");
- (3) **VOLKSWAGEN BANK GMBH**, a private limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated under the laws of Germany and having its registered office at Gifhorner Straße 57, 38112 Braunschweig, Germany (the "**Seller**" and "**Servicer**");
- (4) **VOLKSWAGEN INTERNATIONAL FINANCE N.V.**, a public limited liability company (*Namloze Vennootschap*) incorporated under the laws of The Netherlands and having its registered office at Herengracht 495, 1017BT Amsterdam, The Netherlands ("**Subordinated Lender**");
- (5) **BNP PARIBAS, LONDON BRANCH**, 10 Harewood Avenue, London NW1 6AA, United Kingdom; and **SKANDINAVISKA ENSKILDA BANKEN AB (publ.) (SEB)**, Kungsträdgårdsgatan 8, Stockholm 106 40, Sweden (the "**Lead Managers**");
- (6) **LANDESBANK HESSEN-THÜRINGEN**, Main Tower, Neue Mainzer Strasse 52-58, 60311 Frankfurt am Main, Germany; **BARCLAYS BANK PLC**, 5 The North Colonnade, Canary Wharf, London, E14 4BB, United Kingdom; **ING**, Bijlmerplein 888, Location Code HE 02.06, P.O.Box 1800, 1000 BV Amsterdam, The Netherlands (the "**Managers**");
- (7) **LANDESBANK HESSEN-THÜRINGEN GIROZENTRALE FRANKFURT**, Strahlenbergerstrasse 15, 63067 Offenbach, Germany (the "**Swap Counterparty**");
- (8) **BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH**, 33, rue de Gasperich, Howald-Hesperange, L-2085, Luxembourg (the "**Paying Agent**", the "**Interest Determination Agent**", the "**Account Bank**" and the "**Calculation Agent**");
- (9) **FAEGRE & BENSON LLP**, a law firm and a limited liability company under the laws of Minnesota and having its registered office at Main Tower, Neue Mainzer Strasse 52-58, 60311 Frankfurt am Main, Germany (the "**Data Protection Trustee**");

- (10) **BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH**, 33, rue de Gasperich, Howald-Hesperange, L-2085, Luxembourg (the "**Luxembourg Paying Agent**" and the "**Listing Agent**"); and
- (11) **TMF DEUTCHLAND AG**, Eschenheimer Anlage 1, 60316 Frankfurt, Germany (the "**Corporate Services Provider**").

1. DEFINITIONS

- 1.1 The parties to this Master Definitions Schedule agree that, except where expressly stated to the contrary or where the context otherwise requires, the definitions set out below shall apply to terms or expressions referred to but not otherwise defined in each Transaction Document.

"**Account Agreement**" means the account agreement between the Issuer, the Account Bank and the Security Trustee governing the Accounts (except for the Swap Termination Payments Accounts and the Counterparty Downgrade Collateral Account) dated on or about the Signing Date.

"**Account Bank**" means BNP Paribas Securities Services, Luxembourg Branch.

"**Account Bank Required Rating**" means (short term) ratings of at least "P1" from Moody's, "A-1+" from S&P and "F1" from Fitch.

"**Accounts**" means the Accumulation Account, the Cash Collateral Account and the Distribution Account.

"**Accrued Interest**" means in respect of a Note the Note interest which has accrued up to the sale of such Note.

"**Accumulation Account**" means the account no. 360788201000978 held with the Accumulation Account Bank.

"**Accumulation Account Bank**" means BNP Paribas Securities Services, Luxembourg Branch.

"**Additional Cutoff Date**" means in respect of an Additional Purchase Date the last day of the latest completed Monthly Period.

"**Additional Loan Receivables**" means the additional Loan Receivables to be purchased by the Issuer from the Seller in accordance with an Additional Loan Receivables Purchase Agreement.

"**Additional Purchased Loan Receivables**" means the Additional Loan Receivables purchased by the Issuer from the Seller in accordance with the Additional Loan Receivables Purchase Agreement.

"**Additional Loan Receivables Purchase Agreement**" means any additional loan receivables purchase agreement to be entered into between the Issuer and VW Bank during the Revolving Period on an Additional Purchase Date governed by the Loan Receivables Purchase Agreement, particularly Clauses 5 through 7 of the Loan Receivables Purchase Agreement.

"Additional Purchase Date" means a Payment Date falling in the Revolving Period.

"Additional Purchase Price" means in respect of Additional Purchased Loan Receivables an amount equal to the Aggregate Discounted Principal Balance of the Additional Purchased Loan Receivables (discounted at the Discount Rate as of the respective Additional Cutoff Date) less the Additional Purchase Price Discount.

"Additional Purchase Price Discount" means 3.00 per cent. of the Aggregate Discounted Principal Balance of the Additional Purchased Loan Receivables.

"Adverse Claim" means any mortgage, charge, pledge, hypothecation, lien, floating charge or other security interest or encumbrance or other right or claim under the laws of any jurisdiction, of or on any Person's assets or properties in favour of any other Person.

"Affiliate" means, in relation to any Person, any entity controlled, directly or indirectly by the Person, any entity that controls, directly or indirectly the Person or any entity directly or indirectly under common control with such Person (for this purpose, "control" of any entity of Person means ownership of a majority of the voting power of the entity or Person). For the purposes of this definition, with respect to the Issuer, "Affiliate" does not include the Corporate Services Provider or any entities which the Corporate Services Provider controls.

"Agents" means the Calculation Agent, the Interest Determination Agent, the Paying Agent, the Luxembourg Paying Agent and the Listing Agent and **"Agent"** means any one of them.

"Aggregate Additional Cutoff Date Discounted Principal Balance" means the sum of the Discounted Principal Balance for the Additional Purchased Loan Receivables purchased at the relevant Additional Purchase Date.

"Aggregate Cutoff Date Discounted Principal Balance" means the Aggregate Discounted Principal Balance as of the Cutoff Date.

"Aggregate Discounted Principal Balance" means the sum of the Discounted Principal Balance of, as applicable, all Initial Purchased Loan Receivables, all Additional Purchased Loan Receivables or all Purchased Loan Receivables.

"Aggregate Discounted Principal Balance Increase Amount" means in respect of a Payment Date the amount necessary to increase the Aggregate Discounted Principal Balance as of the end of the preceding Monthly Period to the Targeted Aggregate Discounted Principal Balance.

"Applicable Insolvency Law" means any applicable bankruptcy, insolvency or other similar law affecting creditors' rights now or hereafter in effect in any jurisdiction.

"Articles of Association" means the articles of association (*Satzung*) of the Issuer under German law.

