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Press Release

Creditreform Rating confirms ratings of auto financing contracts securitisation Driver UK Master S.A., Compartment 3 and assigns a “stable” outlook

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In the course of a renewal Creditreform Rating confirms the ratings of Class A Series 2016-1 and Class B Series 2016-1 notes of Driver UK Master S.A., acting for an on behalf of its Compartment 3, and assigns a “stable” rating outlook to the ratings, as follows:

<u>Series</u>	<u>Amount</u>	<u>Rating / Outlook</u>
A 2016-1	401,000,000	AAA _{sf} / stable
B 2016-1	55,000,000	A+ _{sf} / stable

The outstanding note volume of the Class A Series 2016-1 has increased by GBP 16m compared to the follow-up rating in the previous year following a tap-up.

The transaction is a securitisation of auto financing contracts in UK, originated by Volkswagen Financial Services (UK) Limited (VWFS). To size the credit risk, the voluntary termination risk and the residual value risk of the portfolio and derive base case assumptions about loss rates and expected recovery performance, Creditreform Rating used data provided by VWFS as well as internal data-bases. Driver UK Master S.A., Compartment 3 features a 12 months revolving period and is secured by new and used vehicle financing contracts. The structure allows for term-takeout, tap-issuance and extension of the revolving period. A combination of Subordinated Loan, overcollateralization and a cash reserve will provide credit enhancement to the rated Class A and Class B notes.

VWFS credited to the Cash Collateral Account a certain amount which will be available to cover senior costs and note interest payments. Downgrade collateral and replacement provisions mitigate counterparty risk exposures with respect to the Account Bank. Risks related to the Issuer are limited, the compartment structure being ring-fenced and with limited recourse to other creditors of the Issuer.