

**AMENDED AND RESTATED
EXPENSES LOAN AGREEMENT**

**24 APRIL 2013
(AS AMENDED AND RESTATED ON 20 MAY 2014 AND 17 DECEMBER 2020)**

**TESCO PERSONAL FINANCE PLC
(Expenses Loan Provider)**

and

**DELAMARE CARDS FUNDING 1 LIMITED
(Loan Note Issuer No.1)**

and

**THE BANK OF NEW YORK MELLON
(Security Trustee)**

ALLEN & OVERY

Allen & Overy LLP

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THIS EXPENSES LOAN AGREEMENT is made on 24 April 2013 as amended and restated on 20 May 2014 and 17 December 2020

BETWEEN:

- (1) **TESCO PERSONAL FINANCE PLC**, a public limited company incorporated under the laws of Scotland, with company number SC173199, having its registered office at 2 South Gyle Crescent, Edinburgh EH12 9FQ and including its successors in title and assigns (the **Expenses Loan Provider**);
- (2) **DELAMARE CARDS FUNDING 1 LIMITED**, a private limited company incorporated under the laws of England and Wales on 11 January 2013, with company number 08356551, having its registered office at 6th Floor, 125 London Wall, London, England, EC2Y 5AS (**Loan Note Issuer No.1**); and
- (3) **THE BANK OF NEW YORK MELLON**, acting through its London branch at One Canada Square, London E14 5AL (the **Security Trustee**, which expression shall, whenever the context so admits, include any other trustee or trustees for the time being pursuant to the Security Trust Deed referred to below).

WHEREAS:

- (A) Loan Note Issuer No. 1 has issued and may issue Global Loan Notes pursuant to a security trust deed and cash management agreement dated 31 October 2008 as amended and restated from time to time between, *inter alios*, Loan Note Issuer No.1, The Bank of New York Mellon in its capacity as Security Trustee and Tesco Personal Finance PLC as Loan Note Registrar (the **Security Trust Deed**).
- (B) The obligations of Loan Note Issuer No.1 under each Global Loan Note will be constituted by individual Loan Notes issued pursuant to a supplement to each such Global Loan Note (each a **Supplement to the Global Loan Note**) and each forming a notional tranche of such Global Loan Note.
- (C) On any Closing Date on which Loan Note Issuer No.1 issues further Loan Notes including new tranches of Global Loan Note No.1, the Expenses Loan Provider shall, subject to certain terms and conditions being satisfied, advance additional funds to Loan Note Issuer No. 1 to provide for the payment of certain costs and expenses of Loan Note Issuer No.1 associated with the issue of the Loan Notes (including the fees, costs and expenses and any other amounts payable to the Loan Note Holder) and towards funding a Series Cash Reserve Account or a Programme Reserve Account, all on the terms and subject to the conditions contained herein.
- (D) The Security Trustee is the security trustee in respect of Loan Note Issuer No.1's entitlement under the Delamare Cards Receivables Trust as Funding 1 Investor Beneficiary for the holders of the Global Loan Notes and other Secured Creditors.
- (E) From the date of this Agreement, the Initial Advance shall be deemed to be three separate Advances as set out herein.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement and the Recitals, terms defined in the master framework agreement originally dated 31 October 2008 as amended, supplemented, varied, replaced and/or novated from time to time between, *inter alios*, the Receivables Trustee and Tesco Personal Finance PLC (the **Master Framework Agreement**) shall bear the same meaning herein. In the case of any inconsistency between the defined terms in each of the said documents, the definitions in this Deed shall take precedence and then the defined terms in the Master Framework Agreement shall be taken.

1.2 Additional Defined Terms

In addition to the terms defined in accordance with Clause 1.1 (Definitions) above, the following expressions have the following meanings when used in this Deed:

2013 Advances has the meaning set out in Clause 4.1;

Advance has the meaning set out in Clause 3 (The Facility);

Affiliate of any Person means any other Person controlling, controlled by or under common control with such Person;

Amortisation Schedule shall have the meaning set out in Clause 4.9;

Applicable Margin means 1.0% in respect of the 2013 Advances and in respect of each other Advance, the margin specified in respect of an Advance in the Utilisation Notice for such Advance;

Closing Date means each date as shall be agreed between all relevant parties on which Loan Note Issuer No.1 will issue Loan Notes;

Conditions means the terms and conditions applicable to the Loan Notes in the form or substantially in the form set out in the Global Loan Note and as amended, substituted or otherwise altered by the Supplement to the Global Loan Note for such Loan Note and any reference in these presents to a particular numbered Condition in the Global Loan Note or Supplement to the Global Loan Note shall be construed accordingly;

Contribution has the meaning set out in Clause 4.4(a) of the Receivables Trust Deed and Servicing Agreement;

Corporate Services Agreement means the corporate services agreement dated on or about the 24 April 2013 (as the same may be amended, supplemented, varied, replaced and/or novated from time to time) between, *inter alios*, Loan Note Issuer No.1 and State Street Administration Services (UK) Limited;

Delamare Cards Receivables Trust means the trusts constituted pursuant to the Receivables Trust Deed and Servicing Agreement;

Expenses Loan means the aggregate principal amount of each Advance from time to time outstanding as such amount is reduced or increased from time to time by repayments or further Advances hereunder;

Facility means the subordinated expenses loan facility the terms and conditions of which are set out in this Expenses Loan Agreement;

Facility Limit means any amount as may be increased from time to time and as agreed by the Expenses Loan Provider and specified in a Utilisation Notice **provided that** the Facility Limit will never be greater than the aggregate amount of all Advances then outstanding;