"Available Distribution Amount" in respect of a Payment Date shall equal the sum of the following amounts:

- (i) the Collections for the calendar month immediately prior to such Payment Date; plus
- (ii) drawings from the Cash Collateral Account as provided for in Clause 26(2) (*Cash Collateral/Accumulation Account*) of the Trust Agreement; plus
- (iii) Net investment earnings from deposits in the Accumulation Account; plus
- (iv) the Net Swap Receipts under the Class A Notes Interest Rate Swap Agreement and under the Class B Notes Interest Rate Swap Agreement; plus
- (v) after the occurrence of an Early Amortisation Event or after termination of the Revolving Period, the amount of transfers made from the Accumulation Account to the Distribution Account pursuant to Clause 26(4) (*Cash Collateral/Accumulation Account*) of the Trust Agreement.

"Balloon Loan Receivable" means a Loan Receivable with a final balloon instalment.

"Banks" means the Joint Lead Managers and the Managers collectively.

"Bookrunner" means BNP Paribas, London Branch.

"Borrower" means, in respect of a Loan Receivable, a Person (including consumers and businesses) to whom the Seller has advanced one or more auto loans on the terms of a Loan Contract.

"Borrower Notification Event" means notification in connection with a Servicer Replacement Event.

"Business Day" means any day on which TARGET is open for business, provided that this day is also a business day in London and Luxembourg.

"Calculation Agent" means the Paying Agent in its capacity as calculation agent.

"Capital Gains" means the gains from a disposal of the Notes (other than Accrued Interest, including gains realised by a secondary or any subsequent acquirer of the Notes upon redemption of the Notes at maturity).

"Cash Collateral Account" means the account no. 360787201000978 held with the Cash Collateral Account Bank.

"Cash Collateral Account Bank" means BNP Paribas Securities Services, Luxembourg Branch.

"Cash Collateral Amount" means the outstanding balance of the Cash Collateral Account from time to time.

"Cash Collateral Increase Amount" means the amount required to increase the Specified Cash Collateral Account Balance by 0.29 per cent. of the Aggregate

Discounted Principle Balance at the Payment Date immediately prior to the day of the occurrence of the Cash Collateral Increase Event which is exclusively reserved to cover any potential value added tax burden in case a replacement Servicer is appointed.

"Cash Collateral Increase Event" means a notification from Fitch to VW Bank Stating that Fitch has determined that VW Bank's short-term rating would no longer equal at least F3.

"Cash Component" shall be equal to the Aggregate Discounted Principal Balance Increase Amount multiplied by a factor of 0.97 (i.e. 100 per cent. minus the Additional Purchase Price Discount).

"Class" means any of the Class A Notes or the Class B Notes.

"Class A Final Maturity Date" means the Payment Date falling in October 2015.

"Class A Floating Rate Asset Backed Notes" means the class A notes issued by the Issuer on the Issue Date with a total nominal amount of EUR 924,500,000, consisting of 18,490 individual Class A Notes, each in the nominal amount of EUR 50,000 and ranking senior to the Class B Notes with respect to the payment of interest and principal.

"Class A Interest Rate Swap Agreement" means the class A interest rate swap agreement between the Issuer and the Swap Counterparty pursuant to the 1992 ISDA Master Agreement, the associated schedule and the credit support annex and a confirmation dated on or about the Signing Date.

"Class A Noteholders" means the holders of the Class A Notes.

"Class A Notes" means the Class A Floating Rate Asset Backed Notes.

"Class A Notes Factor" shall be calculated as follows:

$$NF = \frac{924,500,000 - KR}{924,500,000}$$

whereby NF means the Class A Notes Factor which is calculated to six decimal places and KR means the total of all repayments of the nominal amount of all Class A Notes paid and contained respectively in each payment up to each respective Payment Date.

"Class A Notes Interest Rate" means 1 month EURIBOR plus 0.10 per cent.

"Class A Overcollateralisation Percentage" means:

- (vi) 9.5 per cent. until the Credit Enhancement Increase Condition shall be in effect provided that the Revolving Period has not expired;
- (vii) 12.0 per cent. after expiration of the Revolving Period until the Credit Enhancement Increase Condition shall be in effect; and

- (viii) 100 per cent. if the Credit Enhancement Increase Condition is in effect.

"Class A Principal Payment Amount" means in respect of a Payment Date the amount necessary to reduce on such Payment Date the outstanding principal amount of the Class A Notes to the Targeted Class A Note Balance.

"Class A Scheduled Repayment Date" means the Payment Date following the Monthly Period which includes the last day on which a loan payment on outstanding Purchased Loan Receivables becomes due, falling in October 2014.

"Class A Swap Counterparty" means Landesbank Hessen-Thüringen Girozentrale Frankfurt.

"Class A Targeted Overcollateralisation Amount" means, on each Payment Date, the greater of (a) the Class A Overcollateralisation Percentage multiplied by the Aggregate Discounted Principal Balance as of the end of the preceding Monthly Period, and (b) the lesser of (i) EUR 12,000,000 (i.e., 1.2 per cent. of the Aggregate Cutoff Date Discounted Principal Balance), and (ii) the aggregate outstanding principal amount of the Class A Notes on such Payment Date (after giving effect to all payments and distributions on such date).

"Class B Final Maturity Date" means the Payment Date falling in October 2015.

"Class B Floating Rate Asset Backed Notes" means the class B notes issued by the Issuer on the Issue Date with a total nominal amount of EUR 35,000,000, consisting of 700 individual Class B Notes, each in the nominal amount of EUR 50,000 and ranking junior to the Class A Notes with respect to the payment of interest and principal.

"Class B Interest Rate Swap Agreement" means the class B interest rate swap agreement between the Issuer and the Swap Counterparty pursuant to the 1992 ISDA Master Agreement, the associated schedule and the credit support annex and a confirmation dated on or about the Signing Date.

"Class B Noteholders" means the holders of the Class B Notes.

"Class B Notes" means the Class B Floating Rate Asset Backed Notes.

"Class B Notes Factor" shall be calculated as follows:

$$NF = \frac{35,000,000 - KR}{35,000,000}$$

whereby NF means the Class B Notes Factor which is calculated to six decimal places and KR means the total of all repayments of the nominal amount of all Class B Notes paid and contained respectively in each payment up to each respective Payment Date.

"Class B Notes Interest Rate" means 1 month EURIBOR plus 0.19 per cent.

"Class B Overcollateralisation Percentage" means:

- (i) 9.0 per cent. until a Credit Enhancement Increase Condition shall be in effect; and
- (ii) 100 per cent. if a Credit Enhancement Increase Condition is in effect.

"Class B Principal Payment Amount" means in respect of a Payment Date the amount necessary to reduce on such Payment Date the outstanding principal amount of the Class B Notes to the Targeted Class B Note Balance.

"Class B Scheduled Repayment Date" means the Payment Date falling in October 2014.

"Class B Swap Counterparty" means Landesbank Hessen-Thüringen Girozentrale Frankfurt.

"Class B Targeted Overcollateralisation Amount" means, on each Payment Date, the greater of (a) the Class B Overcollateralisation Percentage multiplied by the Aggregate Discounted Principal Balance as of the end of the preceding Monthly Period, and (b) the lesser of (i) EUR 9,000,000 (i.e., 0.9 per cent. of the Aggregate Cutoff Date Discounted Principal Balance), and (ii) the aggregate outstanding principal amount of the Class B Notes on such Payment Date (after giving effect to all payments and distributions on such date).

"Clean-Up Call" means a clean-up call by the Seller as more specifically described in Clause 9 of the Loan Receivables Purchase Agreement.

"Clean-Up Call Conditions" means, under the Loan Receivables Purchase Agreements, VW Bank will have the option to exercise a Clean-Up Call and to repurchase the Loan Receivables from the Issuer at any time when the Aggregate Discounted Principal Balance is less than 9 per cent. of the Aggregate Cutoff Date Discounted Principal Balance provided that all payment obligations under the Notes will be thereby fulfilled.

"Clearing" means clearing through Euroclear and/or Clearstream.

"Clearstream" means the Clearstream clearance system for internationally traded securities operated by Clearstream Banking, *société anonyme*, and any successor thereto.

"Collections" means (i) all collections of the Issuer under Purchased Loan Receivables (other than Written Off Purchased Loan Receivables) in respect of Principal, Interest, Loan Administration Fees, Enforcement Proceeds, Insurance Proceeds and (ii) Interest Compensation Payments and Settlement Amounts received from VW Bank.

"Company" means Driver Three GmbH.

"Conditions" means the terms and conditions of the Notes which are set out in the Offering Circular.

"Corporate Services Agreement" means the corporate services agreement entered into by the Issuer and the Corporate Services Provider on or about the Signing Date under which, the Corporate Services Provider is responsible for the

day to day activities of the Issuer, and shall provide secretarial, clerical, administrative and related services to the Issuer and maintain the books and records of the Issuer in accordance with applicable laws and regulations of Germany.

"Corporate Services Provider" means TMF Deutschland AG.

"Counterparty Downgrade Collateral Account" means an account, specified by Party A, as defined in the Interest Rate Swap Agreements, but in the name of Party B, as defined in the Interest Rate Swap Agreements, with an Eligible Collateral Bank.

"Credit Enhancement Increase Condition" shall be deemed to be in effect if the Cumulative Net Loss Ratio exceeds (i) 0.45 per cent. for any Payment Date before or during October 2007; or (ii) 1.2 per cent. for any Payment Date after October 2007 but prior to or during October 2008; or (iii) 1.75 per cent. for any Payment Date after October 2008 but prior to or during October 2009; or (iv) 2.25 per cent. for any Payment Date thereafter; or (v) if the Late Delinquency Ratio exceeds 1.75 per cent. for any Payment Date prior to or during October 2009.

"CSSF" means the Commission de surveillance du secteur financier of Luxembourg.

"Cumulative Net Loss Ratio" means, for any Payment Date a fraction, expressed as a percentage, the numerator of which is the sum of the discounted principal balances of all Loan Receivables (including Loan Receivables which were not received on time and Loan Receivables remaining to be paid in the future) that were charged off by the Servicer in accordance with its customary practices from time to time in effect from the Cutoff Date through the end of the preceding Monthly Period and the denominator of which is the sum of (i) the Aggregate Cutoff Date Discounted Principal Balance and (ii) the sum of all Aggregate Additional Cutoff Date Discounted Principal Balances (if any) until such Payment Date which is in the same month one year before the Payment Date which is relevant for the calculation of the numerator.

"Cutoff Date" means 30 September 2006.

"Data Protection Trust Agreement" means the data protection trust agreement entered into on or about the Signing Date by the Seller, the Data Protection Trustee, the Security Trustee and the Issuer.

"Data Protection Trustee" means Faegre & Benson LLP.

"Data Trustee" means the Data Protection Trustee.

"Discount Rate" means 5.075 per cent. per annum.

"Discounted Principal Balance" means in respect of a Loan Receivable its scheduled cash flow of Principal and Interest (including amounts of Principal and Interest that are overdue) discounted as of the relevant date at the Discount Rate.

"Distribution Account Bank" means BNP Paribas Securities Services, Luxembourg Branch.

"Early Amortisation Event" means any of the following:

- (i) the occurrence of a Foreclosure Event;
- (ii) the amount deposited in the Accumulation Account on two consecutive Payment Dates exceeds 10 per cent. of the Aggregate Discounted Principal Balance;
- (iii) the Credit Enhancement Increase Condition is in effect;
- (iv) the Late Delinquency Ratio exceeds 1.75 per cent.;
- (v) the occurrence of a Servicer Replacement Event
- (vi) the failure by the Issuer following an event of default (as defined in the applicable Swap Agreement) to enter into a replacement Swap Agreement or to post collateral or to take any other measure which is acceptable to the Rating Agencies.

"Early Settlement" means the retransfer of the Loan Receivables under a contract in certain circumstances against payment of the Settlement Amount.

"EC Treaty" means the Treaty establishing the European Community (signed in Rome on 25 March, 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February, 1992), as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 November, 1997), as amended by the Treaty of Nice (signed in Nice on 26 February, 2001).

"Eligible Collateral Bank" means an international recognised bank with the Account Bank Required Rating.

"Enforcement Event" means the event that (in the sole judgment of the Security Trustee) a Foreclosure Event has occurred and the Security Trustee has served an Enforcement Notice upon the Issuer.

"Enforcement Notice" means a notice delivered by the Security Trustee on the Issuer upon the occurrence of a Foreclosure Event stating that the Security Trustee commences with the enforcement of the Security pursuant to the procedures set out in the relevant Security Documents.

"Enforcement Proceeds" means the proceeds from the realisation of Financial Objects in respect of Purchased Loan Receivables and from the enforcement of any other Loan Collateral.

"EONIA" means Euro Overnight Index Average.

"EU" means the European Union.

"EU Member State" means, as the context may require, a member state of the European Union or of the European Economic Area.

"EU Saving Tax Directive" means Council Directive 2003/48/EC regarding the taxation of savings income, adopted by the Council of the European Union on 3 June 2003.

"EUR" means the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the EC Treaty.