Final Repayment Date means:

- (a) in respect of an Advance which is subject to scheduled principal repayments, the final Interest Payment Date specified in the Amortisation Schedule for that Advance; or
- (b) in respect of an Advance which is not subject to scheduled principal repayments, the date specified as the final repayment date in the Utilisation Notice for that Advance;

Initial Advance has the meaning set out in Clause 4.1;

Initial Closing Date means 26 April 2013;

Initial Interest Payment Date means the first Interest Payment Date in respect of the relevant Advance, as specified in the Utilisation Notice for such Advance;

Interest Payment Date means the Initial Interest Payment Date and each Distribution Date or, if such day is not a Business Day, the next succeeding Business Day;

Interest Period means, for the purposes of this Expenses Loan Agreement with respect to any Interest Payment Date, the period from and including the Interest Payment Date immediately preceding such Interest Payment Date to but excluding such Interest Payment Date; **provided, that** the initial Interest Period in respect of an Advance shall commence on and include the Closing Date on which such Advance was made and end on but exclude the Initial Interest Payment Date in respect of such Advance as stipulated in the Utilisation Notice for such Advance;

Investor Beneficiary means any Person in its capacity as an investor beneficiary of the Delamare Cards Receivables Trust;

LNI Available Funds has the meaning given to it in the Security Trust Deed;

Loan Note has the meaning set out in the Security Trust Deed;

Loan Note Enforcement Notice means a notice given by the Security Trustee to Loan Note Issuer No.1 under Condition 10.3 of the Global Loan Note;

Loan Note Holder means in respect of each Loan Note, the Person or Persons as of the date of determination entered as the Registered Holder of such Loan Note on the Loan Note Register;

Loan Note Issuer No.1 means Delamare Cards Funding 1 Limited;

Loan Note Issuer No.2 means Delamare Cards Funding 2 Limited;

Loan Note Issuer No.1 Distribution Account means the account with HSBC Bank plc with account number 73929770 and sort code 400515;

Loan Note Register has the meaning set out in the Security Trust Deed;

Person will be construed as a reference to any person, individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organisation, governmental entity or other entity of similar nature (whether or not having separate legal personality);

Rapid Amortisation Period has the meaning given to it in the Security Trust Deed;

Receivables Securitisation Deed means the receivables securitisation deed dated 24 April 2013 as amended and restated on 20 May 2014 (as the same may be amended, supplemented, varied, replaced and/or novated from time to time), between Tesco Personal Finance PLC and the Receivables Trustee;

Receivables Trust Deed and Servicing Agreement means the receivables trust deed and servicing agreement dated 24 April 2013 as amended and restated on 20 May 2014 (as the same may be amended, supplemented, varied, replaced and/or novated from time to time), between the Receivables Trustee, Tesco Personal Finance PLC in its capacities as transferor beneficiary, servicer and transferor, Loan Note Issuer No.1 and Loan Note Issuer No.2 each in its respective capacity as investor beneficiary;

Receivables Trustee means Delamare Cards Receivables Trustee Limited as trustee pursuant to the Receivables Trust Deed and Servicing Agreement and its permitted successors;

Receiver means a Person, or Persons, appointed in writing by the Security Trustee who is to be a receiver, a receiver and manager or an administrative receiver (and who shall not be the Security Trustee or an Affiliate of the Security Trustee);

Registered Holder has the meaning set out in the Security Trust Deed;

Regulated Amortisation Period has the meaning given to it in the Security Trust Deed;

Relevant Documents means the Security Trust Deed, the Corporate Services Agreement, the Receivables Trust Deed and Servicing Agreement, the Security Trust Deed, the Global Loan Notes, each Supplement to a Global Loan Note, the Receivables Securitisation Deed, this Expenses Loan Agreement and any mandate or other agreement relating to the Loan Note Issuer No.1 Distribution Account;

Repayment Amount has the meaning given to it in Clause 7 (Repayment) of this Expenses Loan Agreement;

Repayment Date has the meaning given to it in Clause 7 (Repayment) of this Expenses Loan Agreement;

Secured Creditors means the Security Trustee and any Receiver appointed by it, in respect of amounts owing to each of them under the Security Trust Deed and any Supplement to a Global Loan Note and, in respect of a particular Loan Note, shall have the meaning attributed thereto in the Supplement to the Global Loan Note for such Loan Note;

Security Trust Deed means the security trust deed and cash management agreement for the Global Loan Notes dated 31 October 2008 as amended and restated on 24 April 2013 and on 20 May 2014 (as the same may be amended, supplemented, varied, replaced and/or novated from time to time) between, *inter alios*, Loan Note Issuer No.1, the Security Trustee, Loan Note Register and Tesco Personal Finance PLC;

SONIA means the Sterling Overnight Index Average;

SONIA Screen Page means the Reuters Screen SONIA Page (or, if such page is no longer available, any replacement or successor page showing the relevant information);

SONIA Spot Rate means, on and after the date of this Agreement, the daily Sterling Overnight Index Average (SONIA) determined by or on behalf of the Expenses Loan Provider for each Interest Period in respect of each Advance on the following basis:

(a)

(i) in respect of each Interest Period occurring on or after the Interest Payment Date in December 2020 which relates to any outstanding Advance made prior to the date of this Agreement, the daily Sterling Overnight Index Average (SONIA) published on the relevant Distribution Date (and relating to the immediately preceding Business Day) as provided by the administrator of SONIA to authorised distributors and as then published on the SONIA Screen Page (or, if the SONIA Screen Page is unavailable, as otherwise published by such authorised distributors); and

(ii) for each new Advance which is made on or after the date of this Agreement:

(A) in respect of the initial Interest Period relating to such Advance, the daily Sterling Overnight Index Average (SONIA) published on the relevant Closing Date (and relating to the immediately preceding Business Day) as provided by the administrator of SONIA to authorised distributors and as then published on the SONIA Screen Page (or, if the SONIA Screen Page is unavailable, as otherwise published by such authorised distributors); and

(B) in respect of each Interest Period thereafter relating to such Advance, the daily Sterling Overnight Index Average (SONIA) published on the relevant Distribution Date (and relating to the immediately preceding Business Day) as provided by the administrator of SONIA to authorised distributors and as then published on the SONIA Screen Page (or, if the SONIA Screen Page is unavailable, as otherwise published by such authorised distributors);

(b) if, on the relevant date, the daily Sterling Overnight Index Average (SONIA) is not available on the SONIA Screen Page or has not otherwise been published by the relevant authorised distributors, the SONIA Spot Rate shall be:

(i) (x) the Bank of England's Bank Rate (the **Bank Rate**) prevailing at close of business on the relevant Business Day; plus (y) the mean of the spread of the Sterling Overnight Index Average (SONIA) to the Bank Rate over the previous five days on which the Sterling Overnight Index Average (SONIA) has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(ii) if such Bank Rate is not available, the daily Sterling Overnight Index Average (SONIA) published on the SONIA Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the Sterling Overnight Index Average (SONIA) was published on the SONIA Screen Page (or otherwise published by the relevant authorised distributors);

provided, that if the Expenses Loan Provider is unable to determine the daily Sterling Overnight Index Average (SONIA) in accordance with the foregoing provisions, in relation to any Interest Period, the SONIA Spot Rate during such Interest Period will be the daily Sterling Overnight Index

Average (SONIA) last determined in relation to this Expenses Loan Agreement in respect of the immediately preceding Interest Period;

Supplement to a Global Loan Note shall have the meaning set out in the Trust Supplement;

Third Advance Amortisation Schedule has the meaning set out in Clause 4.9;

Utilisation Confirmation means a notice in substantially the form of Schedule 5 (Utilisation Confirmation)) from Loan Note Issuer No.1 confirming the terms of the Utilisation Notice;

Utilisation Date means the Closing Date for an Advance which has been requested as specified in the Utilisation Request in respect of such Advance;

Utilisation Notice means a notice in substantially the form of Schedule 4 (Utilisation Notice) specifying the terms on which each Advance will be made by the Expenses Loan Provider to Loan Note Issuer No.1; and

Utilisation Request shall mean a notice in substantially the form of Schedule 3 (Utilisation Request) requesting one or more Advances under the Facility.

1.3 Incorporation of Common Terms

Except as provided below, the Common Terms apply to this Agreement, where applicable, and shall be binding on the parties to this Agreement as if set out in full in this Agreement.

1.4 Further assurance

Paragraph 1 (Further Assurance) of the Common Terms applies to this Agreement as if set out in full herein, and as if Loan Note Issuer No.1 was the Obligor (as defined therein) and the Expenses Loan Provider was the Obligee (as defined therein).

1.5 Limited recourse and non-petition

Paragraphs 6 (Limited Recourse; Non-Petition) and 7 (Obligations as Corporate Obligations) of the Common Terms apply to this Agreement and shall be deemed set out in full herein.

1.6 Conflict with Common Terms

If there is any conflict between the provisions of the Common Terms and the provisions of this Agreement, the provisions of this Agreement shall prevail, save for where any provision of this Agreement relates to VAT, in which case the provisions of the Common Terms shall prevail.

2. OBLIGATIONS AS CORPORATE OBLIGATIONS

2.1 No recourse against shareholders and others

No party to this Expenses Loan Agreement shall have any recourse against any director, shareholder, officer, agent, employee or director of any other party to this Expenses Loan Agreement in his capacity as such, by any legal proceedings or otherwise, in respect of any obligation, covenant or agreement of such party (acting in any capacity whatsoever) contained in this Expenses Loan Agreement.

2.2 Corporate obligations

It is expressly agreed and understood that this Expenses Loan Agreement is a corporate obligation of each party to this Expenses Loan Agreement.

2.3 No personal liability

No personal liability shall attach to or be incurred by any shareholder, officer, agent, employee or director of a party to this Expenses Loan Agreement in his capacity as such, under or by reason of any of the obligations, covenants or agreements of such party contained in this Expenses Loan Agreement or implied from this Expenses Loan Agreement and any and all personal liability of every shareholder, officer, agent, employee or director for breaches by such party of any such obligations, covenants or agreements, either at law or by statute or constitution, is hereby expressly waived by the other parties to this Expenses Loan Agreement as a condition of and in consideration for the execution of this Expenses Loan Agreement.

3. THE FACILITY

3.1 Subject to the terms of this Expenses Loan Agreement, the Expenses Loan Provider makes available to Loan Note Issuer No.1 an uncommitted loan facility in an aggregate amount equal to the Facility Limit.

3.2 On each Closing Date, simultaneously with the issue of Loan Notes by Loan Note Issuer No.1, the Expenses Loan Provider will, if it has determined that it will make one or more advances and has received a Utilisation Confirmation, advance to Loan Note Issuer No.1 for the credit of the accounts specified in the relevant Utilisation Request one or more amounts (each an **Advance**) to be applied with the net proceeds of the issue of the Loan Notes to provide for the payment of certain costs and expenses of Loan Note Issuer No.1 associated with the issue of the Loan Notes (including the fees, costs and expenses and any other amounts payable to the Loan Note Holder) and towards funding a Series Cash Reserve Account or a Programme Reserve Account.