"EURIBOR" means for any Interest Accrual Period commencing on the first Payment Date and thereafter the rate for deposits in Euro for a period of one month, such reference rate shown on the second Business Day prior to the first day of the Determination Date at approximately 11.00 a.m. (Brussels time) on Reuters 3000 page EURIBOR 01. As regards the Interest Accrual Period commencing on the Issue Date and ending on the date preceding the first Payment Date (both days inclusive), EURIBOR means the rate which is the result of the straight-line interpolation between (i) the rate for deposits in Euro for a period of one month and (ii) the rate for deposits in Euro for a period of two months, both rates appearing on the Determination Date at approximately 11.00 a.m. (Brussels time) on Reuters 3000 page EURIBOR 01. If the relevant screen page is not available or if the reference rate does not appear, the Interest Determination Agent shall ask five reference banks selected by the Issuer for their reference rate (expressed as a percentage rate per annum) vis-à-vis leading banks in Europe on the Determination Date at approximately 11.00 a.m. (Brussels time). If two or more of the reference banks provide the Interest Determination Agent with such reference rates, EURIBOR shall be the arithmetic mean (rounded up or down, if necessary, to a hundred thousandths of a %, 0.000005 shall be rounded up) of such reference rates, all as determined by the Interest Determination Agent. If EURIBOR cannot be determined in accordance with the foregoing provisions, the EURIBOR rate for the respective Interest Accrual Period shall equal the reference rate last shown prior to the Determination Date on the aforementioned screen page.

"Euroclear" means Euroclear Bank S.A./N.V. as operator of the Euroclear System and any successor thereto.

"Euro-zone" means the region comprising member states of the European Union that have adopted the single currency, the euro, in accordance with the EC Treaty.

"Event Of Legitimate Repudiation Of Loan Contract" means the event that a Borrower legitimately terminates or invalidates a related Loan Contract or refuses to pay a Purchased Loan Receivable or uses a right of set-off.

"Event Of Prepayment Of Purchased Loan Receivables" means an early repayment of the entire Purchased Loan Receivables.

"Exchange Date" shall have the meaning ascribed to such term in Condition 1(3).

"Final Maturity Date" means the Class A Final Maturity Date and the Class B Final Maturity Date collectively.

"Financed Objects" means the objects financed under the Loan Contracts.

"Fitch" means Fitch Ratings Limited, or any successor to its rating business.

"Foreclosure Event" means any of the following events:

- (i) with respect to the Issuer an Insolvency Event occurs; or

- (ii) except for the Interest Shortfall, the Issuer defaults in the payment of any interest on any Note when the same becomes due and payable, and such default continues for a period of five Business Days; or
- (iii) the Issuer defaults in the payment of principal of any Note on the Final Maturity Date.

"**FSMA**" means the United Kingdom Financial Services and Markets Act 2000.

"**Funding**" means the Class A Notes, the Class B Notes and the Subordinated Loan.

"**General Cash Collateral Amount**" means all funds in the Cash Collateral Account other than the unused amounts of the Set-Off Risk Reserve.

"**German Civil Code**" means the civil code (*Bürgerliches Gesetzbuch*) of Germany, as amended or restated from time to time.

"**German Data Protection Rules**" means collectively, the rules of German banking secrecy (*Bankgeheimnis*), the provisions of the German Federal Data Protection Act (*Bundesdatenschutzgesetz*) and the provisions of Circular 4/97 (*Rundschreiben 4/97*) of the German Federal Financial Supervisory Authority, as such rules are binding the Seller in its capacity as a German credit institution (*Kreditinstitut*) with respect to the Loan Receivables and the Loan Collateral from time to time.

"**German Federal Financial Supervisory Authority**" means the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*), including its predecessors and any potential successor(s).

"**German Tax Residents**" means Persons whose residence, habitual abode, statutory seat, or place of effective management and control is located in Germany.

"**Germany**" means the Federal Republic of Germany.

"**Global Note**" means each of the Temporary Global Note and the Permanent Global Note.

"**Governmental Authority**" means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any body or entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to a government, including without limitation any court, and any Person owned or controlled, through stock or capital ownership or otherwise, by any of the foregoing including for the avoidance of doubt the German Federal Financial Supervisory Authority.

"**Increased Monthly**" means the Increased Monthly Collateral Part 1 and the Increased Monthly Collateral Part 2.

"**Increased Monthly Collateral Part 1**" means in respect of a Monthly Period an amount equal to the expected Collections for the period from the first through the fifteenth calendar day of such Monthly Period as determined by the Servicer.

"Increased Monthly Collateral Part 2" means in respect of a Monthly Period an amount equal to the expected collections for the period from (and including) the sixteenth calendar day of a Monthly Period through (and including) the last Business Day of such Monthly Period as determined by the Servicer.

"Initial Cash Collateral Amount" means EUR 15,000,000.

"Initial Loan Receivables Purchase Agreement" means the initial loan receivables purchase agreement between the Issuer and VW Bank governed by the Loan Receivables Purchase Agreement, particularly Clauses 2 through 4 of the Loan Receivables Purchase Agreement.

"Initial Purchased Loan Receivables" means the Loan Receivables purchased by the Issuer from the Seller in accordance with the Initial Receivables Purchase Agreement as more specifically described in Clause 2.1 of the Initial Loan Receivables Purchase Agreement.

"Initial Purchase Price" shall be equal to the Aggregate Discounted Principal Balance of the Initial Purchased Loan Receivables (discounted at the Discount Rate as of the Cutoff Date) less (i) the Initial Purchase Price Discount less (ii) the Initial Cash Collateral Amount and less (iii) certain costs related to the issue of the Notes.

"Initial Purchase Price Discount" means 0.90 per cent. of the Aggregate Discounted Principal Balance of the Initial Purchased Loan Receivables.

"Insolvency Event" means, with respect to the Issuer, Seller, Servicer or Security Trustee, as the case may be, each of the following events: (i) the making of an assignment, conveyance, composition or marshalling of assets for the benefit of its creditors generally or any substantial portion of its creditors; (ii) the application for, seeking of, consents to, or acquiescence in, the appointment of a receiver, custodian, trustee, liquidator or similar official for it or a substantial portion of its property; (iii) the initiation of any case, action or proceedings before any court or Governmental Authority against the Issuer, Seller, Servicer or Security Trustee under any applicable liquidation, insolvency, composition, bankruptcy, receivership, dissolution, reorganisation, winding-up, relief of debtors or other similar laws and such proceedings are not being disputed in good faith with a reasonable prospect of discontinuing or discharging the same; (iv) the levy or enforcement of a distress or execution or other process upon or sued out against the whole or any substantial portion of the undertaking or assets of the Issuer, Seller, Servicer or Security Trustee and such possession or process (as the case may be) shall not be discharged or otherwise shall not cease to apply within sixty (60) days; (v) initiation or consent to any case, action or proceedings in any court or Governmental Authority relating to the Issuer, Seller, Servicer or Security Trustee under any applicable liquidation, insolvency, composition, bankruptcy, receivership, dissolution, reorganisation, winding-up, relief of debtors or other similar laws; (vi) an order is made against the Issuer, Seller, Servicer or Security Trustee or an effective resolution is passed for its winding-up; and (vii) the Issuer, Seller, Servicer or Security Trustee is deemed unable to pay its debts within the meaning of any liquidation, insolvency, composition, reorganisation or other similar laws in the jurisdiction of its incorporation or establishment (provided that, for the avoidance of doubt, any assignment, charge, pledge or lien made by the Issuer for the benefit of the Security Trustee under the Trust Agreement or the

Deed of Charge and Assignment shall not constitute an Insolvency Event in respect of the Issuer).

"Insurance Claims" means any claims against any car insurer in relation to any damaged Financed Object.

"Insurance Proceeds" means any proceeds or monetary benefit in respect of any Insurance Claims.

"Interest" means in respect of a Loan Receivable each of the scheduled periodic payments of interest (if any) payable by the respective Borrower as provided for in the terms of the relevant Loan Contract plus any applicable later payment penalties.

"Interest Accrual Period" means in respect of the first Payment Date, the period commencing on the Issue Date and ending on 20 November 2006 (both days inclusive) and in respect of any subsequent Payment Date, the period commencing on the preceding Payment Date and ending on the calendar day preceding the relevant Payment Date (both days inclusive).

"Interest Compensation Payment" means the interest compensation payment payable by VW Bank to the Issuer or the Issuer to VW Bank for the difference of interest between the Discount Rate and the interest rate applicable to the prepaid Loan Contract for the period between the receipt of the Discounted Principal Balance for such prepaid Loan Contract and the ordinary termination date of the respective Loan Contract without such prepayment.

"Interest Determination Agent" means BNP Paribas Securities Services, Luxembourg Branch.

"Interest Period" shall mean, unless otherwise mutually agreed by the parties, the period from (and including) a Payment Date to (but excluding) the next succeeding Payment Date; provided that the initial Interest Period shall be the period from (and including) the Borrowing Date to (but excluding) first Payment Date.

"Interest Rate Swap Agreements" means the Class A Interest Rate Swap Agreement and the Class B Interest Rate Swap Agreement collectively.

"Interest Shortfall" means the Accrued Interest which is not paid on a Note on the Payment Date related to the Interest Accrual Period in which it accrued.

"ISIN" means the international securities identification number pursuant to the ISO – 6166 Standard.

"ISO" means the International Organisation for Standardisation.

"Issue" means the issue of the Class A Notes and/or the Class B Notes by the Issuer.

"Issue Date" means 27 October 2006.

"Issuer" means Driver Three GmbH.

"Joint Lead Managers" means BNP Paribas, London Branch, and SEB.

"Late Delinquency Ratio" means in respect of the Portfolio, expressed as a percentage, the ratio of (i) Late Delinquent Purchased Loan Receivables as nominator and (ii) the Aggregate Discounted Principal Balance as denominator.

"Late Delinquent Purchased Loan Receivables" means (i) each and any Purchased Loan Receivables that for more than six instalments is overdue and (ii) each and any Purchased Loan Receivable which is classified by VW Bank as being a Loan Receivable stemming from a "contract after final statement".

"Listing Agent" means BNP Paribas Securities Services, Luxembourg Branch.

"Loan Administration Fee" means the loan administration fee (*Bearbeitungsgebühr*) relating to a Purchased Loan Receivable (i) which fee has become payable in accordance with the terms of the relevant Loan Contracts and (ii) that is capitalised by VW Bank in accordance with VW Bank's customary accounting practice in effect from time to time prior to the sale of such Purchased Loan Receivables to the Issuer under the Loan Receivables Purchase Agreement.

"Loan Collateral" means (i) security title (*Sicherungseigentum*) in respect of Financed Objects, (ii) security title to the seizable portion of the respective Borrower's wage and salary receivables, (iii) Insurance Claims, (iv) damage claims arising from a breach of contract or in tort against a Borrower, (v) any claims against third parties due to damage or loss of Financed Objects, (vi) and any other collateral provided by the Borrower to VW Bank under or in connection with the relevant Loan Contract; in each case to the extent and subject as acquired by VW Bank.

"Loan Contract" means each contractual framework, as applicable in the form of standard business terms (*Allgemeine Geschäftsbedingungen*) or otherwise, governing (immediately prior to any transactions under any Loan Receivables Purchase Agreement) the Seller's relationship with the respective Borrower(s) with regard to the Loan Receivables.

"Loan Receivables" means a loan receivable arisen under a Loan Contract and comprising claims against Borrowers in respect of Principal, Interest and Loan Administration Fees (including, for the avoidance of doubt, any and all statutory claims being commercially equivalent to Principal, Interest and/or Loan Administration Fees).

"Loan Receivables Purchase Agreement" means as the context requires (i) any of the Initial Loan Receivables Purchase Agreement and the Additional Loan Receivables Purchase Agreement or (ii) the Transaction Document entitled "Loan Receivables Purchase Agreement" and entered into between the Issuer, the Seller and the Security Trustee dated on or about the Signing Date.

"Luxembourg" means the Grand Duchy of Luxembourg.

"Luxembourg Paying Agent" means BNP Paribas Securities Services, Luxembourg Branch.

"Luxembourg Stock Exchange" means société de la bourse de Luxembourg.

"Managers" means Barclays Bank PLC, Landesbank Hessen-Thüringen and ING.

"Market Makers" means BNP Paribas, London Branch, Skandinaviska Enskilda Banken AB (publ.), Stockholm Branch, Landesbank Hessen-Thüringen, Frankfurt Branch, Barclays Capital, London Branch and ING, Amsterdam Branch.

"Monthly Collateral Account" means the interest bearing account no. 360791005000978 held with the Monthly Collateral Account Bank and pledged to the Issuer.

"Monthly Collateral Account Bank" means BNP Paribas Securities Services, Luxembourg Branch.

"Monthly Collateral Account Bank Required Rating" means (short term) ratings of at least "P1" from Moody's, "A-1+" from S&P and "F1" from Fitch.

"Monthly Collateral Increase Event" means that either (i) VW Bank no longer has a short-term rating for unsecured debt of at least "A-2" from S&P, or (ii) VW Bank receives notification from Fitch that Fitch has determined that VW Bank's capacity for timely payment of financial commitments would no longer equal a rating of at least "F2".

"Monthly Collateral" means the Monthly Collateral Part 1 and the Monthly Collateral Part 2.

"Monthly Collateral Part 1" means the amount of, determined by VW Bank as the Servicer, (A) if the fifteenth calendar day of a Monthly Period is a Business Day the expected collections for the period from the first through the fourteenth calendar day of each Monthly Period, or, alternatively, (B) if the fifteenth calendar day of a Monthly Period is not a Business Day, the expected collections for the period from the first through the day which is the second Business Day before the fifteenth calendar day of each Monthly Period.

"Monthly Collateral Part 2" means the amount of the collections determined by VW Bank as the Servicer for the period from (and including) the sixteenth calendar day of a Monthly Period through (and including) the second last Business Day of such Monthly Period.

"Monthly Collections" means the Monthly Collections Part 1 and the Monthly Collections Part 2.

"Monthly Collections Part 1" means the Collections for the first fifteen calendar days of a Monthly Period on the first Business Day following the fifteenth calendar day of a Monthly Period.