4. UTILISATION

4.1 On the Initial Closing Date, the Expenses Loan Provider made an Advance in the aggregate amount of £45,650,000 (the **Initial Advance**) to Loan Note Issuer No.1, which shall be deemed to be three separate Advances as follows:

- (a) the first advance being in the amount of £35,000,000 for the credit of the Series Cash Reserve Account (the **First Advance**);
- (b) the second advance being in the amount of £8,750,000 for the credit of the Programme Reserve Account (the **Second Advance**); and
- (c) the third advance being in the amount of £1,900,000 for the credit of the Loan Note Issuer No.1 Distribution Account (the **Third Advance**, and together with the First Advance and the Second Advance, the **2013 Advances**).

4.2 Loan Note Issuer No.1 may utilise the Facility on any Closing Date by delivering to the Expenses Loan Provider by no later than the close of business on the Business Day prior to such Closing Date a Utilisation Request.

4.3 Each Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:

- (a) the proposed Utilisation Date is a Business Day which corresponds with a Closing Date; and
- (b) it specifies the amount of each Advance to be made pursuant to the Utilisation Request.

4.4 One or more Advances may be requested in each Utilisation Request.

4.5 Loan Note Issuer No.1 is deemed to repeat the representations set out in Clause9 (Representations of Loan Note Issuer No.1 and the Expenses Loan Provider) on the date of each Utilisation Request.

4.6 If the Expenses Loan Provider decides, in its absolute discretion, to make an Advance pursuant to the Utilisation Request, the Expenses Loan Provider will deliver to Loan Note Issuer No. 1, by no later than the close of business on the Business Day prior to the Closing Date on which such Advance is to be made, a Utilisation Notice specifying the terms on which the Advance will be made including, without limitation, the Applicable Margin in respect of each Advance. A Utilisation Notice may specify the terms of one or more Advances requested pursuant to a Utilisation Request.

4.7 The Expenses Loan Provider may also specify in a Utilisation Notice any increase which it proposes to make to the Facility Limit.

4.8 By no later than the close of business on the Business Day prior to the Closing Date on which an Advance is to be made, Loan Note Issuer No.1 will deliver a Utilisation Confirmation to the Expenses Loan Provider confirming the terms of each Advance and the increase in the Facility Limit (if any) as set out in the Utilisation Notice.

4.9 On the Closing Date on which an Advance is to be made following the receipt of a Utilisation Confirmation and if such Advance is subject to scheduled principal repayments, the Expenses Loan Provider will deliver to Loan Note Issuer No.1 an amortisation schedule in substantially the form of Schedule 2 (Pro-forma Amortisation Schedule) attached hereto setting out the Repayment Amounts to be paid in relation to each such Advance as well as clearly specifying the Initial Interest Payment Date in relation to such Advance (the **Amortisation Schedule**) provided that (a) in respect of the Third Advance, the Expenses Loan Provider will deliver to Loan Note Issuer No.1 an amortisation schedule in substantially the form of Schedule 1 (Third Advance Amortisation Schedule) (the **Third Advance Amortisation Schedule**), (b) in respect of the First Advance, the Final Repayment Date shall be the Interest Payment Date in May 2018, and (c) in respect of the Second Advance, the Final Repayment Date shall be the Interest Payment Date in May 2020.

4.10 Advances made under this Agreement will not be consolidated.

5. INTEREST

5.1 The periods for which any outstanding Advance is outstanding hereunder will be divided into periods which will correspond with the Interest Periods.

5.2 Subject to Clause 10 (Enforcement Event), in respect of each Interest Period occurring on or after the Interest Payment Date in December 2020, Loan Note Issuer No.1 will pay interest on each outstanding Advance, at the rate *per annum* which is the aggregate of (a) the Applicable Margin, and (b) the SONIA Spot Rate for the relevant Interest Period. Interest will accrue from day to day and will be calculated on the basis of actual days elapsed and a year of 365 days (or 366 days if the relevant Interest Period ends in a leap year) and will be (subject to Clause 10 (Enforcement Event)) payable in arrears on each Interest Payment Date. For the avoidance of doubt, interest on each 2013 Advance will be paid at the rate set out in the Utilisation Notice dated the Initial Closing Date. For the avoidance of doubt, in respect of each Interest Period occurring prior to the Interest Payment Date in December 2020 Loan Note Issuer No.1 will pay interest on each outstanding Advance, at the rate that was agreed between the parties hereto prior to 17 December 2020.

- 5.3 Any payments made by Loan Note Issuer No.1 under this Expenses Loan Agreement will be paid after deduction of withholding for tax where such deduction or withholding is required by law and, notwithstanding anything contained in the Common Terms, there will be no obligation on Loan Note Issuer No. 1 to pay any additional amounts in respect of such withholding or deduction notwithstanding the term of any other documents to which it is a party.
- 5.4 The Expenses Loan Provider will promptly notify Loan Note Issuer No.1 of each determination of the SONIA Spot Rate made pursuant to this Expenses Loan Agreement.
- 5.5 In the absence of manifest error, a statement made by the Expenses Loan Provider as to any amount of interest payable pursuant to this Clause will be conclusive.

6. PAYMENTS

Subject always to Clause 5 above, all payments required to be made by Loan Note Issuer No.1 hereunder will be made to the Expenses Loan Provider at its office as it may specify and will be calculated without reference to any set-off or counterclaim and will be made in sterling in immediately available funds from the Loan Note Issuer No. 1 Distribution Account. If any sum falls due hereunder on a day which is not a Business Day it will be paid on the next Business Day and no additional interest will be payable in respect of such delay.