"Monthly Collections Part 2" means the Collections for the period from (and including) the sixteenth calendar day of a Monthly Period until (and including) the last day of such Monthly Period.

"Monthly Payments" means the Available Distribution Amount on each Payment Date shall equal the sum of the following amounts:

- (i) the Collections for the calendar month immediately prior to each Payment Date; plus

- (ii) drawings from the Cash Collateral Account as provided for in Clause 26(2) (*Cash Collateral/Accumulation Account*) of the Trust Agreement; plus
- (iii) net investment earnings from deposits in the Accumulation Account; plus
- (iv) the Net Swap Receipts under the Class A Notes Interest Rate Swap Agreement and under the Class B Notes Interest Rate Swap Agreement; plus
- (v) after the occurrence of an Early Amortisation Event or after termination of the Revolving Period, the amount of transfers made from the Accumulation Account to the Distribution Account pursuant to Clause 26(4) (*Cash Collateral/Accumulation Account*) of the Trust Agreement.

"Monthly Period" means the calendar month immediately prior to each Payment Date.

"Monthly Remittance Condition" shall be deemed to be satisfied if (i) VW Bank is the Servicer and (ii) VW Bank has a short-term rating for unsecured debt of at least "P1" from Moody's and Fitch has not determined that VW Bank's rating would no longer equal "F1".

"Moody's" means Moody's Investors Service Inc. and any successor to the debt rating business thereof.

"Net Swap Payment" means for the Interest Rate Swap Agreements, the net amounts with respect to regularly scheduled payments owed by the Issuer to a Swap Counterparty, if any, on any Payment Date, including any interest accrued thereon, under the Interest Rate Swap Agreements, excluding Swap Termination Payments and any other amounts payable to the Swap Counterparty under the Interest Rate Swap Agreements.

"Net Swap Receipts" means for the Interest Rate Swap Agreements, the net amounts owed by the Swap Counterparty to the Issuer, if any, on any Payment Date, excluding any Swap Termination Payments. For further clarity, this term does not include amounts posted as collateral until they are required to be paid to the Issuer.

"New Issuer" means any Person which substitutes the Issuer pursuant to Condition 10.

"Nominal Amount" means in respect of the Class A Notes EUR 924,500,000, in respect of the Class B Notes EUR 35,000,000 and in respect of the Notes EUR 959,500,000.

"Note Factor" means the Class A Note Factor or the Class B Note Factor or the combination of them.

"Note Purchase Agreement" means the note purchase agreement between the Issuer, the Seller, the Lead Managers, the Managers and the Security Trustee dated on or about the Signing Date.

"Notes" means the Class A Notes and the Class B Notes collectively.

"Noteholders" means the Class A Noteholders and the Class B Noteholders.

"Obligors" means in respect of a Loan Receivable (i) the Borrower(s) and (ii) those Persons who have guaranteed the obligations of any such Borrower(s) in respect of such Loan Receivable.

"Offering" means the offering in connection with the Offering Circular.

"Offering Circular" means the offering circular dated on or about the Signing Date prepared in connection with the issue by the Issuer of the Notes.

"On-Payment Event" means that either (i) VW Bank no longer has a long term rating for unsecured debt of at least "BBB" from S&P, or (ii) VW Bank's rating from Moody's for long term unsecured debt falls below "Baa3".

"Order of Priority" means the order of priority according to which the payments of interest and principal to the Noteholders are distributed and other payments due and payable by the Issuer are made as more specifically described in paragraph (3)(i) of Clause 25 (*Permitted Investment; Order of Priority*) of the Trust Agreement.

"Paying Agent" means BNP Paribas Securities Services, Luxembourg Branch.

"Payment Date" means, in respect of the first such Payment Date, 21 November 2006, and in respect of any subsequent Payment Date the 21st day of each month or, in the event that such day is not a Business Day, the next following Business Day unless that day falls in the next calendar month, in which case the date will be the first preceding day that is a Business Day.

"Permanent Global Notes" means in respect of each Class of Notes the permanent global bearer notes without coupons attached representing each such Class as more specifically described in Condition (2).

"Permitted Investments" means any amount standing to the credit of the Accounts invested by the Account Bank, on behalf of the Issuer, provided that any such investment:

- (a) must be denominated and payable in euro;
- (b) may only be made:
 - (i) in securities which are short term rated F1+ by Fitch, A-1 by S&P and P1 by Moody's respectively;
 - (ii) in deposits with a credit institution which is short term rated F1 by Fitch, A-1 by S&P and P1 by Moody's respectively; or

- (iii) in other obligations or securities that are acceptable to the Rating Agencies as a Permitted Investment and will not, pursuant to confirmation in writing by the Rating Agencies, result in a reduction or withdrawal of the then current rating of the Notes;
- (c) shall mature no later than the next following Payment Date; and
- (d) the Issuer shall not purchase Notes from the Funding.

"Person" means an individual, partnership, corporation (including a business trust), unincorporated association, trust, joint stock company, limited liability company, joint venture or other entity, or a government or political subdivision, agency or instrumentality thereof.

"Portfolio" means the aggregate of all Purchased Loan Receivables that the Issuer has not sold or transferred to any other Person other than the Security Trustee under or in connection with the Trust Agreement.

"Portfolio Decryption Keys" means the decryption key for the Initial Purchased Loan Receivables and the decryption key for the Additional Purchased Loan Receivables.

"Prepayment of a Purchased Loan Receivable" means the event that a Borrower repays in full a Purchased Loan Receivable prior to its stated maturity date.

"Principal" means with respect to a Loan Receivable each of the scheduled periodic payments of principal payable by the respective Borrower as provided for in accordance with the terms of the relevant Loan Contract (*Nettodarlebensbetrag*), as may be modified from time to time to account e.g. for unscheduled prepayments by the Borrower.

"Prospectus Directive" means Directive 2003/71/EC including, where the context requires, Commission Regulation (EC) No. 809/2004 and any relevant implementing measure in each relevant Member State of the European Economic Area.

"Purchase Date" means the Issue Date.

"Purchased Loan Receivables" means the Initial Purchased Loan Receivables and the Additional Purchased Loan Receivables.

"Purchaser" means the Issuer in its capacity as purchaser of the Loan Receivables secured by the Loan Collateral.

"Rating Agencies" means Fitch, Moody's and S&P.

"Rating Agency Confirmation" means, with respect to any event or circumstance and each Rating Agency, either (a) written confirmation by such Rating Agency that the occurrence of such event or circumstance will not cause it to downgrade, qualify or withdraw its rating assigned to any of the Notes or (b) that such Rating Agency shall have been given notice of such event or circumstance at least ten days prior to the occurrence of such event or circumstance (or, if ten days' advance notice is

impracticable, as much advance notice as is practicable) and such Rating Agency shall not have issued any written notice that the occurrence of such event or circumstance will cause it to downgrade, qualify or withdraw its rating assigned to the Notes.