7. REPAYMENT

- 7.1 Subject to Clause 10 (Enforcement Event) and the remaining provisions of this Clause 7:
- (a) each Advance which is subject to scheduled principal repayments will be repaid in monthly instalments on each Interest Payment Date as set out in the Amortisation Schedule then in effect in relation to such Advance; and
 - (b) each Advance which is not subject to scheduled principal repayments will be repaid in full on the Final Repayment Date in relation to such Advance.
- 7.2 Each date on which an Advance will be repayable in whole or in an instalment will be a **Repayment Date** and each amount so repayable a **Repayment Amount**.
- 7.3 To the extent insufficient funds are available in the Loan Note Issuer No.1 Distribution Account on any Repayment Date to pay in full any Repayment Amount then due (after taking into account all other payments to be made therefrom on such date in accordance with the Trust Supplement and the Security Trust Deed), such Repayment Amount will be reduced by the amount of such shortfall (or, in the event that multiple Repayment Amounts are due on such date, by an amount equal to its *pro-rata* share of such shortfall) and the next Repayment Amount in respect of the relevant Advance increased by the same amount **provided however**, that if any part of the relevant Advance remains outstanding after the Final Repayment Date, such Advance will be repaid on the next and subsequent Interest Payment Dates to the extent funds are available for such purpose.
- 7.4 In the event that a Rapid Amortisation Period or Regulated Amortisation Period commences then, on each subsequent Repayment Date during such period, the Repayment Amount scheduled to be paid on that date pursuant to Clause 7.1 will be increased by an amount equal to the lesser of (a) any amount of LNI Available Funds which is allocated in accordance with Clause 23.1(l)(E) of the Security Trust Deed towards payment of additional amounts in respect of the Expenses Loan and (b) the amount of the Expenses Loan (taking into account any Repayment Amounts scheduled to be paid on such Repayment Date).

8. PREPAYMENT

- 8.1 Loan Note Issuer No.1 may prepay the whole or part of any Advances on any Interest Payment Date to the extent of LNI Available Funds available for such purpose.
- 8.2 Any amounts agreed to be prepaid in accordance with Clause 8.1 above will be additional amounts for the purposes of Clause 23.1(l)(E) of the Security Trust Deed.
- 8.3 In relation to any Advance which is credited to the Series Cash Reserve Account in respect of one or more Loan Notes, Loan Note Issuer No. 1 will be deemed to have prepaid such Advance:
- (a) (subject to the proviso below) in an amount equal to any Series Cash Reserve Account Surplus Amount for the Loan Notes related to such Advance, where such amount is paid to the Receivables Trustee and in turn paid by the Receivables Trustee to the Transferor as Deferred Consideration; and
 - (b) with effect from the Interest Payment Date immediately following the Transfer Date on which such Series Cash Reserve Account Surplus Amount is paid to the Receivables Trustee,

provided that where the amount outstanding under the relevant Advance is less than the Series Cash Reserve Account Surplus Amount, the prepayment will be deemed to be in an amount equal to the Advance (so that its principal amount outstanding is reduced to zero).

- 8.4 In relation to any Advance which is credited to the Programme Reserve Account, Loan Note Issuer No. 1 will be deemed to have prepaid such Advance:
- (a) (subject to the proviso below) in an amount equal to any Programme Reserve Account Surplus Amount, where such amount is paid to the Receivables Trustee and in turn paid by the Receivables Trustee to the Transferor as Deferred Consideration; and
 - (b) with effect from the Interest Payment Date immediately following the Transfer Date on which such Programme Reserve Account Surplus Amount is paid to the Receivables Trustee,

provided that where the amount outstanding under the relevant Advance is less than the Programme Reserve Account Surplus Amount, the prepayment will be deemed to be in an amount equal to the Advance (so that its principal amount outstanding is reduced to zero).

9. REPRESENTATIONS OF LOAN NOTE ISSUER NO.1 AND THE EXPENSES LOAN PROVIDER

- 9.1 Loan Note Issuer No.1 represents and warrants to the Expenses Loan Provider on the date hereof that:
- (a) Loan Note Issuer No.1 is a company duly incorporated under the laws of England;
 - (b) Loan Note Issuer No.1 has full power and authority to deliver and perform this Expenses Loan Agreement, and has taken all necessary action to authorise the execution, delivery and performance by it of this Expenses Loan Agreement; and
 - (c) this Expenses Loan Agreement has been duly executed and delivered by Loan Note Issuer No.1 and constitutes its legal, valid and binding obligation, enforceable in accordance with its terms subject to bankruptcy, insolvency, reorganisation, receivership and other laws

relating to, or affecting generally, the enforcement of creditors' rights and remedies as the same may be applied in the event of the bankruptcy, insolvency, reorganisation, receivership or liquidation or a similar event of Loan Note Issuer No.1 or a moratorium applicable to Loan Note Issuer No.1 and to general principles of equity.

9.2 The Expenses Loan Provider represents and warrants to the Loan Note Issuer No. 1 on each Interest Payment Date that it is:

- (a) a bank within the meaning of section 991 of the Income Tax Act 2007;
- (b) beneficially entitled to the interest paid to it hereunder; and
- (c) within the charge to UK corporation tax in respect of that interest.

10. ENFORCEMENT EVENT

If the Security Trustee serves a Loan Note Enforcement Notice on Loan Note Issuer No.1 pursuant to the terms of any Global Loan Note it will forthwith provide a copy thereof to the Expenses Loan Provider and the Expenses Loan, together with all interest thereon, will, subject always to Clause 11 (Enforcement and Subordination), become immediately due and repayable by the Loan Note Issuer No. 1.

11. ENFORCEMENT AND SUBORDINATION

11.1 The Expenses Loan Provider agrees with the Security Trustee and Loan Note Issuer No.1 to be bound by the terms of the Security Trust Deed (including Clause 23 (Payments of Amounts Representing Finance Charge Collections) and Clause 24 (Payments of Amounts of Principal Collections) of the Security Trust Deed relating to priority of payments) and in particular confirms that no sum, whether in respect of principal or interest or otherwise relating to the Expenses Loan, will be due and payable by Loan Note Issuer No.1 except in accordance with the Security Trust Deed unless and until all sums thereby required to be paid or provided for in priority thereto have been paid or will be discharged in full. The Expenses Loan Provider acknowledges and agrees that the Security Trustee is entitled to all the benefits and protections offered to it under the Security Trust Deed when acting under this Expenses Loan Agreement.

11.2 The Expenses Loan Provider will not take any steps for the purpose of receiving any debts whatsoever owing to it by Loan Note Issuer No.1 out of this Expenses Loan Agreement or enforcing any rights arising out of this Expenses Loan Agreement against Loan Note Issuer No.1 or procuring the winding-up, administration, liquidation, bankruptcy or similar process of Loan Note Issuer No.1 or its assets in respect of any of its liabilities whatsoever.

11.3 The Expenses Loan Provider agrees that its rights against Loan Note Issuer No.1 under this Expenses Loan Agreement are limited to the extent that the Expenses Loan Provider will not take any action or proceedings against Loan Note Issuer No.1 to recover any amounts due and payable by Loan Note Issuer No.1 to the Expenses Loan Provider under this Expenses Loan Agreement, except to the extent that Loan Note Issuer No.1 has sufficient assets to meet the Expenses Loan Provider's claim in full having taken into account all other liabilities both actual and contingent of Loan Note Issuer No.1 which rank in priority to its liabilities to the Expenses Loan Provider under this Expenses Loan Agreement and so that Loan Note Issuer No.1 will not be obliged to make any payment to the Expenses Loan Provider hereunder if and to the extent that the making of such payment would cause Loan Note Issuer No.1 to be or become unable to pay its debts as they fall due.

11.4 Without prejudice to the foregoing provisions of this Clause, the Expenses Loan Provider hereby covenants with Loan Note Issuer No. 1 and the Security Trustee that if, whether in the liquidation of

Loan Note Issuer No.1 or otherwise (and notwithstanding the provisions of this Clause 11.4), any payment (which shall include any set-off, combination or withholding) is received by it in respect of the Expenses Loan or any interest thereon other than in accordance with the Security Trust Deed the amount so paid will be paid over to the Security Trustee forthwith upon receipt **provided however**, that this Clause 11.4 will have effect only to the extent that it does not constitute or create and is not deemed to constitute or create any mortgage, charge or other security interest of any kind, **provided, further, however**, that as between the Security Trustee and Loan Note Issuer No. 1 or any liquidator thereof such amounts paid under this Clause 11.4 will be deemed to be paid and as between the Expenses Loan Provider and Loan Note Issuer No.1 or any liquidator thereof such amounts paid under this Clause 11.4 will be deemed not to have been paid.

11.5 The Expenses Loan Provider hereby covenants with the Security Trustee that it will not set off or claim to set off the Expenses Loan or any interest thereon or any part of either thereof against any liability owed by it to Loan Note Issuer No. 1

11.6 The Expenses Loan Provider hereby covenants with Loan Note Issuer No.1 that it will not take any corporate action or other steps or legal proceedings for the winding-up, dissolution, re-organisation, bankruptcy or similar process or for the appointment of a receiver, administrator, administrative receiver, trustee, liquidator, sequestrator or similar officer of Loan Note Issuer No. 1 or any Investor Beneficiary or of any or all of the revenues and assets of any of them.

12. FEES

Each of the parties hereto will bear its own costs and expenses in connection with the negotiation, preparation and execution of this Expenses Loan Agreement and no fees will be payable in connection herewith.

13. ASSIGNMENT AND VARIATION

Each of the parties hereto agree that the Expenses Loan Provider may not assign its rights hereunder and that the rights of Loan Note Issuer No.1 hereunder may be assigned to the Security Trustee. No variation of this Expenses Loan Agreement will be effective unless it is in writing and signed by or on behalf of each of the parties hereto.

14. INFORMATION AND BENEFIT

14.1 The Expenses Loan Provider will provide to the Security Trustee such information and evidence in respect of any dealing between Loan Note Issuer No.1 and the Expenses Loan Provider under this Expenses Loan Agreement or otherwise as the Security Trustee may reasonably request for the purpose of discharging the duties, trusts, powers, authorities and discretions vested in the Security Trustee in or under the Relevant Documents or by operation of law and Loan Note Issuer No.1 hereby waives any right or duty of confidentiality which it may have or which may be owed to it by the Expenses Loan Provider in respect of such information and evidence. The Security Trustee shall keep all information provided under or in connection with this Expenses Loan Agreement confidential pursuant to Clause 16 (Confidentiality) of the Master Framework Agreement.

14.2 The parties to this Expenses Loan Agreement acknowledge and agree that the Security Trustee is party hereto for the better preservation of its rights and benefits and, subject to its obligation to provide a copy of any Loan Note Enforcement Notice on the Expenses Loan Provider under Clause 10 (Enforcement Event), it shall have no obligations or liabilities under this Expenses Loan Agreement.