"Revolving Period" means the period commencing on 27 October 2006 and ending on the earlier of 20 November 2009 or the day on which an Early Amortisation Event occurred.

"S&P" means Standard and Poor's, a division of the McGraw-Hill Companies, Inc. and any successor to the debt rating business thereof.

"Scheduled Repayment Date" means the Class A Scheduled Repayment Date and the Class B Scheduled Repayment Date collectively.

"Secured Claim" means any secured claim of the Issuer against VW Bank as Servicer under the Servicing Agreement in respect of VW Bank's obligation under the Servicing Agreement to remit the Monthly Collections Part 1 and the Monthly Collections Part 2 to the Distribution Account of the Issuer.

"Secured Obligations" means all duties and liabilities of the Issuer which the Issuer has covenanted with the Security Trustee to pay to the Noteholders and the other Transaction Creditors pursuant to Clause 4(2) (*Position of the Security Trustee in Relation to the Issuer*) of the Trust Agreement.

"Securities Act" means the U.S. Securities Act of 1933 as amended from time to time.

"Security" means all the Adverse Claims from time to time created by the Issuer in favor of the Security Trustee (and also for the benefit of the Transaction Creditors) pursuant to the provisions of the Trust Agreement and/or the Deed of Charge and Assignment.

"Security Documents" means the Trust Agreement and the Deed of Charge and Assignment.

"Security Trustee" means Faegre & Benson LLP.

"Seller" means VW Bank.

"Service Report Performance Date" means the 17th day of each calendar month or if this is not a Business Day, then on the next succeeding Business Day.

"Servicer" means Volkswagen Bank GmbH unless the engagement of Volkswagen Bank GmbH as servicer of the Issuer is terminated in which case Servicer shall mean the replacement Servicer (if any).

"Servicer Fee" means, for any Monthly Period, one-twelfth of the Servicer Fee Rate multiplied by the Aggregate Discounted Principal Balance as of the beginning of the preceding Monthly Period.

"Servicer Fee Rate" means 1 per cent. per annum.

"Servicer Insolvency Event" means that the Servicer declares its inability to effect payments (*Zahlungsunfähigkeit*) or overindebtedness (*Überschuldung*) or that insolvency proceedings under the Insolvency Code (*Insolvenzordnung*) are instituted by the insolvency court against the Servicer.

"Servicer Replacement Event" means the occurrence of any event described in paragraphs (a) to (e) below:

- (a) any unremedied failure (and such failure is not remedied within three Business Days of notice of such failure being given) by the Servicer to deliver or cause to be delivered any required payment to the Issuer for distribution to the Noteholders, to the Swap Counterparties, and the Subordinated Lender;
- (b) any unremedied failure (and such failure is not remedied within three Business Days of notice of such failure being given) by the Servicer to duly observe or perform in any material respect any other of its covenants or agreements which failure materially and adversely affects the rights of the Issuer or the Noteholders;
- (c) the Servicer suffers a Servicer Insolvency Event;
- (d) the withdrawal of the banking licence of the Servicer in the sense of section 32 of the German Banking Act (*Kreditwesengesetz*) due to breach or non-performance of its obligations in the meaning of section 35 (2) No. 4 of the German Banking Act (*Kreditwesengesetz*); or
- (e) the German Federal Financial Supervisory Authority initiates measures against the Servicer pursuant to section 46a para. 1 (1) of the German Banking Act (*Kreditwesengesetz*) caused by the pending insolvency risk of the Servicer;

provided, however, that a delay or failure of performance referred to under paragraph (a), or (b) above for a period of 150 days will not constitute a Servicer Replacement Event if such delay or failure was caused by an event beyond the reasonable control of the Servicer, an act of god or other similar occurrence.

"Servicing Agreement" means the servicing agreement between the Servicer, the Issuer and the Security Trustee dated on or about the Signing Date.

"Servicing Report" shall have the meaning ascribed to such term in the Servicing Agreement.

"Set-Off Risk Reserve" means the amount VW Bank is obliged under the Loan Receivables Purchase Agreement to post as security for the risk of potential set-off by the Borrowers under the Loan Contracts.

"Settlement" means an instance defined as Settlement in Clause 9.5 of the Loan Receivables Purchase Agreement.

"Settlement Amount" means the amount payable by VW Bank to the Issuer on Early Settlement on Event of Legitimate Repudiation of Loan Contract or on Prepayment of a Purchased Loan Receivable, which amount shall be the

Discounted Principal Balance of the relevant Loan Receivables at Early Settlement.

"Signing Date" means 25 October 2006.

"Specified Cash Collateral Account Balance" means, on each Payment Date, the greater of (a) 1.563 per cent. of the aggregate outstanding principal amount of the Class A Notes and the Class B Notes (after giving effect to all payments and distributions on such date) and (b) the lesser of (i) EUR 12,500,000 (i.e., 1.25 per cent. of the Aggregate Cutoff Date Discounted Principal Balance) and (ii) the aggregate outstanding principal amount of the Class A Notes and Class B Notes on such Payment Date (after giving effect to all payments and distributions on such date).

"Stabilising Manager" means BNP Paribas, London Branch.

"Subordinated Lender" means the subordinated lender under the Subordinated Loan Agreement being an affiliate of Volkswagen AG.

"Subordinated Loan" means the EUR 31,500,000 loan received (or to be received) by the Issuer under the Subordinated Loan Agreement.

"Subordinated Loan Agreement" means the subordinated loan agreement dated on or about the Signing Date and entered into by, *inter alios*, the Issuer, the Subordinated Lender and the Security Trustee, under which the Subordinated Lender will advance (or has advanced) the Subordinated Loan to the Issuer.

"Successor Bank" means the successor account bank determined in accordance with the Account Agreement.

"Swap Agreements" means the Interest Rate Swap Agreements.

"Swap Counterparty" means Landesbank Hessen-Thüringen Girozentrale Frankfurt, the swap counterparty to the Interest Rate Swap Agreements. Each such swap counterparty shall have a long term rating of at least A by Fitch, A by S&P and A1 by Moody's and a short term rating of at least F1 by Fitch, A-1 by S&P and P1 by Moody's or will have taken measures agreed with the Rating Agencies for the rating of the Notes.

"Swap Replacement Proceeds" means any amounts received from a replacement Swap Counterparty in consideration for entering into a replacement Interest Rate Swap Agreement for a terminated Interest Rate Swap Agreement.

"Swap Termination Payment" means payment due to the Swap Counterparty by the Issuer or to the Issuer to the Swap Counterparty, including interest that may accrue thereon, under the Interest Rate Swap Agreements due to a termination of any Interest Rate Swap Agreement due to an "event of default" or "termination event" under that Interest Rate Swap Agreement.