15. GOVERNING LAW

15.1 This Agreement and all non-contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law.

16. JURISDICTION

16.1 English Courts

The courts of England have exclusive jurisdiction to settle any dispute (a **Dispute**) arising out of or in connection with this Agreement (including a dispute relating to any non-contractual obligation arising out of or in connection with this Agreement) or the consequences of its nullity.

16.2 Convenient Forum

The parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes between them and, accordingly, that they will not argue to the contrary.

IN WITNESS WHEREOF the parties hereto have signed and executed this Expenses Loan Agreement the day and year first above written.

SCHEDULE 1

THIRD ADVANCE AMORTISATION SCHEDULE

The Initial Interest Payment Date in relation to the Third Advance is 19 June 2013.

Terms defined in the Expenses Loan Agreement have the same meaning in this Third Advance Amortisation Schedule unless given a different meaning in this Third Advance Amortisation Schedule.

The Applicable Margin in respect of the Third Advance is 1.00%.

Period Represents Month in which amounts are to be paid **

	Period	Beg Balance	Principal	End Balance
1	19/06/2013	1,900,000.00	32,203.39	1,867,796.61
2	19/07/2013	1,867,796.61	32,203.39	1,835,593.22
3	19/08/2013	1,835,593.22	32,203.39	1,803,389.83
4	19/09/2013	1,803,389.83	32,203.39	1,771,186.44
5	19/10/2013	1,771,186.44	32,203.39	1,738,983.05
6	19/11/2013	1,738,983.05	32,203.39	1,706,779.66
7	19/12/2013	1,706,779.66	32,203.39	1,674,576.27
8	19/01/2014	1,674,576.27	32,203.39	1,642,372.88
9	19/02/2014	1,642,372.88	32,203.39	1,610,169.49
10	19/03/2014	1,610,169.49	32,203.39	1,577,966.10
11	19/04/2014	1,577,966.10	32,203.39	1,545,762.71
12	19/05/2014	1,545,762.71	32,203.38	1,513,559.33
13	19/06/2014	1,513,559.33	32,203.39	1,481,355.94
14	19/07/2014	1,481,355.94	32,203.39	1,449,152.55
15	19/08/2014	1,449,152.55	32,203.39	1,416,949.16
16	19/09/2014	1,416,949.16	32,203.39	1,384,745.77
17	19/10/2014	1,384,745.77	32,203.39	1,352,542.38
18	19/11/2014	1,352,542.38	32,203.39	1,320,338.99
19	19/12/2014	1,320,338.99	32,203.39	1,288,135.60

20	19/01/2015	1,288,135.60	32,203.39	1,255,932.21
21	19/02/2015	1,255,932.21	32,203.39	1,223,728.82
22	19/03/2015	1,223,728.82	32,203.39	1,191,525.43
23	19/04/2015	1,191,525.43	32,203.39	1,159,322.04
24	19/05/2015	1,159,322.04	32,203.39	1,127,118.65
25	19/06/2015	1,127,118.65	32,203.39	1,094,915.26
26	19/07/2015	1,094,915.26	32,203.39	1,062,711.87
27	19/08/2015	1,062,711.87	32,203.39	1,030,508.48
28	19/09/2015	1,030,508.48	32,203.39	998,305.09
29	19/10/2015	998,305.09	32,203.39	966,101.70
30	19/11/2015	966,101.70	32,203.39	933,898.31
31	19/12/2015	933,898.31	32,203.39	901,694.92
32	19/01/2016	901,694.92	32,203.39	869,491.53
33	19/02/2016	869,491.53	32,203.39	837,288.14
34	19/03/2016	837,288.14	32,203.39	805,084.75
35	19/04/2016	805,084.75	32,203.39	772,881.36
36	19/05/2016	772,881.36	32,203.39	740,677.97
37	19/06/2016	740,677.97	32,203.39	708,474.58
38	19/07/2016	708,474.58	32,203.39	676,271.19
39	19/08/2016	676,271.19	32,203.39	644,067.80
40	19/09/2016	644,067.80	32,203.39	611,864.41
41	19/10/2016	611,864.41	32,203.39	579,661.02
42	19/11/2016	579,661.02	32,203.39	547,457.63
43	19/12/2016	547,457.63	32,203.39	515,254.24
44	19/01/2017	515,254.24	32,203.39	483,050.85
45	19/02/2017	483,050.85	32,203.39	450,847.46
46	19/03/2017	450,847.46	32,203.39	418,644.07

47	19/04/2017	418,644.07	32,203.39	386,440.68
48	19/05/2017	386,440.68	32,203.39	354,237.29
49	19/06/2017	354,237.29	32,203.39	322,033.90
50	19/07/2017	322,033.90	32,203.39	289,830.51
51	19/08/2017	289,830.51	32,203.39	257,627.12
52	19/09/2017	257,627.12	32,203.39	225,423.73
53	19/10/2017	225,423.73	32,203.39	193,220.34
54	19/11/2017	193,220.34	32,203.39	161,016.95
55	19/12/2017	161,016.95	32,203.39	128,813.56
56	19/01/2018	128,813.56	32,203.39	96,610.17
57	19/02/2018	96,610.17	32,203.39	64,406.78
58	19/03/2018	64,406.78	32,203.39	32,203.39
59	19/04/2018	32,203.39	32,203.39	0.00

SCHEDULE 2

PRO-FORMA AMORTISATION SCHEDULE

The Initial Interest Payment Date in relation to the Advance will be [●].

Terms defined in the Expenses Loan Agreement have the same meaning in this Amortisation Schedule unless given a different meaning in this Amortisation Schedule.

The Applicable Margin in respect of the Advance will be [●] %.

**** Period Represents Month in which amounts are to be paid ****

Period	Beg Balance	Principal	End Balance
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
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19			
20			

SCHEDULE 3

UTILISATION REQUEST

From: Delamare Cards Funding 1 Limited

To: Tesco Personal Finance PLC

Dated:

Dear Sirs

**Delamare Cards Funding 1 Limited - Expenses Loan Agreement
dated 31 October 2008 (as the same may be amended, supplemented, varied, replaced and/or novated
from time to time) (the Expenses Loan Agreement)**

1. We refer to the Expenses Loan Agreement. This is a Utilisation Request. Terms defined in the Expenses Loan Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.
2. We wish to borrow the following Advances on the following terms:

Closing Date in respect of which Advance requested: [●]

Amount of first Advance: [●]

Amount of second Advance: [●]

Amount of third Advance: [●]
3. The proceeds of [the first Advance] should be credited to [account].
4. The proceeds of [the second Advance] should be credited to [account].
5. The proceeds of [the third Advance] should be credited to [account].
6. This Utilisation Request is irrevocable.

Yours faithfully

.....
authorised signatory for
Delamare Cards Funding 1 Limited

SCHEDULE 4

UTILISATION NOTICE

From: Tesco Personal Finance PLC
To: Delamare Cards Funding 1 Limited

Dated:

Dear Sirs

**Delamare Cards Funding 1 Limited - Expenses Loan Agreement
dated 31 October 2008 (as the same may be amended, supplemented, varied, replaced and/or novated
from time to time) (the Expenses Loan Agreement)**

1. We refer to the Expenses Loan Agreement. This is a Utilisation Notice. Terms defined in the Expenses Loan Agreement have the same meaning in this Utilisation Notice unless given a different meaning in this Utilisation Notice.
2. Further to the Utilisation Request dated [●] requesting certain Advances to be made on [●], we hereby notify you of our agreement to make Advance(s) subject to the following terms:

Amount: [●]

Applicable Margin: [●]

Closing Date on which Advance to be made: [●]

Initial Interest Payment Date: [●]

Final Repayment Date: Please refer to the Amortisation Schedule in respect of Advance, which will be provided on the Closing Date on which such Advance is to be made.

Amount: [●]

Applicable Margin: [●]

Closing Date on which Advance to be made: [●]

Initial Interest Payment Date: [●]

Final Repayment Date: [●]

Amount: [●]

Applicable Margin: [●]

Closing Date on which Advance to be made: [●]

Initial Interest Payment Date: [●]

Final Repayment Date: [●]

3. The New Facility Limit following the provision of the above Advances is [●].

4. Upon receipt of this Utilisation Notice, please confirm your agreement to the terms of the Advances by signing and returning a Utilisation Confirmation by no later than the close of business on the Business Day prior to the Closing Date on which the Advances are to be made.

Yours faithfully

.....
authorised signatory for
Tesco Personal Finance PLC

SCHEDULE 5

UTILISATION CONFIRMATION

From: Delaware Cards Funding 1 Limited

To: Tesco Personal Finance PLC

Dated:

Dear Sirs

**Delamare Cards Funding 1 Limited - Expenses Loan Agreement
dated 31 October 2008 (as the same may be amended, supplemented, varied, replaced and/or novated
from time to time) (the Expenses Loan Agreement)**

1. We refer to the Expenses Loan Agreement. This is a Utilisation Confirmation. Terms defined in the Expenses Loan Agreement have the same meaning in this Utilisation Confirmation unless given a different meaning in this Utilisation Confirmation.
2. We hereby notify you of our agreement to the terms of each Advance specified in the Utilisation Notice dated [●].
3. The proceeds of the Advance should be credited to:
 - (a) in the case of [the first advance], to [account];
 - (b) in the case of [the second advance], to [account]; and
 - (c) in the case of [the third advance], to [account].

Yours faithfully

.....
authorised signatory for
Delamare Cards Funding 1 Limited

SIGNATORIES

Expenses Loan Provider

SIGNED by)
for **TESCO PERSONAL FINANCE PLC**)
)

Loan Note Issuer No.1

SIGNED by)
for **DELAMARE CARDS FUNDING 1 LIMITED**)
)

Security Trustee

SIGNED for and on behalf of)
THE BANK OF NEW YORK MELLON)
by:)

SIGNATORIES


DULY EXECUTED AND DELIVERED as a deed by each of the parties hereto or on its behalf on the date appearing on page 1.

Expenses Loan Provider

EXECUTED as a **DEED** by
TESCO PERSONAL FINANCE PLC

)
)
) 

acting by **ROY LINNELL**
a duly authorised signatory
in the presence of:

Witness's Signature: 

Name of witness: **Hayley McNeill**
Address of witness: **87 Billet Lane, Hornchurch, RM11 1XJ**

Occupation of witness: **PA/office Manager**

Security Trustee

EXECUTED as a **DEED** by
THE BANK OF NEW YORK MELLON
LONDON BRANCH
acting by a duly authorised signatory

)
)
)



Justin Bersin
Authorised Signatory

**JUSTEN
BERSIN**

Loan Note Issuer No.1

**EXECUTED as a DEED by
DELAMARE CARDS FUNDING 1 LIMITED**

acting by Beejadhursingh Surnam and Christopher Warnes
two of its directors

)
)
)
.....



Director

.....

Director