"Swap Termination Payment Account" means a segregated account held for the benefit of the Noteholders pursuant to Clause 24 (*Distribution Account; Accumulation Account; Swap Termination Payment Account; Interest Rate Swap Provisions*) of the Trust Agreement.

"TARGET" means the Trans-European Automated Real-time Cross-Settlement Express Transfer System.

"Targeted Aggregate Discounted Principal Balance" means the division of the aggregate nominal amount of the Class A Notes by (100 per cent. minus the Class A Overcollateralisation Percentage).

"Targeted Class A Note Balance" means (a) except in the case of (b), the excess of the Aggregate Discounted Principal Balance as of the end of the preceding Monthly Period over the Class A Targeted Overcollateralisation Amount and (b) zero, if the Aggregate Discounted Principal Balance as of the end of the preceding Monthly Period is less than 10 per cent. of the Aggregate Cutoff Date Discounted Principal Balance.

"Targeted Class B Note Balance" means (a) except in the case of (b), the excess of the Aggregate Discounted Principal Balance as of the end of the preceding Monthly Period over the aggregate outstanding principal amount of the Class A Notes (after giving effect to all payments and distributions on such date) and the Class B Targeted Overcollateralisation Amount and (b) zero, if the Aggregate Discounted Principal Balance as of the end of the preceding Monthly Period is less than 10 per cent. of the Aggregate Cutoff Date Discounted Principal Balance.

"Temporary Global Note" means in respect of each Class of Notes the temporary global bearer note without coupons or talons attached as more specifically described in Condition 1(2).

"TMF" means TMF Deutschland AG.

"Transaction" means the Transaction Documents, together with all agreements and documents executed in connection with the issuance of the Class A Notes and the Class B Notes, the performance thereof and all other acts, undertakings and activities connected therewith.

"Transaction Creditors" means Noteholders, the Security Trustee, the Seller, the Servicer (if different), the Subordinated Lender, the Lead Managers, the Managers, the Swap Counterparties, the Paying Agent, the Luxembourg Paying Agent, the Interest Determination Agent, the Listing Agent, the Calculation Agent, the Account Bank, the Monthly Security Account Bank (if different), the Data Protection Trustee and the Corporate Services Provider.

"Transaction Documents" means, the Conditions, the Trust Agreement, the Deed of Charge and Assignment, the Note Purchase Agreement, the Paying Agency Agreement, the Account Agreement, the Swap Agreements, the Loan Receivables Purchase Agreements, Receivable Assignment Letter, the Servicing Agreement, the Monthly Security Account Agreement, the Data Protection Trust Agreement, the Subordinated Loan Agreement and the Corporate Services Agreement.

"Trust Agreement" means the trust agreement dated on or about the Signing Date and entered into by, *inter alios*, the Issuer and the Security Trustee.

"Trustee Claim" shall have the meaning ascribed to such term in Clause 4(2) (*Position of the Security Trustee in Relation to the Issuer*) of the Trust Agreement.

"**TSI**" means True Sale International GmbH.

"**TSI Market Makers**" means the Market Makers.

"**UK**" or "**the United Kingdom**" means the United Kingdom of Great Britain and Northern Ireland.

"**United States**" means, for the purpose of issue of the Notes and the Transaction Documents, the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, America Samoa, Wake Island and the Northern Mariana Islands).

"**Volkswagen Group**" means Volkswagen AG and any of its Affiliates.

"**VW Bank**" means Volkswagen Bank GmbH.

"**Written Off Purchased Loan Receivables**" means Purchased Loan Receivables which have been written off in full by VW Bank in its capacity as Servicer in accordance with its customary accounting practice in effect from time to time.

"**2000 ISDA Definitions**" means the definitions and provisions published by the International Swaps and Derivatives Association, Inc.

- 1.2 In this Master Definitions Schedule words denoting the singular number only shall also include the plural number and vice versa, words denoting one gender only shall include the other genders and words denoting individuals only shall include firms and corporations and vice versa.

2. **INTERPRETATION**

In any Transaction Document, the following shall apply:

- 2.1 in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding". The word "including" shall not be exclusive and shall mean "including, without limitation";
- 2.2 if any date specified in any Transaction Document would otherwise fall on a day that is not a Business Day, that date will be the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day;
- 2.3 periods of days shall be counted in calendar days unless Business Days are expressly prescribed;
- 2.4 the expression "tax" shall be construed so as to include any tax, levy, impost, duty or other charge of similar nature, including, without limitation, any penalty or interest payable in connection with any failure to pay or delay in paying the same;
- 2.5 a reference to law, treaty, statute, regulation, order, decree, directive or guideline of any governmental authority or agency, or any provision thereof, shall be construed as a reference to such law, statute, regulation, order, decree, directive or guideline, or provision, as the same may have been, or may from time to time be, amended or re-enacted;

- 2.6 any reference to any Person appearing in any of the Transaction Documents shall include its successors and permitted assigns;
- 2.7 any reference to an agreement, deed or document shall be construed as a reference to such agreement, deed or document as the same may from time to time be amended, varied, novated, supplemented, replaced or otherwise modified;
- 2.8 to the extent applicable, the headings of clauses, schedules, sections, articles and exhibits are provided for convenience only. They do not form part of any Transaction Document and shall not affect its construction or interpretation. Unless otherwise indicated, all references in any Transaction Document to clauses, schedules, sections, articles and exhibits refer to the corresponding clauses, schedules, sections, articles or exhibits of that Transaction Document;
- 2.9 unless specified otherwise, "promptly" or "immediately" shall mean without undue delay (*ohne schuldhaftes Zögern*); and
- 2.10 "novation" shall, for the purposes of documents governed by German law, be construed as *Vertragsübernahme*. "To novate" shall be interpreted accordingly.

SIGNATORIES

Driver Three GmbH

as Issuer

Signed by: _____

Title:

Volkswagen Bank GmbH

as Seller and Servicer

Signed by: _____

Title:

BNP Paribas

as Joint Lead Manager

Signed by: _____

Title:

Skandinaviska Enskilda Banken AB (publ.)

as Joint Lead Manager

Signed by: _____

Title:

Barclays Capital
as Manager

Signed by: _____

Title:

Helaba
as Manager

Signed by: _____

Title:

ING
as Manager

Signed by: _____

Title:

Landesbank Hessen-Thüringen Girozentrale Frankfurt
As Swap Counterparty

Signed by: _____

Title:

BNP Paribas Securities Services, Luxembourg Branch
as Paying Agent and as Luxembourg Paying Agent

Signed by: _____

Title:

Faegre & Benson LLP
as Data Protection Trustee and as Security Trustee

Signed by: _____

Title:

TMF Deutschland AG
as Corporate Services Provider

Signed by: _____

Title:

Volkswagen International Finance N.V.
as Subordinated Lender

Signed by: _____

Title: