OFFERING MEMORANDUM

$160,001,000

OPORTUN FUNDING VI, LLC,
Issuer

$131,766,000 3.23% Asset Backed Fixed Rate Notes, Class A, Series 2017-A
$28,235,000 3.97% Asset Backed Fixed Rate Notes, Class B, Series 2017-A

OPORTUN, INC., Sponsor and Seller
PF SERVICING, LLC, Servicer

THIS OFFERING MEMORANDUM (THIS "**MEMORANDUM**") IS NOT TO BE SHOWN OR GIVEN TO ANY PERSON OTHER THAN THE INTENDED RECIPIENT AND IS NOT TO BE PRINTED OR REPRODUCED IN ANY MANNER WHATSOEVER. FAILURE TO COMPLY WITH THIS DIRECTIVE CAN RESULT IN A VIOLATION OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**").

THE ISSUER WILL HAVE NO SIGNIFICANT ASSETS AVAILABLE TO MAKE PAYMENT ON THE ASSET BACKED FIXED RATE NOTES, CLASS A, SERIES 2017-A (THE "**CLASS A NOTES**") AND THE ASSET BACKED FIXED RATE NOTES, CLASS B, SERIES 2017-A (THE "**CLASS B NOTES**" AND, TOGETHER WITH THE CLASS A NOTES, THE "**SERIES 2017-A NOTES**") OTHER THAN THOSE PLEDGED AS COLLATERAL FOR THE SERIES 2017-A NOTES UNDER THE INDENTURE. SEE "*RISK FACTORS*."

For a discussion of certain risk factors relating to the transaction, see "*Risk Factors*" beginning on page 14 herein.

THE SERIES 2017-A NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE SERIES 2017-A NOTES ARE BEING INITIALLY SOLD TO THE INITIAL PURCHASERS AND THEN REOFFERED AND RESOLD ONLY TO "QUALIFIED INSTITUTIONAL BUYERS" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("QIBs") IN TRANSACTIONS MEETING THE REQUIREMENTS OF RULE 144A. THE SERIES 2017-A NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFER AND MAY NOT BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT AS DESCRIBED HEREIN UNDER "*NOTICE TO INVESTORS*." EACH PURCHASER OF A SERIES 2017-A NOTE WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREED TO THE TRANSFER RESTRICTIONS AS DESCRIBED HEREIN UNDER "*TRANSFER RESTRICTIONS*" AND "*NOTICE TO INVESTORS*." PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF THE SERIES 2017-A NOTES MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A.

This Memorandum does not contain complete information about the Series 2017-A Notes. Additional information is contained in the Indenture and other Transaction Documents (as defined herein).

The Series 2017-A Notes will be offered by Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC and Jefferies LLC (the "**Initial Purchasers**") when, as and if issued by the Issuer, subject to the prior sale or withdrawal, cancellation or modification of the offer without notice, and the right of the Initial Purchasers to reject any orders, in whole or in part, in negotiated transactions or otherwise at varying prices to be determined at the time of sale. It is expected that delivery of the Series 2017-A Notes will be made through the facilities of The Depository Trust Company on or about June 8, 2017 against payment therefor in immediately available funds.

Initial Purchasers

Morgan Stanley **Goldman Sachs & Co. LLC** **Jefferies**

THE DATE OF THIS MEMORANDUM IS JUNE 7, 2017.

$160,001,000

OPORTUN FUNDING VI, LLC,
Issuer

$131,766,000 3.23% Asset Backed Fixed Rate Notes, Class A, Series 2017-A
$28,235,000 3.97% Asset Backed Fixed Rate Notes, Class B, Series 2017-A

OPORTUN, INC., Sponsor and Seller
PF SERVICING, LLC, Servicer

The Asset Backed Fixed Rate Notes, Class A, Series 2017-A (the "**Class A Notes**") and the Asset Backed Fixed Rate Notes, Class B, Series 2017-A (the "**Class B Notes**" and, together with the Class A Notes, the "**Series 2017-A Notes**") will be issued pursuant to a Base Indenture, dated as of the Closing Date (the "**Base Indenture**"), between **Oportun Funding VI, LLC**, as issuer (the "**Issuer**"), and Wilmington Trust, National Association, as trustee (the "**Trustee**"), for the benefit of the Secured Parties (as hereinafter defined), as supplemented by the Series 2017-A Supplement to the Base Indenture, dated as of the Closing Date (the "**Series 2017-A Supplement**" and, together with the Base Indenture, the "**Indenture**"). See "*Glossary*" and "*Index of Terms*" for the definitions of certain capitalized terms used herein.

Notes – Summary Information

Designation	**Class A Notes**	**Class B Notes**
Type[(1)]	Senior	Subordinate
Note Size ($)	$131,766,000	$28,235,000
Note Size (%)[(2)]	70.0%	15.0%
Placement	144A	144A
Interest Payment Type	Fixed	Fixed
Interest Rate (per annum)	3.23%	3.97%
Payment Frequency	Monthly	Monthly
Accrual Basis	30/360	30/360
Expected Weighted Average Life[(3)]	3.00 years	3.00 years
Pricing Benchmark	Interpolated Swap Curve	Interpolated Swap Curve
Ratings (KBRA)	A(sf)	BBB(sf)
Expected Principal Payment Window[(3)]	36-36 months	36-36 months
Scheduled Amortization Period Commencement Date[(4)]	June 1, 2020	June 1, 2020
Legal Final Payment Date (Maturity Date)	June 8, 2023	June 8, 2023

(1) The Class B Notes will be subordinate to the Class A Notes to the extent described herein. See "*Description of the Notes—Subordination.*"

(2) Calculated as a percentage of the Outstanding Receivables Balance, as of the Cut-Off Date.

(3) Assumes a base case CPR of 30% and that the Issuer exercises its optional redemption on the first Payment Date following the Scheduled Amortization Period Commencement Date. See "*Description of the Notes—Optional Redemption.*"

(4) This assumes that a Rapid Amortization Event does not occur.

The assets and interests of the Issuer pledged to the Trustee pursuant to the Indenture for the benefit of Series 2017-A Noteholders as well as the other Secured Parties include (i) certain consumer installment loans originated, directly or indirectly (including through an Affiliate), by Oportun, Inc. (f/k/a Progress Financial Corporation) (the "**Seller**") existing after the initial Cut-Off Date that have been, or may from time to time be, conveyed, sold and/or assigned by the Seller to the Issuer (the "**Contracts**"); (ii) all rights to payment under the Contracts (the "**Receivables**"); (iii) all Collections thereon received after the applicable Cut-Off Date; (iv) all Related Security; (v) one or more trust accounts (the "**Trust Accounts**") that have been or will be established and maintained by the Trustee pursuant to the Indenture, all monies from time to time deposited therein and all investments and other property from time to time credited thereto; (vi) all certificates and instruments, if any, representing or evidencing any or all of the Trust Accounts or the funds on deposit therein from time to time; (vii) all investments made at any time and from time to time with moneys in the Trust Accounts; (viii) the Purchase Agreement and the Servicing Agreement; (ix) all additional property that may from time to time be subjected to the grant and pledge made by the Issuer or by anyone on its behalf; (x) all present and future claims, demands, causes and choses in action and all payments on or under the foregoing; and (xi) all proceeds of every kind and nature whatsoever in respect of any or all of the foregoing. The foregoing assets are hereinafter referred to as the "**Trust Estate**."

Interest with respect to the Series 2017-A Notes will be distributed monthly on the 8th day of each month (or, if such 8th day is not a Business Day, on the next Business Day) (each, a "**Payment Date**") commencing July 10, 2017 (the "**First Payment Date**") and will cease being distributed on the related final payment date with respect to such Series 2017-A Notes. Interest will accrue on each class of Series 2017-A Notes from on or about June 8, 2017 (the "**Closing Date**") to (but excluding) the First Payment Date, and thereafter from Payment Date to (but excluding) Payment Date (the "**Interest Period**"), at the fixed rate specified above for such class of Series 2017-A Notes (the "**Series 2017-A Note Rate**"). See "*Description of the Notes—Determination of Monthly Interest*." The first distribution of principal on the Series 2017-A Notes is scheduled to be made on the Payment Date relating to the first Monthly Period following the Scheduled Amortization Period Commencement Date. See "*Description of the Notes—Monthly Payments.*" The "**Legal Final Payment Date**" for the Series 2017-A Notes is June 8, 2023. The Class B Notes will be subordinate to the Class A Notes to the extent described herein. See "*Description of the Notes—Subordination.*"

The Series 2017-A Notes sold to QIBs in reliance on Rule 144A of the Securities Act ("**Rule 144A**") will be initially represented by a global note for each class (each, a "**Global Note**" and collectively, the "**Global Notes**"), in fully registered form, without interest coupons, deposited with a custodian for, and registered in the name of a nominee of The Depository Trust Company ("**DTC**").

Beneficial interests in the Global Notes will trade and settle as described under "*Description of the Notes—Book-Entry Registration*" and Annex I. Beneficial interests in each such Global Note will be shown on, and transfer thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Clearstream Banking, société anonyme ("**Clearstream**") and the Euroclear System ("**Euroclear**"**)**. Beneficial interests in any Global Note may be acquired in minimum denominations of $250,000 and in integral multiples of $1,000 in excess thereof.

The Issuer expects that delivery of the Series 2017-A Notes will be made to investors more than three business days after the expected pricing date. Pursuant to Rule 15c6-1 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), trades in the secondary market are generally required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Series 2017-A Notes prior to the third business day preceding the settlement date will be required, by virtue of the fact that the Series 2017-A Notes are expected to initially settle more than three business days after the pricing date, to specify an alternate settlement arrangement at the time of

any such trade to prevent a failed settlement. Purchasers of the Series 2017-A Notes who wish to trade the Series 2017-A Notes prior to the third business day preceding the settlement date should consult their advisors.

THE SERIES 2017-A NOTES WILL REPRESENT LIMITED OBLIGATIONS OF THE ISSUER AND WILL NOT REPRESENT INTERESTS IN OR OBLIGATIONS OF THE SELLER, THE SERVICER, THE BACK-UP SERVICER, THE TRUSTEE, THE INITIAL PURCHASERS OR ANY OF THEIR RESPECTIVE AFFILIATES. THE SERIES 2017-A NOTEHOLDERS GENERALLY WILL NOT HAVE RECOURSE TO THE ISSUER AND THE ISSUER WILL HAVE NO SIGNIFICANT ASSETS AVAILABLE TO MAKE PAYMENT ON THE SERIES 2017-A NOTES OTHER THAN THOSE PLEDGED TO THE TRUSTEE AS PART OF THE TRUST ESTATE AND AVAILABLE TO THE SERIES 2017-A NOTES. SEE "*RISK FACTORS.*"

THE SERIES 2017-A NOTES (OR ANY INTEREST THEREIN) MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED TO ANY PERSON UNLESS SUCH PERSON (AND ANY FIDUCIARY ACTING ON SUCH PERSON'S BEHALF) REPRESENTS, WARRANTS AND COVENANTS THAT EITHER (I) IT IS NOT AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), WHICH IS SUBJECT TO TITLE I OF ERISA, A "PLAN" DESCRIBED IN SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), WHICH IS SUBJECT TO SECTION 4975 OF THE CODE, AN ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING (EACH OF THE FOREGOING A "BENEFIT PLAN INVESTOR"), OR A GOVERNMENTAL OR OTHER PLAN SUBJECT TO APPLICABLE LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") OR (II) (A) ITS PURCHASE AND HOLDING OF THE SERIES 2017-A NOTES (OR ANY INTEREST THEREIN) WILL NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR, A VIOLATION OF SIMILAR LAW), AND (B) IT ACKNOWLEDGES AND AGREES THAT THE SERIES 2017-A NOTES ARE NOT ELIGIBLE FOR ACQUISITION BY BENEFIT PLAN INVESTORS AT ANY TIME THAT THE SERIES 2017-A NOTES HAVE BEEN CHARACTERIZED AS OTHER THAN INDEBTEDNESS FOR APPLICABLE LOCAL LAW PURPOSES. EACH PURCHASER OR TRANSFEREE (AND ANY FIDUCIARY ACTING ON BEHALF OF A PURCHASER OR TRANSFEREE) OF A SERIES 2017-A GLOBAL NOTE (OR ANY INTEREST THEREIN) SHALL BE DEEMED TO HAVE REPRESENTED THAT IT MEETS THE FOREGOING REQUIREMENTS.

THE SERIES 2017-A NOTES ARE BEING OFFERED PURSUANT TO AVAILABLE EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, AND HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR OTHER REGULATORY AUTHORITY. THE RESALE OR TRANSFER OF THE SERIES 2017-A NOTES IS RESTRICTED BY THE TERMS THEREOF AND BY THE TERMS OF THE INDENTURE. ANY PURCHASER OF A GLOBAL NOTE WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREED TO THE TRANSFER RESTRICTIONS. SEE "*RISK FACTORS—RESTRICTIONS ON TRANSFER; LACK OF LIQUIDITY*," "*PLAN OF DISTRIBUTION*," "*TRANSFER RESTRICTIONS*" AND "*NOTICE TO INVESTORS.*" BECAUSE OF THE RESTRICTIONS ON TRANSFER, AN ACTIVE SECONDARY MARKET FOR THE SERIES 2017-A NOTES IS UNLIKELY TO DEVELOP, AND INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD.

NO SERIES 2017-A NOTE MAY BE SOLD WITHOUT DELIVERY OF A FINAL OFFERING MEMORANDUM. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. SEE "*RISK FACTORS*" FOR A DESCRIPTION OF CERTAIN FACTORS RELATING TO AN INVESTMENT IN THE SERIES 2017-A NOTES OFFERED HEREBY. THE SERIES 2017-A NOTES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS MEMORANDUM IS NOT INTENDED TO FURNISH LEGAL, REGULATORY, TAX OR ACCOUNTING ADVICE TO ANY PROSPECTIVE PURCHASER OF THE SERIES 2017-A NOTES. THIS MEMORANDUM SHOULD BE REVIEWED BY EACH PROSPECTIVE PURCHASER AND ITS LEGAL, REGULATORY, TAX AND ACCOUNTING ADVISORS.

NEITHER THE ISSUER NOR ANY OTHER PERSON OR ENTITY IS MAKING ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO ANY OFFEREE OR PURCHASER OF THE SERIES 2017-A NOTES REGARDING THE LEGALITY OF ANY INVESTMENT THEREIN BY SUCH OFFEREE OR PURCHASER UNDER APPLICABLE LEGAL INVESTMENT OR SIMILAR LAWS. PROSPECTIVE INVESTORS WHOSE INVESTMENT AUTHORITY IS SUBJECT TO LEGAL RESTRICTIONS SHOULD CONSULT THEIR OWN LEGAL ADVISORS TO DETERMINE WHETHER AND TO WHAT EXTENT THE SERIES 2017-A NOTES CONSTITUTE LEGAL INVESTMENTS FOR THEM.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS MEMORANDUM AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY SECURITIES IN ANY JURISDICTION WHERE, OR TO ANY PERSON TO WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION IN SUCH JURISDICTION.

THIS MEMORANDUM AND ANY OTHER DOCUMENTS OR OTHER INFORMATION PROVIDED BY THE ISSUER OR THE INITIAL PURCHASERS RELATING TO THE POSSIBLE PURCHASE OF THE SERIES 2017-A NOTES ARE SOLELY FOR THE EVALUATION PURPOSES OF THE RECIPIENT AND SUCH OF ITS EMPLOYEES, AGENTS AND CONSULTANTS AS HAVE A NEED TO KNOW ITS CONTENTS FOR PURPOSES OF EVALUATING SUCH POSSIBLE PURCHASE. BY ACCEPTING THIS MEMORANDUM, THE RECIPIENT AGREES THAT ALL INFORMATION CONTAINED HEREIN WILL BE TREATED CONFIDENTIALLY AND WILL NOT BE DISCLOSED TO ANY OTHER PERSON WITHOUT THE SPECIFIC PRIOR WRITTEN APPROVAL OF THE ISSUER, THE SELLER, THE SERVICER AND THE INITIAL PURCHASERS. ANY USE OF THIS MEMORANDUM FOR ANY PURPOSE OTHER THAN TO EVALUATE AN INVESTMENT IN THE SERIES 2017-A NOTES AS DESCRIBED HEREIN IS NOT AUTHORIZED, AND ALL COPIES HEREOF SHALL BE PROMPTLY RETURNED TO THE INITIAL PURCHASERS BY THE RECIPIENT UPON ANY TERMINATION OF ITS CONSIDERATION OF ITS POSSIBLE PURCHASE OF THE SERIES 2017-A NOTES. BY ACCEPTING THIS MEMORANDUM, THE RECIPIENT AGREES THAT THIS MEMORANDUM SHALL NOT BE USED FOR ANY SUCH OTHER PURPOSE, AND THAT ALL SUCH COPIES SHALL BE SO RETURNED.

ALL OF THE STATEMENTS IN THIS MEMORANDUM WITH RESPECT TO THE BUSINESS OF THE SPONSOR, THE ISSUER, THE SELLER AND THE SERVICER, AND THE FINANCIAL AND OTHER INFORMATION REGARDING THE SPONSOR, THE ISSUER, THE SELLER, THE SERVICER AND THE RECEIVABLES ARE BASED ON INFORMATION FURNISHED ON BEHALF OF THE SPONSOR, THE ISSUER, THE SELLER AND THE SERVICER. WHILE THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM SOURCES BELIEVED TO BE RELIABLE, NEITHER THE INITIAL PURCHASERS NOR ANY OF THEIR DIRECTORS, OFFICERS, EMPLOYEES, REPRESENTATIVES OR CONTROLLING PERSONS EITHER OFFERS AN OPINION AS TO, OR ASSUMES ANY RESPONSIBILITY FOR, THE ADEQUACY, ACCURACY OR COMPLETENESS OF ANY INFORMATION CONTAINED HEREIN OR FOR THE OMISSION OF ANY INFORMATION RELATING HERETO, AND NONE OF THE FOREGOING PERSONS SHALL BE LIABLE FOR ANY LOSS OR DAMAGES OF ANY KIND RESULTING FROM THE USE OF THE INFORMATION CONTAINED HEREIN OR OTHERWISE SUPPLIED. THE INITIAL PURCHASERS ASSUME NO RESPONSIBILITY FOR THE PERFORMANCE OF ANY OBLIGATIONS OF THE SPONSOR, THE ISSUER, THE SELLER, THE SERVICER OR ANY OTHER PERSONS DESCRIBED IN THIS MEMORANDUM OR FOR THE DUE EXECUTION, VALIDITY OR ENFORCEABILITY OF THE NOTES, INSTRUMENTS OR DOCUMENTS DELIVERED IN CONNECTION WITH THE SERIES 2017-A NOTES OR FOR THE VALUE OR VALIDITY OF ANY COLLATERAL OR SECURITY INTERESTS PLEDGED IN CONNECTION THEREWITH.

BY ACCEPTING DELIVERY OF THIS MEMORANDUM, PROSPECTIVE INVESTORS WILL BE DEEMED TO HAVE ACKNOWLEDGED THE NEED TO CONDUCT THEIR OWN THOROUGH INVESTIGATION AND TO EXERCISE THEIR OWN DUE DILIGENCE BEFORE CONSIDERING AN INVESTMENT IN THE SERIES 2017-A NOTES. NONE OF THE SPONSOR, THE ISSUER, THE TRUSTEE, THE SELLER, THE SERVICER, THE BACK-UP SERVICER OR THE INITIAL PURCHASERS ASSUMES RESPONSIBILITY FOR, OR MAKES ANY REPRESENTATION WHATSOEVER AS TO THE ADVISABILITY OF, PURCHASING THE SERIES 2017-A NOTES. PROSPECTIVE INVESTORS MAY NOT CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS INVESTMENT, TAX OR LEGAL ADVICE. THIS MEMORANDUM, AS WELL AS THE NATURE OF THE INVESTMENT, SHOULD BE REVIEWED BY EACH PROSPECTIVE INVESTOR AND ITS INVESTMENT, TAX OR OTHER ADVISORS, ITS ACCOUNTANTS AND ITS LEGAL COUNSEL.

NEITHER THE DELIVERY OF THIS MEMORANDUM AT ANY TIME NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE SPONSOR, THE ISSUER, THE SERVICER OR THE SELLER SINCE THE DATE HEREOF OR THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF. THIS MEMORANDUM WILL NOT BE UPDATED OR OTHERWISE REVISED TO REFLECT INFORMATION THAT SUBSEQUENTLY BECOMES AVAILABLE OR FOR CIRCUMSTANCES EXISTING OR CHANGES OCCURRING AFTER THE DATE HEREOF, INCLUDING CHANGES IN GENERAL ECONOMIC OR INDUSTRY CONDITIONS.

THIS MEMORANDUM CONTAINS SUMMARIES OF CERTAIN DOCUMENTS. THE SUMMARIES DO NOT PURPORT TO BE COMPLETE AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO SUCH DOCUMENTS, COPIES OF WHICH ARE AVAILABLE TO PROSPECTIVE INVESTORS UPON REQUEST.

THE INITIAL PURCHASERS MAY FROM TIME TO TIME ACT AS UNDERWRITERS FOR PUBLIC OFFERINGS OF, OR MAKE A MARKET FOR, SECURITIES OF THE SPONSOR, THE ISSUER, THE SELLER, THE SERVICER OR AFFILIATES THEREOF.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THIS MEMORANDUM AND ANY OTHER DOCUMENTATION PROVIDED BY THE ISSUER, THE SPONSOR, THE SELLER, THE SERVICER OR THE INITIAL PURCHASERS RELATING TO THE SERIES 2017-A NOTES (SUCH DOCUMENTS BEING REFERRED TO IN THIS PARAGRAPH AND THE FOLLOWING PARAGRAPH AS "OTHER SERIES 2017-A DOCUMENTATION") MAY ONLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED IN THE UNITED KINGDOM TO PERSONS HAVING PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFYING AS INVESTMENT PROFESSIONALS UNDER ARTICLE 19(5) (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER"), OR TO PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS ETC.") OF THE ORDER OR TO ANY OTHER PERSON TO WHOM THIS MEMORANDUM AND ANY OTHER SERIES 2017-A DOCUMENTATION MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO IN THIS PARAGRAPH AS "RELEVANT PERSONS").

NONE OF THIS MEMORANDUM, ANY OTHER SERIES 2017-A DOCUMENTATION OR THE SERIES 2017-A NOTES ARE OR WILL BE AVAILABLE TO PERSONS IN THE UNITED KINGDOM WHO ARE NOT RELEVANT PERSONS AND THIS MEMORANDUM AND ANY OTHER SERIES 2017-A DOCUMENTATION MUST NOT BE ACTED ON OR RELIED ON BY PERSONS IN THE UNITED KINGDOM WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS MEMORANDUM AND ANY OTHER SERIES 2017-A DOCUMENTATION RELATES IS AVAILABLE IN THE UNITED KINGDOM ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS IN THE UNITED KINGDOM. THE COMMUNICATION OF THIS MEMORANDUM AND ANY OTHER SERIES 2017-A DOCUMENTATION TO ANY PERSON IN THE UNITED KINGDOM OTHER THAN RELEVANT PERSONS IS UNAUTHORIZED AND MAY CONTRAVENE THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (THE "FSMA").

NOTICE TO RESIDENTS OF THE EUROPEAN ECONOMIC AREA

THIS MEMORANDUM AND ANY OTHER SERIES 2017-A DOCUMENTATION HAVE BEEN PREPARED ON THE BASIS THAT ANY OFFER OF SERIES 2017-A NOTES IN ANY MEMBER STATE OF THE EUROPEAN ECONOMIC AREA WHICH HAS IMPLEMENTED THE PROSPECTUS DIRECTIVE (EACH, A "RELEVANT MEMBER STATE") WILL BE MADE PURSUANT TO AN EXEMPTION UNDER THE PROSPECTUS DIRECTIVE FROM THE REQUIREMENT TO PUBLISH A PROSPECTUS FOR OFFERS OF NOTES. ACCORDINGLY, ANY PERSON MAKING OR INTENDING TO MAKE AN OFFER IN A RELEVANT MEMBER STATE OF SERIES 2017-A NOTES WHICH ARE THE SUBJECT OF THE OFFERING CONTEMPLATED IN THIS MEMORANDUM MAY ONLY DO SO IN CIRCUMSTANCES IN WHICH NO OBLIGATION ARISES FOR THE ISSUER, THE SPONSOR, THE SELLER, THE SERVICER OR ANY OF THE INITIAL PURCHASERS TO PUBLISH A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE OR SUPPLEMENT A

PROSPECTUS PURSUANT TO ARTICLE 16 OF THE PROSPECTUS DIRECTIVE, IN EACH CASE, IN RELATION TO SUCH OFFER. NONE OF THE ISSUER, THE SPONSOR, THE SELLER, THE SERVICER OR ANY OF THE INITIAL PURCHASERS HAS AUTHORIZED, NOR DO THEY AUTHORIZE, THE MAKING OF ANY OFFER OF SERIES 2017-A NOTES IN CIRCUMSTANCES IN WHICH AN OBLIGATION ARISES FOR THE ISSUER, THE SPONSOR, THE SELLER, THE SERVICER OR ANY OF THE INITIAL PURCHASERS TO PUBLISH OR SUPPLEMENT A PROSPECTUS FOR SUCH OFFER. THE EXPRESSION "PROSPECTUS DIRECTIVE" MEANS DIRECTIVE 2003/71/EC (AS AMENDED, INCLUDING BY DIRECTIVE 2010/73/EU), AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN THE RELEVANT MEMBER STATE.

THE SERIES 2017-A NOTES ARE NOT INTENDED, FROM 1 JANUARY 2018, TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND, WITH EFFECT FROM SUCH DATE, SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU ("MIFID II"); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2002/92/EC, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS DIRECTIVE. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE SERIES 2017-A NOTES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE SERIES 2017-A NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

AVAILABLE INFORMATION

To permit compliance with Rule 144A under the Securities Act in connection with the sales of any class of Series 2017-A Notes, the Issuer will be required under the Transaction Documents, for so long as any such class of Series 2017-A Notes is a "restricted security" within the meaning of Rule 144(a)(3) under the Securities Act, to provide, upon request of a holder of Series 2017-A Notes, to such holder and any prospective purchaser designated by such holder, the information which is required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Issuer is not subject to Section 13 or Section 15(d) of the Exchange Act. Any such request should be addressed to Oportun Funding VI, LLC, 1600 Seaport Boulevard, Suite 250, Room 109, Redwood City, California 94063.

The Sponsor has furnished a Form ABS-15G to the SEC pursuant to Rule 15Ga-2 of the Exchange Act. The Form ABS-15G is available on the SEC's website at http://www.sec.gov under CIK number 0001478295. Notwithstanding the foregoing, this Memorandum does not incorporate by reference any documents, portions of documents, exhibits or other information that is deemed to have been filed with the SEC.

REPORTS TO NOTEHOLDERS

Unless and until definitive Series 2017-A Notes are issued, monthly reports, containing unaudited information concerning the Issuer and prepared by the Servicer, will be sent on behalf of the Issuer only to DTC or its nominee as registered holder of the Series 2017-A Notes, pursuant to the Indenture. See

"*Description of the Notes—Book-Entry Registration*" and "*Description of the Indenture—Reports to Noteholders.*" Such reports will not constitute financial statements prepared in accordance with GAAP. The owners of beneficial interests in the Series 2017-A Notes (the "**Note Owners**") may, upon furnishing to the Trustee a written request for such reports and a certification that such Person is a Note Owner, obtain copies of such report by paying postage and reproduction costs or access such report through the Trustee's website.

FORWARD-LOOKING STATEMENTS

This Memorandum contains forward-looking statements, particularly in the section entitled "*Risk Factors*." These forward-looking statements can be identified by the use of future tense, dates or terms such as "believe," "expect," "estimate," "anticipate," "intend," "may," "might," "will," "would," "project," and "predict," or similar words and phrases. Because these statements involve risks and uncertainties, actual results or events may differ significantly from the results or events predicted or anticipated by these statements. Accordingly, you should not place undue reliance on these statements. These statements speak only as of the date of this Memorandum or, in the case of any document incorporated by reference, the date of that document. The risks and uncertainties attributable to these forward-looking statements may adversely affect the distributions to be made on, or the yield of, the Series 2017-A Notes. Many of these risks and uncertainties are discussed under the "Risk Factors" section herein. You should carefully review and consider such Risk Factors, in addition to the other information provided herein.

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SUMMARY OF MEMORANDUM

The following is qualified in its entirety by reference to the detailed information appearing elsewhere in this Memorandum and in the Transaction Documents. Certain capitalized terms used in this summary are defined in the Glossary or elsewhere in this Memorandum. A listing of the pages on which the terms are defined is found in the "Index of Terms."

Securities Offered	Asset Backed Fixed Rate Notes, Series 2017-A (the "**Series 2017-A Notes**"). The Series 2017-A Notes will be issued in two classes, Class A with an initial principal balance of $131,766,000 (the "**Class A Notes**") and Class B with an initial principal balance of $28,235,000 (the "**Class B Notes**"). The Class A Notes will bear interest at a fixed rate equal to 3.23% per annum (the "**Class A Note Rate**") and the Class B Notes will bear interest at a fixed rate equal to 3.97% per annum (the "**Class B Note Rate**" and, together with the Class A Note Rate, the "**Series 2017-A Note Rate**"). See "*Description of the Notes—Determination of Monthly Interest*." The Series 2017-A Notes will be issued by the Issuer pursuant to the Base Indenture, dated as of the Closing Date (the "**Base Indenture**"), between the Issuer and the Trustee, as supplemented by the Series 2017-A Supplement to the Base Indenture, dated as of the Closing Date (the "**Series 2017-A Supplement**," and together with the Base Indenture, the "**Indenture**"). The Series 2017-A Notes will be offered for purchase in minimum denominations of $250,000 and in integral multiples of $1,000 in excess thereof. As used herein, "**Notes**" means any one of the notes issued by the Issuer under the Indenture, executed and authenticated by the Trustee substantially in the form attached to a supplement to the Indenture. A "**Noteholder**" means, with respect to any Note, the holder of record of such Note, a "**Series 2017-A Noteholder**" means a holder of record of a Series 2017-A Note, a "**Class A Noteholder**" means a holder of record of a Class A Note and a "**Class B Noteholder**" means a holder of record of a Class B Note. See "*Description of the Notes—General*."
Issuer	Oportun Funding VI, LLC, a bankruptcy-remote, special purpose Delaware limited liability company (the "**Issuer**"), wholly-owned by the Seller. See "*The Issuer*."
Seller	Oportun, Inc. (f/k/a Progress Financial Corporation), a Delaware corporation (the "**Seller**"), is the originator of the Receivables, although some Receivables may be originated indirectly through an Affiliate, as described herein. The Seller is a wholly-owned subsidiary of Oportun Financial Corporation (f/k/a Progreso Financiero Holdings, Inc.), a Delaware corporation ("**Oportun Financial**"). See "*Seller's Consumer Loan Business—Overview.*" Pursuant to the Purchase and Sale Agreement, dated as of the Closing Date, among the Seller and the Issuer (the "**Purchase Agreement**"), the Seller has transferred, and will transfer, the Contracts and Related Rights to the Issuer. See "*Description of the Purchase Agreement*."

Sponsor	Oportun, Inc. (f/k/a Progress Financial Corporation), a Delaware corporation (the "**Sponsor**"). The Sponsor will provide a guaranty of certain obligations of the Servicer (the "**Performance Guaranty**").
Trustee	Wilmington Trust, National Association, a national banking association with trust powers, will act as trustee (in such capacity, the "**Trustee**") under the Indenture for the benefit of the Noteholders and any other Person including the Trustee to which any Secured Obligations are payable (the "**Secured Parties**"). See "*The Trustee*."
Servicer	Pursuant to the Servicing Agreement, dated as of the Closing Date, among the Issuer, PF Servicing, LLC ("**PF Servicing**"), as Servicer (the "**Servicer**"), and the Trustee (the "**Servicing Agreement**"), the Servicer will be responsible for servicing the Receivables transferred to the Issuer pursuant to the Purchase Agreement. The Servicer is owned 100% by the Seller. Upon the occurrence of a Servicer Default, the Servicer may, and under certain circumstances shall, be replaced. See "*The Servicer*" and "*Description of the Servicing Agreement*."
Back-Up Servicer.....	Systems & Services Technologies, Inc. ("**SST**") will act as the back-up servicer (in such capacity, the "**Back-Up Servicer**"). Pursuant to the Back-Up Servicing Agreement, dated as of the Closing Date, among the Back-Up Servicer, the Servicer, the Issuer and the Trustee (the "**Back-Up Servicing Agreement**"), the Back-Up Servicer (or a successor thereto appointed pursuant to the Back-Up Servicing Agreement) will be required to service the Receivables (within fifteen calendar days of notice of termination of the Servicer and notice of appointment to the Back-Up Servicer, or such later date as may be agreed by the Trustee and the Back-Up Servicer, and once it has received the necessary information to do so) upon the termination of PF Servicing as Servicer. See "*Back-Up Servicer*" and "*Description of the Servicing Agreement—Servicer Termination*."
Initial Purchasers.....	Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC and Jefferies LLC (the "**Initial Purchasers**").
Closing Date.....	On or about June 8, 2017 (the "**Closing Date**").
Trust Estate	The Trust Estate, which shall be for the benefit of the Series 2017-A Notes as well as the other Secured Parties, will include the following: (i) certain consumer installment loans originated, directly or indirectly (including through an Affiliate), by the Seller existing after the initial Cut-Off Date that have been or may from time to time be conveyed, sold and/or assigned by the Seller to the Issuer (the "**Contracts**"); (ii) all rights to payment under the Contracts (the "**Receivables**"); (iii) all Collections thereon received after the applicable Cut-Off Date; (iv) all Related Security; (v) the Trust Accounts that have been or will be established and maintained by the Trustee pursuant to the Indenture, all monies from time to time deposited therein and all investments and other property from time to time credited thereto; (vi) all certificates and instruments, if any, representing or evidencing any or all of the Trust Accounts or the funds on deposit therein from time to time; (vii) all investments made at any time and from

	time to time with moneys in the Trust Accounts; (viii) the Purchase Agreement and the Servicing Agreement; (ix) all additional property that may from time to time be subjected to the grant and pledge made by the Issuer or by anyone on its behalf; (x) all present and future claims, demands, causes and choses in action and all payments on or under the foregoing; and (xi) all proceeds of every kind and nature whatsoever in respect of any or all of the foregoing. See "*Description of the Indenture*." Pursuant to the Purchase Agreement, the Seller is expected to sell to the Issuer additional Receivables after the Closing Date from time to time ("**Subsequently Purchased Receivables**") that are identified on written reports prepared by the Seller. See "*Description of the Purchase Agreement—Purchase of Receivables*." Such Subsequently Purchased Receivables automatically become subject to the lien of the Indenture and therefore will be included in the Trust Estate. In the event that Subsequently Purchased Receivables are not pledged to the Trustee in an amount sufficient to maintain the Overcollateralization Test, as required by the Indenture and as described herein, a Rapid Amortization Event could occur. See "*Description of the Indenture—Rapid Amortization Event*."
The Receivables.....	The Receivables will consist of rights to payment under certain Contracts. Each Contract was or will be (i) originated by the Seller in connection with a consumer loan made to an Obligor by the Seller or (ii) acquired by the Seller from its wholly-owned subsidiary, Oportun, LLC, in connection with a consumer loan made to an Obligor by Oportun, LLC. See "*The Receivables*" and "*Loan Originations*." The Seller will make in the Purchase Agreement, and the Issuer will make in the Note Purchase Agreement, to be dated on or prior to the Closing Date, between the Issuer, the Seller and the Initial Purchasers (the "**Note Purchase Agreement**"), certain representations and warranties regarding the Contracts and the Receivables, including, but not limited to, a representation that the Receivables are or will be Eligible Receivables on the date of transfer to the Issuer. For a description of the eligibility requirements, see "*Description of the Purchase Agreement—Certain Representations and Warranties*." On the Closing Date, the Issuer will acquire and pledge Eligible Receivables with an approximate aggregate Outstanding Receivables Balance as of the Cut-Off Date of approximately $188,241,402. Additionally, during the Revolving Period, the Issuer is expected to acquire and pledge Subsequently Purchased Receivables so that the aggregate Outstanding Receivables Balance remains at or above such amount. See "*The Receivables*." The statistical information relating to the Receivables presented in this Memorandum is based on the Receivables as of April 12, 2017 (the "**Statistical Calculation Date**"). Potential purchasers should note that the Receivables owned by the Issuer on the Closing Date will include

	Receivables originated after the Statistical Calculation Date. The characteristics of the Receivables may vary from those prevailing on the Statistical Calculation Date as a result of, among other factors, payments received by or on behalf of Obligors and the purchase by the Issuer of new Eligible Receivables after the Statistical Calculation Date. Nevertheless, the Issuer does not believe that the characteristics of such Receivables as of the Closing Date will vary materially from the information presented herein with respect to the Receivables as of the Statistical Calculation Date. There will be no material permissible differences between the eligibility criteria used for identifying such Receivables as of the Statistical Calculation Date and those eligibility criteria applied on and after the Closing Date (unless such criteria are modified as described herein), although the characteristics of Subsequently Purchased Receivables acquired during the Revolving Period could vary significantly from the information presented herein with respect to the Receivables as of the Statistical Calculation Date. See "*The Receivables*."
Amortization Period.....	The "**Amortization Period**" is the period commencing on the date on which the Revolving Period ends and ending on the Series 2017-A Termination Date. During the Amortization Period, the Required Principal Distribution for the related Monthly Period will be distributed to the Series 2017-A Noteholders on each Payment Date (to the extent funds are available therefor) in accordance with the priority of payments described in "*Description of the Notes—Monthly Payments*" until the Series 2017-A Noteholders have been paid in full. See "*Description of the Notes—Amortization Period*."
Revolving Period	The "**Revolving Period**" is the period from and including the Closing Date to, but not including, the earlier of (i) June 1, 2020 (the "**Scheduled Amortization Period Commencement Date**") and (ii) the date on which a Rapid Amortization Event is deemed to occur pursuant to the Indenture. See "*Description of the Notes—Revolving Period*" and "*Description of the Indenture—Rapid Amortization Event.*" During the Revolving Period, amounts deposited into the Collection Account in excess of the Required Monthly Payments will not be paid to the Series 2017-A Noteholders but instead may be paid to the Issuer on any Business Day for certain Permissible Uses, so long as the Coverage Test is satisfied, or released to the Issuer on any Payment Date as Residual Amounts. See "*Description of the Notes—Monthly Payments*."
Rapid Amortization Event	A "**Rapid Amortization Event**" means any one of the following events (whatever the reason for such Rapid Amortization Event and whether it shall be voluntary or involuntary): (i) on any Determination Date during the Revolving Period, the average annualized Monthly Loss Percentage over the previous three (3) Monthly Periods is greater than 17.0%; (ii) a breach of any Concentration Limit for three (3) consecutive months during the Revolving Period; (iii) the Overcollateralization Test is not satisfied for more than five (5) Business Days; or (iv) the occurrence of a Servicer Default or an Event of Default. See "*Description of the Indenture—Rapid Amortization Event.*"

Coverage Test	The Issuer will be required to meet the Coverage Test as a condition to using amounts on deposit in the Collection Account for Permissible Uses. "**Permissible Uses**" means the use of funds by the Issuer to pay the Seller for Subsequently Purchased Receivables that are Eligible Receivables. The Issuer will meet the "**Coverage Test**" if, on any date of determination, (i) the Overcollateralization Test is satisfied, (ii) the amount remaining on deposit in the Collection Account equals or exceeds the amount distributable on the next Payment Date under clauses (i)-(iv) set forth in "*Description of the Notes—Monthly Payments—Collection Account*" (the "**Required Monthly Payments**"), (iii) the Amortization Period has not commenced and (iv) there shall not exist on such Business Day, and such application thereof shall not result in the occurrence of, a Rapid Amortization Event, a Servicer Default, an Event of Default or a Default (in each case determined by the Servicer taking into account any increases, decreases and status changes of the Receivables and any increases or decreases in the Series 2017-A Notes and the amount on deposit in the Collection Account including those scheduled to occur on such date). The Issuer will meet the "**Overcollateralization Test**" if, on any date of determination, the sum of the Outstanding Receivables Balance of all Eligible Receivables plus the amount on deposit in the Collection Account equals or exceeds the sum of the outstanding principal amount of the Series 2017-A Notes plus the Required Overcollateralization Amount.
Monthly Interest.....	The amount of monthly interest payable on the Class A Notes on each Payment Date will be determined as of each Determination Date and will be an amount equal to the product of (i)(A) for the First Payment Date, a fraction, the numerator of which is the actual number of days in the related Interest Period and the denominator of which is 360, and (B) for any Payment Date thereafter, one-twelfth, times (ii) the Class A Note Rate, times (iii) the outstanding principal balance of the Class A Notes as of the immediately preceding Payment Date (after giving effect to any payments of principal on such preceding Payment Date) or, with respect to the First Payment Date, as of the Closing Date (the "**Class A Monthly Interest**"). In addition to the Class A Monthly Interest, an amount equal to the sum of (i) the amount of any unpaid Class A Deficiency Amount, as defined below, plus (ii) an amount equal to the product (such product being herein called the "**Class A Additional Interest**") of (A) one-twelfth, times (B) a rate equal to the Class A Note Rate, times (C) any Class A Deficiency Amount, as defined below (or the portion thereof which has not theretofore been paid to the Class A Noteholders), will also be payable to the Class A Noteholders. The "**Class A Deficiency Amount**" for any Determination Date shall be equal to the excess, if any, of (x) the sum of (i) the Class A Monthly Interest and the Class A Additional Interest, in each case for the Interest Period ended immediately prior to the preceding Payment Date, plus (ii) any Class A Deficiency Amount for the preceding period, over (y) the amount actually paid in respect thereof on the preceding Payment Date; *provided, however,* that the Class A Deficiency Amount on the first

	Determination Date shall be zero. See "*Description of the Notes—Determination of Monthly Interest.*"
	The amount of monthly interest payable on the Class B Notes on each Payment Date will be determined as of each Determination Date and will be an amount equal to the product of (i)(A) for the First Payment Date, a fraction, the numerator of which is the actual number of days in the related Interest Period and the denominator of which is 360, and (B) for any Payment Date thereafter, one-twelfth, times (ii) the Class B Note Rate, times (iii) the outstanding principal balance of the Class B Notes as of the immediately preceding Payment Date (after giving effect to any payments of principal on such preceding Payment Date) or, with respect to the First Payment Date, as of the Closing Date (the "**Class B Monthly Interest**" and together with the Class A Monthly Interest, the "**Monthly Interest**"). In addition to the Class B Monthly Interest, an amount equal to the sum of (i) the amount of any unpaid Class B Deficiency Amount, as defined below, plus (ii) an amount equal to the product (such product being herein called the "**Class B Additional Interest**" and together with the Class A Additional Interest, the "**Additional Interest**") of (A) one-twelfth, times (B) a rate equal to the Class B Note Rate, times (C) any Class B Deficiency Amount, as defined below (or the portion thereof which has not theretofore been paid to the Class B Noteholders), will also be payable to the Class B Noteholders. The "**Class B Deficiency Amount**" for any Determination Date shall be equal to the excess, if any, of (x) the sum of (i) the Class B Monthly Interest and the Class B Additional Interest, in each case for the Interest Period ended immediately prior to the preceding Payment Date, plus (ii) any Class B Deficiency Amount for the preceding period, over (y) the amount actually paid in respect thereof on the preceding Payment Date*; provided, however*, that the Class B Deficiency Amount on the first Determination Date shall be zero. The Class B Deficiency Amount together with the Class A Deficiency Amount are collectively referred to as the "**Deficiency Amount**." See "*Description of the Notes—Determination of Monthly Interest.*"
Credit Enhancement.....	Credit enhancement for the Series 2017-A Notes will be provided by excess interest and overcollateralization.
	Excess Interest. It is anticipated that more interest and other fees will be paid by the Obligors on the Receivables each month than is necessary to pay interest accrued on the Series 2017-A Notes each month and the monthly fees, expenses and indemnity amounts of the Trustee, the Collateral Trustee, the Securities Intermediary, the Depositary Bank, the Back-Up Servicer and the Servicer, resulting in excess interest ("**Excess Spread**"). The Excess Spread will be available to offset or help offset any losses on the Receivables.
	Prior to the occurrence of a Rapid Amortization Event, Excess Spread not otherwise applied to offset or help offset losses on the Receivables as described in the foregoing paragraph will be released to the Issuer on each Payment Date as Residual Amounts. See "*Description of the Notes—Monthly Payments—Collection Account.*" If a Rapid Amortization Event

	has occurred, any Excess Spread will be transferred to the Payment Account to pay amounts payable to the Noteholders. See "*Description of the Notes—Monthly Payments—Payment Account.*" *Overcollateralization.* The overcollateralization represents the amount by which the Outstanding Receivables Balance of the Receivables exceeds the outstanding principal amount of the Series 2017-A Notes. The "**Required Overcollateralization Amount**" will be approximately $28,240,402. Losses on the Receivables, to the extent exceeding any Excess Spread, will decrease the level of overcollateralization available for the Series 2017-A Notes. See "*Description of the Notes—Credit Enhancement.*" See also "*Risk Factors—Credit Enhancement Limitations.*"
Residual Interest.....	The Issuer's residual interest in the Trust Estate is referred to herein as the "**Residual Interest**." The Residual Interest entitles the Issuer to, among other things, Residual Amounts payable on the Trust Estate, which Residual Amounts will be subordinated to payments owing to the Noteholders to the extent described herein. See "*Description of the Notes—Monthly Payments*" and "*Description of the Notes—Subordination.*" The Residual Interest will not be certificated and is not being offered under this Memorandum. Any information in this Memorandum related to the Residual Interest is presented solely to provide Noteholders with a better understanding of the Series 2017-A Notes.
Subordination.....	Interest on the Class B Notes for any Payment Date will not be paid until interest (including any Class A Deficiency Amount and Class A Additional Interest) on the Class A Notes for such Payment Date has been paid in full. See "*Description of the Notes—Monthly Payments—Collection Account.*" Principal of the Class A Notes and the Class B Notes will be *pari passu* and paid *pro rata* during the Amortization Period, unless a Rapid Amortization Event has occurred. If a Rapid Amortization Event has occurred, principal of the Class B Notes will not be paid until the Class A Notes have been paid in full. Residual Amounts will not be released and available to the Issuer on any Payment Date unless all interest and principal on the Series 2017-A Notes due on such Payment Date has been paid in full. See "*Description of the Notes—Monthly Payments—Payment Account*" and "*Description of the Notes—Subordination.*"
Monthly Payments	On or before each Series Transfer Date, the Servicer shall provide to the Trustee a written report, and the Trustee, acting in accordance with such report, shall withdraw on such Series Transfer Date or the related Payment Date, as applicable, to the extent of funds credited to the relevant accounts, the amounts required to be withdrawn from the Collection Account and the Payment Account as follows:

Collection Account. Any Collections received by the Servicer during each Monthly Period and deposited into the Collection Account no later than the third Business Day following the end of such Monthly Period (the "**Available Funds**") shall be distributed on such Series Transfer Date in the following priority to the extent of funds available therefor:

(i) *first*, an amount equal to the Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses for such Series Transfer Date (plus the Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses due but not paid on any prior Payment Date) shall be set aside and paid to the Trustee, the Collateral Trustee, the Securities Intermediary, the Depositary Bank, the Back-Up Servicer and the successor Servicer, if any (distributed on a *pari passu* and *pro rata* basis) on the related Payment Date;

(ii) *second*, if PF Servicing is the Servicer, an amount equal to the Servicing Fee for such Series Transfer Date (plus any Servicing Fee due but not paid on any prior Payment Date) shall be set aside and paid to the Servicer on the related Payment Date;

(iii) *third*, an amount equal to the Class A Monthly Interest for such Series Transfer Date, plus the amount of any Class A Deficiency Amount for such Series Transfer Date, plus the amount of any Class A Additional Interest for such Series Transfer Date shall be deposited by the Trustee into the Payment Account on such Series Transfer Date (the "**Class A Required Interest Distribution**");

(iv) *fourth*, an amount equal to the Class B Monthly Interest for such Series Transfer Date, plus the amount of any Class B Deficiency Amount for such Series Transfer Date, plus the amount of any Class B Additional Interest for such Series Transfer Date shall be deposited by the Trustee into the Payment Account on such Series Transfer Date (the "**Class B Required Interest Distribution**" and together with the Class A Required Interest Distribution, the "**Required Interest Distribution**");

(v) *fifth*, during the Amortization Period, an amount equal to the excess of (A) the outstanding principal amount of the Series 2017-A Notes over (B) the difference of the Outstanding Receivables Balance of all Eligible Receivables minus the Required Overcollateralization Amount (each determined as of the end of such Monthly Period) shall be deposited by the Trustee into the Payment Account on such Series Transfer Date (the "**Required Principal Distribution**");

(vi) *sixth*, an amount equal to the lesser of (A) the excess of the remaining Available Funds over the Minimum Collection Account Balance (each determined as of the end of such Monthly Period) and (B) any unreimbursed fees, expenses and indemnity amounts (including, without limitation, any Transition Costs not

	paid pursuant to priority *first*) of the Trustee, the Back-Up Servicer and any successor Servicer, shall be set aside and paid thereto (distributed on a *pari passu* and *pro rata* basis) on the related Payment Date; and (vii) *seventh*, the excess, if any, of the remaining Available Funds over the Minimum Collection Account Balance (each determined as of the end of such Monthly Period) shall be deposited into the Payment Account on such Series Transfer Date (and such Minimum Collection Account Balance shall remain on deposit in the Collection Account). *Payment Account*. On each Payment Date, the Trustee, acting in accordance with the Servicer's report, shall pay the amount deposited into the Payment Account from the Collection Account pursuant to the foregoing paragraph on the immediately preceding Series Transfer Date to the following Persons in the following priority to the extent of funds available therefor: (i) *first*, to the Class A Noteholders, an amount equal to the Class A Required Interest Distribution; (ii) *second*, to the Class B Noteholders, an amount equal to the Class B Required Interest Distribution; (iii) *third*, (A) during the Amortization Period, so long as no Rapid Amortization Event has occurred, *pari passu* and *pro rata*, to the Class A Noteholders and to the Class B Noteholders, the lesser of (I) the Required Principal Distribution and (II) the outstanding principal amount of the Series 2017-A Notes; or (B) if a Rapid Amortization Event has occurred, *first*, to the Class A Noteholders, all remaining amounts until the outstanding principal amount of the Class A Notes has been reduced to zero and *second*, to the Class B Noteholders, all remaining amounts until the outstanding principal amount of the Class B Notes has been reduced to zero; (iv) *fourth*, to the Series 2017-A Noteholders, any other amounts (excluding the outstanding principal amount of the Series 2017-A Notes) payable thereto pursuant to the Transaction Documents; and (v) *fifth*, the balance, if any, shall be released and be available to the Issuer, free and clear of the lien of the Indenture ("**Residual Amounts**"). See "*Description of the Notes—Monthly Payments*."
Servicing Fee	The Servicing Fee with respect to any Monthly Period during which PF Servicing or any Affiliate acts as Servicer shall be equal to the product of (i) 5.00%, (ii) one-twelfth and (iii) the aggregate Outstanding Receivables

	Balance as of the last day of the immediately prior Monthly Period (provided, that the Servicing Fee for the First Payment Date shall be based upon the actual number of days in the first Monthly Period and assuming a 30-day month) and for any Monthly Period during which (A) SST acts as successor Servicer, the Servicing Fee shall be the amount reflected on the fee schedule attached to the Back-Up Servicing Agreement (and attached hereto as Exhibit A), or (B) any other successor Servicer acts as Servicer, the Servicing Fee shall be an amount equal to the product of (i) the current market rate for servicing receivables similar to the Receivables, (ii) one-twelfth and (iii) the aggregate Outstanding Receivables Balance as of the last day of the immediately prior Monthly Period (the "**Servicing Fee**"). On each Payment Date, the Servicing Fee will be paid as described under "*Description of the Servicing Agreement—Servicing Compensation and Payment of Expenses*" and "*Description of the Notes—Monthly Payments—Collection Account.*"
Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses....	Each of the Trustee, the Collateral Trustee, the Securities Intermediary, the Depositary Bank, the Back-Up Servicer and the successor Servicer, if any, shall be entitled to compensation and reimbursement for expenses and indemnity amounts incurred by it in connection with the performance of its duties under the Transaction Documents. Such amounts shall be paid from Collections and distributed to the Trustee, the Collateral Trustee, the Securities Intermediary, the Depositary Bank, the Back-Up Servicer, and the successor Servicer to the extent provided in "*Description of the Notes—Monthly Payments—Collection Account*." Amounts paid at the top of the priority of payments described in "*Description of the Notes—Monthly Payments—Collection Account*" are limited to the Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses. Amounts due and owing to the Trustee, the Collateral Trustee, the Securities Intermediary, the Depositary Bank, the Back-Up Servicer and any successor Servicer in excess of the Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses due on a Payment Date for the immediately preceding Monthly Period will be subordinated to the payment of principal and Monthly Interest on the Series 2017-A Notes for such Payment Date but will be reimbursable as Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses at the top of the priority of payments on subsequent Payment Dates if not paid on the current Payment Date, subject to any limitations on payment in the definition of Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses.
Optional Redemption.....	The Series 2017-A Notes shall be subject to redemption by the Issuer, at its option, in accordance with the terms of the Indenture, on any Payment Date on or after the third Payment Date immediately preceding the Scheduled Amortization Period Commencement Date. The amount necessary to effect such redemption will be equal to the sum of (a) the outstanding principal amount of the Series 2017-A Notes not then owned by the Issuer, plus (b) accrued and unpaid interest on the Series 2017-A Notes through the day preceding the Payment Date on which the

	redemption occurs, plus (c) any other amounts payable to the Series 2017-A Noteholders pursuant to the Transaction Documents, plus (d) any other amounts due and owing by the Issuer or the Servicer to the other Secured Parties pursuant to the Transaction Documents, minus (e) the amounts, if any, on deposit on such Payment Date in the Payment Account and the Collection Account for the payment of the foregoing amounts. See "*Description of the Notes—Optional Redemption*."
Credit under the Community Reinvestment Act.....	The Seller is certified by the U.S. Department of the Treasury as a Community Development Financial Institution ("**CDFI**"). The Seller has been certified as a CDFI since 2009 and is currently in the re-certification process. Going forward, to maintain certification, all certified CDFIs will be required to submit an annual certification report demonstrating continued compliance with the CDFI certification requirements. Such designations are typically granted to financial institutions providing credit and financial services to underserved markets and low income communities. The Law Offices of Paul Soter, counsel to the Seller and the Issuer, will deliver its opinion to the Trustee and the Initial Purchasers that, based on the assumptions and limitations set forth in the opinion, investors in the Series 2017-A Notes who are insured depository institutions subject to the Community Reinvestment Act (the "**CRA**") should be able to use their investments in the Series 2017-A Notes for CRA credit on the same basis as direct or indirect loans to a CDFI or purchases of obligations of a CDFI. See "*Risk Factors—Credit under the Community Reinvestment Act*" and "*Seller's Consumer Loan Business—Overview*."
Tax Status	Orrick, Herrington & Sutcliffe LLP, special tax counsel to the Issuer, will deliver its opinion to the Issuer that, assuming compliance with all provisions of the Indenture and the other Transaction Documents, and based on certain representations and covenants and the facts set forth in this Memorandum, under existing law and based on the assumptions and qualifications set forth in the opinion, the Series 2017-A Notes issued on the Closing Date (other than any Series 2017-A Notes beneficially owned by the Issuer or a person treated as the same person as the Issuer for U.S. federal income tax purposes) will be characterized as debt for U.S. federal income tax purposes and the Issuer will not be classified as an association or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes. Under the Transaction Documents, the Issuer agrees and each Series 2017-A Noteholder and Note Owner, by acquiring an interest in a Series 2017-A Note, agrees or will be deemed to agree to treat the Series 2017-A Notes as debt for U.S. federal, state and local and income or franchise tax purposes. See "*Certain U.S. Federal Income Tax Consequences*" for additional information concerning the application of federal income tax laws.
ERISA Considerations.....	The Series 2017-A Notes may be acquired directly or indirectly by, on behalf of, or with the assets of an employee benefit plan or other retirement arrangement which is subject to Title I of ERISA and/or Section 4975 of the Code, provided certain conditions are satisfied. See "*Certain Considerations for ERISA and other U.S. Employee Benefit Plans*."

Certain Investment Considerations.....	The Issuer is not registered or required to be registered as an "investment company" under the Investment Company Act of 1940, as amended. In determining that the Issuer is not required to be registered as an investment company, the Issuer is relying on the exception from the definition of "investment company" set forth in Rule 3a-7 under the Investment Company Act of 1940, as amended, although other exceptions or exclusions may be available to the Issuer. The Issuer is not a "covered fund" as defined in the final regulations issued December 10, 2013 implementing the "Volcker Rule" (Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act).
Ratings	The Seller expects that the Class A Notes and Class B Notes will receive the ratings set forth under *"Notes – Summary Information"* on page ii from Kroll Bond Rating Agency, Inc. ("**KBRA**"), a nationally recognized statistical rating organization hired by the Seller to assign ratings on the Class A Notes and Class B Notes. The ratings of the Class A Notes and Class B Notes will address the likelihood of the timely payment of interest and the ultimate payment of principal on the Class A Notes and Class B Notes by the Legal Final Payment Date. The ratings of the Class A Notes and Class B Notes should be evaluated independently from similar ratings on other types of securities. A credit rating is not a recommendation to buy, sell or hold securities, does not address market value or investor suitability, and may be subject to revision or withdrawal at any time by the assigning rating organization. Other nationally recognized statistical rating organizations not hired by the Seller may rate the Class A Notes or Class B Notes at any time. A rating on the Class A Notes or Class B Notes by a non-hired nationally recognized statistical rating organization could be different than the rating assigned to the Class A Notes or Class B Notes by KBRA. See "*Risk Factors—Reduction, Withdrawal or Qualification of the Ratings on the Notes; Unsolicited Ratings.*"
Credit Risk Retention.....	Pursuant to the SEC's credit risk retention rules, 17 C.F.R. Part 246 ("**Regulation RR**"), the Seller, as sponsor, is required to retain an economic interest in the credit risk of the Receivables, either directly or through a majority-owned affiliate. The Seller intends to satisfy this obligation directly through the retention of an "eligible horizontal residual interest" (as defined in Regulation RR) in an amount equal to at least 5%, as of the Closing Date, of the fair value of all "ABS interests" (as defined in Regulation RR) in the Issuer, including the Notes and the limited liability company interest in the Issuer (the "**Issuer LLC Interest**"). The eligible horizontal residual interest retained by the Seller will consist of 100% of the Issuer LLC Interest, which represents the ownership of the Issuer and its assets, including the Residual Interest and the Issuer's rights to the Residual Amounts, the Issuer's ownership of which directly increases the value of the Issuer LLC Interest.

	The Seller expects the fair value of the Issuer LLC Interest to be approximately $107,385,649, which is approximately 40.2% of the aggregate fair value of all "ABS interests" in the Issuer, including the Notes and the Issuer LLC Interest. For a description of the valuation methodology used to calculate the fair values of the Notes and the Issuer LLC Interest set forth in the preceding sentence, see "*Credit Risk Retention*." The Seller does not intend to transfer or hedge the portion of the retained economic interest that is intended to satisfy the requirements of Regulation RR except as permitted under Regulation RR.
Global Notes	The Series 2017-A Notes will be represented by one or more global notes (each a "**Global Note**") in fully registered form, without interest coupons, registered in the name of a nominee of The Depository Trust Company ("**DTC**"). The Global Notes will trade and settle as described under "*Description of the Notes—Book-Entry Registration*." Beneficial interests in the Global Notes will be shown on, and transfer thereof will be effected only through, records maintained by DTC and its direct and indirect participants. See "*Risk Factors—Book-Entry Registration*."
Investor Suitability and Restrictions on Transfer.....	The Series 2017-A Notes have not been and will not be registered under the Securities Act or the securities laws of any jurisdiction. The Series 2017-A Notes are being sold initially to the Initial Purchasers and then reoffered and resold only to QIBs in transactions meeting the requirements of Rule 144A. The Series 2017-A Notes are subject to restrictions on transfer and may not be reoffered, resold, pledged or otherwise transferred except as described herein. Because of these restrictions on transfer, a purchaser of the Series 2017-A Notes should expect to bear the financial risk of its investment for an indefinite period. See "*Risk Factors—Restrictions on Transfer; Lack of Liquidity*," "*Transfer Restrictions*" and "*Notice to Investors*."

RISK FACTORS

Restrictions on Transfer; Lack of Liquidity

The Notes are being offered in a private placement to QIBs in compliance with Rule 144A. The Notes will not be registered under the Securities Act or the securities laws of any jurisdiction. Consequently, the Notes are not transferable other than pursuant to an exemption under the Securities Act and in accordance with the laws of each applicable jurisdiction and subject to the restrictions described herein. See "*Transfer Restrictions*" and "*Notice to Investors*."

There is currently no secondary market for the Notes. The Initial Purchasers intend, but are under no obligation, to make a secondary market in the Notes solely to facilitate transfers among QIBs and may discontinue such market-making activities at any time without notice. There can be no assurance that a secondary market for the Notes will develop or, if it does develop, that it will continue or be sufficiently liquid to permit the resale of the Notes. Because of the restrictions on transfers of the Notes, purchasers must be able to bear the risks of their investment in the Notes for an indefinite period of time.

Ongoing concerns over the availability and cost of credit, the U.S. mortgage and real estate markets, sovereign debt crises and geopolitical issues have contributed to an extended period of economic weakness with uncertain expectations for the economy and the global financial markets going forward. These factors, combined with still relatively low levels of consumer confidence and relatively high levels of unemployment, continue to impact global economies. Uncertain economic conditions, including the current uncertainty surrounding the future of the United Kingdom's relationship with the European Union, could increase volatility in the markets, adversely affect the market value of the Notes and/or limit the ability of a Noteholder to resell its Notes.

As a result, no assurance can be given that the Notes may be sold by a purchaser thereof at any time or at acceptable prices. Therefore, an investment in the Notes should only be made by investors who are able to hold such Notes to maturity notwithstanding the possibility that the Notes may experience a severe reduction in value while held.

No registration rights will be granted to any purchaser of the Notes and no Noteholder may register the Notes under the Securities Act or any state securities laws. Any resale of the Notes made in reliance on Rule 144A must satisfy the applicable conditions of Rule 144A. Accordingly, no Note or any interest or participation therein can be reoffered, resold, pledged or otherwise transferred unless it is sold to a QIB in compliance with Rule 144A and in accordance with the terms of the Indenture. As a result of the transfer restrictions imposed to comply with the Securities Act, investors must be prepared to bear the risk of holding the Notes for as long as such Notes are outstanding.

Each beneficial owner of a book-entry Note (and any fiduciary acting on its behalf), by acceptance of such Note, will be deemed to represent and warrant that (A) it is a "qualified institutional buyer" (as such term is defined under Rule 144A) and (B) either (i) it is not a Benefit Plan Investor or a governmental or other plan subject to Similar Law or (ii) (a) the purchase and holding of the Note (or any interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of Similar Law and (b) it acknowledges and agrees that the Notes are not eligible for acquisition by Benefit Plan Investors at any time that the Notes have been characterized as other than indebtedness for applicable local law purposes. Each holder of a Definitive Note and, before any transfer of a Definitive Note will be effected, the prospective transferee, will be required to provide to the Trustee a representation letter in the form attached as Exhibit E-1 to the Series 2017-A Supplement. See "*Notice to Investors*" herein. The Notes will be issued as Definitive Notes only under the limited circumstances

specified in the Indenture. See "*Description of the Notes—Definitive Notes*" and "*Certain Considerations for ERISA and Other U.S. Employee Benefit Plans*."

Limited Assets

The Issuer does not have, nor is it expected in the future to have, any significant assets other than the Contracts and Related Rights and amounts on deposit in certain accounts held by the Trustee on behalf of the Noteholders. Generally, no Noteholder will have recourse for payment of its Notes to any assets of the Seller, the Servicer, the Trustee or any of their affiliates. The Notes represent obligations solely of the Issuer, and none of the Seller, the Servicer, the Trustee or any of their affiliates is obligated to make any payments on the Notes. Consequently, Noteholders must generally rely upon the Receivables and Collections thereon for the payment of principal of and interest on the Notes. Should the Notes not be paid in full on a timely basis, Noteholders may not look to, or draw upon, any assets of the Seller, the Servicer, the Trustee or any of their affiliates to satisfy their claims. See "*Description of the Indenture—Pledge of the Trust Estate*."

Credit Enhancement Limitations

Credit enhancement for the Notes will be provided by overcollateralization and Excess Spread. Greater than expected losses on the Receivables would have the effect of reducing, and could eliminate, the protection against losses afforded by overcollateralization and Excess Spread. If such protection is eliminated, the Noteholders may incur a loss on their investment in the Notes. See "*Description of the Notes—Credit Enhancement*."

In addition, the composition of the Receivables Pool as of the Cut-Off Date may vary in significant ways from the composition of the Receivables Pool in the Trust Estate at the end of the Revolving Period (or at earlier points during the Revolving Period). This may arise from changes in the Seller's customer base during this period, changes in the Seller's geographic scope of activities, changes in regulations affecting interest rates chargeable on the Seller's consumer loan products, changes in the Credit and Collection Policies, and other factors. As a result of any of the foregoing, there could be changes in the composition of the Receivables Pool owned by the Issuer that adversely affect the levels of Excess Spread or increase the probability of loss. See "*The Receivables*."

Subordination of Class B Notes

The Class B Notes are subordinated to the Class A Notes and, therefore, are more likely to suffer the consequences of delinquent payments and losses on the Receivables than the Class A Notes. Interest on the Class B Notes for any Payment Date will not be paid until interest (including any Class A Deficiency Amount and Class A Additional Interest) on the Class A Notes for such Payment Date has been paid in full. During the Amortization Period, principal payments on the Class A Notes and Class B Notes will be paid *pari passu* and *pro rata*; however, following the occurrence of a Rapid Amortization Event, principal distributions will change, with the effect that the Class A Notes will receive all payments of principal before the Class B Notes receive any payments of principal. See "*Description of the Notes—Monthly Payments*." The subordination arrangement could result in delays or reductions in interest or principal payments on the Class B Notes even as payment is made in full on the Class A Notes.

Underwriting and Related Risks

In processing requests for credit, the Seller relied and will rely on a proprietary credit scoring model that is based on internally and externally developed risk scores for the applicant, customer payment history on prior accounts, if any, with the Seller, and other information the Seller may request from the customer.

In deciding whether to extend credit to customers, the Seller relied and will rely heavily on its proprietary credit scoring model, the information furnished by or on behalf of its credit customers, and its ability to validate such information. If the Seller's proprietary credit scoring model fails to adequately predict the creditworthiness of the applicants, or if any portion of the information pertaining to the prospective customer is false, inaccurate or incomplete (whether by fraud, negligence or otherwise), and the Seller's systems do not detect such errors, inaccuracies or incompleteness, or any or all of the other components of the credit decision process described herein fails, increased delinquencies and losses on the Receivables could occur. See "*Underwriting—Credit Evaluation.*"

Additionally, if the Seller makes errors in the development, validation or implementation of any of the underwriting models or tools, the consumer loans that are originated based upon such models and tools may experience higher delinquencies and losses. Moreover, if future performance of the Receivables differs from past experience (driven by factors including, but not limited to, macroeconomic factors, policy actions by regulators, lending by other institutions, reliability of data used in the underwriting process, and changes in origination channels, such as entry into new markets or increased originations through the Seller's mobile channel or other new channels), which experience has informed the development of the underwriting procedures employed by the Seller, delinquency and losses on the Receivables could increase. See "*Underwriting—Credit Evaluation.*"

If the Seller is unable to access certain third-party data used in its credit scoring model, or access to such data is limited, the Seller's ability to accurately evaluate potential customers may be compromised. Credit and other information that the Seller receives from third parties about a customer may also be inaccurate or may not accurately reflect the customer's creditworthiness, which may cause the Seller to provide loans to higher risk customers than it intends through its underwriting process. As a result of any of these events, increased delinquencies and losses on the Receivables could occur. See "*Underwriting—Credit Evaluation.*"

As Collections received by the Issuer will be reinvested in new Receivables acquired from the Seller during the Revolving Period, the underwriting and related risks could result in changes in the overall credit quality of the Receivables owned by the Issuer as of the end of the Revolving Period (and at earlier times during the Revolving Period), as compared to the Receivables owned by the Issuer as of the Closing Date. Acquisitions of new Receivables are subject to certain conditions, the Concentration Limits and the eligibility criteria set forth in the definition of Eligible Receivables. Such conditions, limits and criteria are designed to help assure that acquisitions of Receivables during the Revolving Period do not result in a significant degradation of the quality of the Receivables Pool taken as a whole. However, there can be no assurance that such conditions will prevent a degradation of the overall credit quality of the Receivables Pool, for example because other characteristics of the Receivables which are not contemplated in the eligibility criteria impact the overall credit performance of the Receivables Pool.

Limited Operating History and Rapid Growth of the Seller and the Servicer; New Origination Channels

As compared to many specialty finance companies that sponsor asset-backed securitizations, the Seller has been in business for a relatively short period of time. The Seller was established in 2005 and began making loans in 2006. During the Seller's first three calendar years of operation, revenue from its lending operations was limited. Since that time, the Seller has experienced rapid growth and has continued its expansion into new retail locations and new markets, funded primarily by equity investments from its shareholders as well as by relatively high cost debt capital. The Servicer, which was formed in 2009, similarly has a limited operating history. Should the Seller or the Servicer be unable to maintain at least their current level of operations using cash flow from originating and servicing operations, other sales of assets to special purpose subsidiaries for the purpose of sponsoring asset-backed securitizations, or other

debt and equity raises, there could be an adverse effect on the Seller's or the Servicer's business operations and on their ability to perform their obligations under the Transaction Documents. Further, if the Seller continues its recent rapid growth, it could experience difficulty with, among other things, effectively managing the growth of its business, increasing the volume of loans originated through its current channels and other channels in development, managing loan loss rates, continuing to improve its credit risk model or effectively maintaining and scaling its risk and compliance management controls and procedures, any of which events could have an adverse effect on the Seller's business operations and on its ability to perform its obligations under the Transaction Documents.

As described herein, the Seller is in the process of expanding its mobile origination channel, which permits borrowers to apply for loans on the Seller's mobile website, complete the loan agreement via electronic signature, and receive loan proceeds disbursed via ACH directly into the customer's bank account, which has been verified before disbursement as belonging to that customer. Although the program is currently limited in size, the Seller ultimately plans for the program to materially grow, including in states without a physical retail presence. In connection with its mobile origination program, the Seller intends to utilize underwriting standards that are based on those used for other Receivables originated by the Seller. Additionally, the Seller intends to have in place policies and procedures to address inherent differences associated with this new program, as compared to its existing physical origination program, such as disbursement, collection, fraud, technology, privacy, security and legal considerations. Further, such policies and procedures of the Seller may evolve over time as the Seller's experience with the mobile origination program grows. Given the Seller's limited historical information on the performance of the Receivables originated through the mobile origination program, there can be no assurance that the performance of Receivables originated under this program will be consistent with, or not materially worse than, the historical performance of other Receivables originated by the Seller.

As described herein, the Seller is also testing additional marketing strategies and programs, including radio advertising, digital advertising, out-of-home advertising (e.g., billboards) and television. While loans originated or acquired through any of these channels would be subject to similar underwriting policies and procedures used by the Seller in its existing channels, to the extent the Seller originates or acquires new loans through any of these new channels and sells such loans to the Issuer under the Purchase Agreement, it is possible that such loans and the related Receivables could perform worse than loans originated through the Seller's established origination channels.

Profitability of the Seller and the Servicer

The Seller and the Servicer have incurred net losses in the past and may incur net losses in the future for a number of reasons, including the other risks described in this Memorandum, and unforeseen expenses, difficulties, complications and delays, and other unknown events. Should the Seller or the Servicer be unable to achieve or sustain profitability, there could be an adverse effect on the Seller's or the Servicer's business operations and on their ability to perform their obligations under the Transaction Documents.

Liquidity and Capital Resources

The ability of the Seller to maintain existing operations depends upon the Seller having sufficient liquidity. The Seller will obtain funding for new originations by (1) selling additional Receivables to the Issuer during the Revolving Period (which the Issuer will fund from Collections on the Receivables Pool), (2) selling other receivables to four other special purpose subsidiaries that issued asset-backed securities similar to the Series 2017-A Notes in transactions that are currently in their revolving periods, (3) selling other receivables to a sixth special purpose subsidiary under a $200 million variable funding notes facility (the "**VFN Facility**") and (4) selling other receivables to an unaffiliated purchaser under a one-year whole

loan sale arrangement currently with an aggregate commitment to sell 10% (and, at the Seller's sole discretion, as much as 15%) of the Seller's loan originations, up to a maximum outstanding current loan balance (in respect of loans purchased during such one-year term) of $175 million.

It is not expected that the purchase commitments of the Issuer, the other special purpose subsidiaries or the unaffiliated whole loan purchaser described above will be sufficient to fund the Seller's intended growth in origination volume during the tenor of the Notes. Accordingly, the Seller is expected to need to raise additional funds (including through equity fundings) in order to maintain its desired level of growth in its lending operations. The Seller has from time to time raised funds by equity investments from its shareholders and may raise additional funds by additional equity investments from current or from new shareholders, including equity investments that could occur concurrently with or following the issuance of the Series 2017-A Notes. The Seller's ability to raise additional funds through future securitization transactions, whole loan sales or other debt or equity transactions, and to do so on economically favorable terms, depends on a variety of factors, some of which are beyond its control.

Some of these factors include:

- conditions in the securities and finance markets generally;
- the Seller's creditworthiness or (if necessary) the credit rating of any securities it may issue;
- economic conditions;
- conditions in the markets for securitized instruments, or other debt or equity instruments;
- the credit quality and performance of the Seller's customer receivables;
- the Seller's overall sales performance and profitability;
- the Seller's ability to adequately service its financial assets;
- the Seller's ability to meet debt covenant requirements; and
- prevailing interest rates.

If such other special purpose subsidiaries of the Seller are unable to purchase new receivables from the Seller for any reason, and the Seller is unable to arrange new or alternative methods of financing on favorable terms, the Seller may have to curtail its origination of receivables, which could have a material adverse effect on the Seller's business, financial condition, operating results and cash flow, which in turn could have a material adverse effect on its ability to meet its obligations under the Transaction Documents (including repurchasing certain Receivables sold to the Issuer upon the discovery of the Seller's breach of a representation or warranty made with respect to such Receivables), and may also result in retail location closures or affect the willingness of Obligors to make scheduled payments on the Receivables, which could materially affect the delinquencies and losses on the Receivables. See "*Risk Factors—Payments at Retail Locations*."

Payments at Retail Locations

For the twelve months ended March 31, 2017, approximately 45.5% of the Seller's customers (as a percentage of total number of payments) made payments in the Seller's retail locations, and nearly all of those customers made their payments in cash. Should one or more of the Seller's retail locations become

unavailable for any reason for the acceptance of Obligor payments or if PF Servicing should be terminated as Servicer, the ability to collect payments from these Obligors may be adversely affected, which could result in increased delinquencies and losses on the Receivables. In addition, there can be no assurance that the number of Obligors that make payments at retail locations or in cash will not increase in the future over current levels.

In addition, because the Seller's business requires it to receive a significant amount of cash in its retail locations, the Seller is subject to the risk of theft and cash shortages due to employee errors. Although the Seller has implemented various procedures and programs to reduce these risks, maintains insurance coverage for theft and provides security measures for its employees and facilities, there can be no assurances that theft and employee error will not occur. The Seller has experienced employee theft in the past. Material occurrences of theft and employee error could result in increased delinquencies and losses on the Receivables.

Termination of PF Servicing as Servicer

If PF Servicing is removed as Servicer, the Back-Up Servicer, pursuant to the Back-Up Servicing Agreement, has agreed to service the Receivables (upon receipt of sufficient information). See "*Description of the Servicing Agreement—Servicer Termination*." Such servicing transfer will result in a transfer of the day-to-day responsibility of posting payments, collections and loan enforcement from PF Servicing to its successor. Industry experience has shown that such a servicing transfer, however well planned, may result in an increase in delinquencies and losses with respect to the Receivables due to delays incurred during transition, changes in personnel and other factors associated with such transfers. In particular, with respect to collection of the Receivables at the Seller's retail locations, substantial disruption could occur to servicing and collections as a result of the replacement of PF Servicing as Servicer. Although the Back-Up Servicer intends to employ some of the Servicer's retail location employees, there can be no assurance that all required personnel will choose to accept employment. At the time of a servicing transfer, it is also possible that a closure of multiple locations could occur, for example, as a result of financial difficulties or bankruptcy of the Seller or PF Servicing. In such a bankruptcy proceeding, it is possible that retail location leases could be rejected by the debtor and access to the retail locations would not be granted to the Back-Up Servicer or other successor Servicer, unless it could make its own arrangements with the relevant landlords. There may be other reasons that the Back-Up Servicer may not have access to PF Servicing's facilities and systems upon its termination, which may negatively impact the ability of the Back-Up Servicer to service the Receivables. Additionally, most of PF Servicing's collection activities are conducted in Spanish, and although the Back-Up Servicer intends to utilize the contact centers in Jalostotitlan and Leon, Mexico, and the fully outsourced contact center in Barranquilla, Colombia, and any other contact centers then in place, there can be no assurance that Collections with respect to the Receivables will not be materially and adversely affected by any change in Servicer. The servicing transfer will also result in higher servicing costs, which will be payable prior to any payments of principal or interest on the Series 2017-A Notes. PF Servicing's appointment as Servicer may be terminated under the circumstances described in "*Description of the Servicing Agreement—Servicer Termination*" and "*Description of the Servicing Agreement—Servicer Default*."

Social and Economic Factors

The ability of the Obligors to make payments on the Receivables, as well as the prepayment experience thereon, will be affected by a variety of social and economic factors. Economic factors include interest rates, unemployment levels, gasoline prices, upward adjustments in living costs and other fixed monthly expenses, and the rate of inflation and consumer perceptions of economic conditions generally. Social factors include changes in consumer confidence levels and attitudes toward incurring debt and changing attitudes regarding the stigma of personal bankruptcy. Economic conditions may also be impacted

by terrorist acts against the United States or other nations or the commencement of hostilities between the United States and a foreign nation or nations or by localized weather events and natural or environmental disasters. See "*Risk Factors—Geographic Concentration*." The Issuer is unable to determine and has no basis to predict whether or to what extent social or economic factors will affect the rate of collection on the Receivables.

Following the financial crisis that began in 2008, the United States experienced an extended period of economic weakness with uncertain expectations for the economy and the global financial markets. This period was marked by high unemployment, decreases in home value, increased mortgage and consumer loan delinquencies and a lack of available consumer credit that has generally resulted in increased delinquencies, defaults and losses on consumer receivables, including those consumer receivables owned and serviced by the Seller and its affiliates during the affected period. The number of delinquencies and defaults on consumer receivables is significantly influenced by the employment status of obligors. While government statistics reflect that the unemployment rate stabilized in 2010 and has since improved, there can be no assurance that high levels of unemployment or underemployment will not recur or other factors relating to the uncertain economic climate will not result in increased delinquencies and losses with respect to the Receivables in the future. Any increase in delinquencies or losses with respect to the Receivables increases the likelihood that Noteholders will experience losses with respect to the Notes.

Immigration Patterns, Policy and Enforcement

Many of the Seller's customers are immigrants and some may not be U.S. citizens. The Seller follows appropriate customer identification procedures as mandated by law, including accepting government issued picture identification that may be issued by non-U.S. governments, as permitted by The USA PATRIOT Act, but the Seller does not verify the immigration status of its customers, which it believes is consistent with industry best practices and is not required by law. In addition, if the Seller or its competitors receive negative publicity around making loans to undocumented immigrants, it may draw additional attention from regulatory bodies or consumer advocacy groups, all of which may harm the Seller's business. While the Seller's credit models look to approve customers who have stability of residency and employment, it is possible that a significant change in immigration patterns, policy or enforcement could cause some customers to emigrate from the United States, either voluntarily or involuntarily, or slow the flow of new immigrants to the United States. Such emigration or reduction in immigration, as applicable, could result in increased delinquencies and losses on the Receivables or a decrease in future originations. Changes in U.S. immigration laws or more vigorous enforcement of such laws by regulatory agencies, or changes in laws that make it more difficult or less desirable for immigrants to work in the United States, could result in increased delinquencies and losses on the Receivables or a decrease in future originations. There is no assurance that a significant change in U.S. immigration patterns, policy, laws or enforcement will not occur. Any such change could (i) have a material adverse effect on the Seller's business, financial condition, operating results and cash flow, which in turn could have a material adverse effect on its ability to meet its obligations under the Transaction Documents, and (ii) increase the likelihood that Noteholders will experience losses with respect to the Notes.

Delinquency and Loan Loss Experience

Although the Seller has calculated and presented herein its delinquency and net loss experience with respect to its and its subsidiaries' receivables portfolio, there can be no assurance that future results will be consistent with past performance with respect to the Receivables. A portion of the Receivables were originated subsequent to certain periods presented in the net loss and delinquency tables. In addition, there can be no assurance that the future delinquency or loan loss experience of the Issuer with respect to the Receivables will be better or worse than that set forth herein with respect to the Seller's receivable portfolio. See "*The Receivables.*"

Also, the composition of Receivables in the Trust Estate may change significantly over time after the Closing Date, which could result in worse delinquency and net loss experience than what is presented in this Memorandum. See "*Risk Factors—Receivables Acquired by the Issuer or Removed from the Trust Estate During the Revolving Period*."

Electronic Record-Keeping

While none of the Receivables in the Receivables Pool were originated in electronic form, the Seller has implemented an electronic documentation and signature process, which allows the Seller to originate consumer loans in electronic form. The electronic documentation and signature process is currently primarily used in the mobile origination channel, but in the future, the Seller expects to expand its use of electronic documentation, including with respect to its other origination channels.

A portion of the Subsequently Purchased Receivables will likely be originated in electronic form by the Seller. PF Servicing, as the Servicer, will maintain custody of the Contracts in electronic form through its own technology system, and through third-party vendors retained by the Seller and Servicer. Because this is new technology, there can be no assurance that it will perform as expected. If it does not perform as expected, the Servicer may encounter difficulties in servicing such Subsequently Purchased Receivables, which could result in delays or reductions in payments on the Notes. It is also possible that Obligors could assert additional legal challenges to the enforceability of Subsequently Purchased Receivables that are in electronic form. If any such challenges were successful, there could be delays or reductions in payments on the Notes.

Geographic Concentration

The geographic concentration of the Receivables Pool may expose the Notes to an increased risk of loss due to risks associated with certain regions. Certain regions of the United States from time to time will experience weaker economic conditions and higher unemployment and, consequently, will experience higher rates of delinquency and loss than on similar loans nationally. In addition, natural or environmental disasters in specific geographic regions may result in higher rates of delinquency and loss in those areas. Since a significant portion of the Receivables Pool is comprised of Receivables originated in certain states, economic conditions, natural, environmental or man-made disasters or other factors affecting these states in particular could adversely impact the delinquency and default experience of the Receivables and could result in reduced or delayed payments on the Notes.

Further, the concentration of the Receivables Pool in one or more states would have a disproportionate effect on Noteholders if governmental authorities in any of those states take action (such as actions described in "*Risk Factors—Consumer Protection Laws and Contractual Restrictions*") against the Seller or take action affecting the Servicer's ability to service the Receivables. As of the Statistical Calculation Date, originations in California, Texas, Illinois, Nevada, Utah and Arizona comprised approximately 72.14%, 19.66%, 4.67%, 1.68%, 0.97% and 0.88%, respectively, of the Statistical Pool (based on Outstanding Receivables Balances). The Seller recently opened in Missouri and New Mexico on a "mobile-first" basis without any retail locations and expects to expand its footprint into additional states in 2017 and beyond. The geographic concentration of the Receivables Pool will likely change after the Closing Date as a result of Subsequently Purchased Receivables, repayments of the Receivables, charge-offs or otherwise, including in a manner that adversely affects Noteholders. See "*Risk Factors—Receivables Acquired by the Issuer or Removed from the Trust Estate During the Revolving Period*."

Collectability of the Loans

A customer's ability or willingness to repay a loan can be negatively impacted by increases in his or her payment obligations to other lenders or as a result of unemployment, general economic conditions or other factors. If a customer defaults on a loan, the Servicer may be unable to collect the amount of the loan. In addition, the Servicer's ability to adequately service the loans is dependent upon its ability to grow and appropriately train customer service and collections staff and expand existing and open new contact centers as loan receivables increase. Further, the Seller's loans are not secured by any collateral, not guaranteed or insured by any third party and not backed by any governmental authority in any way. The Seller is therefore limited in its ability to collect on the loans if a customer is unwilling or unable to repay. Because the loans are unsecured, they are dischargeable in bankruptcy.

If the Seller experiences an unexpected significant increase in the number of customers who fail to repay their loans or an increase in the principal amount of the loans that are not repaid, if the Servicer fails to adequately service and collect amounts owed in respect of the Receivables or if there is an unexpected, significant increase in the number of customers who successfully discharge their loans in a bankruptcy action, there could be a material adverse effect on the Seller's and the Servicer's operations and on collection activity with respect to the Receivables, and consequently, on payments to the Noteholders.

Texas Franchise Tax

Under the Texas Tax Code, certain taxable entities that are part of an affiliated group engaged in a unitary business are required to file a combined group report based on the combined group's business in lieu of individual reports. Additionally, each member of the combined group is jointly and severally liable for the Texas franchise tax of the combined group. As the Issuer may be included in the Seller's combined group for these purposes, the Issuer may be jointly and severally liable for the combined Texas franchise tax liability of the Seller's combined group, which would include Oportun Financial and all of its subsidiaries. While the Seller expects to be able to satisfy any such tax liability, if the Seller and its other subsidiaries are unable to pay part or all of their allocable portions of the combined Texas franchise tax liability, including any interest and penalties, for any year or years, the financial condition of the Issuer could be adversely affected. In the context of the business of the Seller and its subsidiaries, the Texas franchise tax is generally one percent of the groups' taxable margin apportioned to the State of Texas. See "*Description of the Notes—Monthly Payments*" and "*Description of the Indenture—Event of Default*."

Consumer Protection Laws and Contractual Restrictions

Federal and state consumer protection laws impose requirements and place restrictions on creditors and require certain disclosures in connection with extensions of credit and collections on unsecured and secured consumer loans and protection of sensitive customer data obtained in the origination and servicing thereof. Certain of these laws provide that claims and defenses raised by an Obligor as to the originating lender survive assignments to third parties. Any violation of such laws or any litigation alleging such a violation with respect to a Contract could give rise to claims and defenses by an Obligor, or a group of similarly situated Obligors, against the Issuer, the Trustee, the Seller, the Servicer and certain other parties, or subject them to claims for damages enforcement actions. The federal and state consumer protection laws, rules and regulations applicable to the solicitation and advertising for, underwriting of, granting, servicing and collection of the Contracts, and the protection of sensitive customer data, frequently provide for administrative penalties, as well as civil (and in some cases, criminal) liability resulting from their violation. Failure by the Seller, the Servicer or the Issuer to comply with these laws and regulatory requirements could, among other things, limit the Servicer's ability to collect the Receivables, subject the Seller, the Servicer and/or the Issuer to damages, revocation of required licenses, class action lawsuits, administrative enforcement actions, rescission rights held by investors in securities offerings and civil and

criminal liability. The provisions of the Contracts do not deviate materially from one another other than the interest rates charged and information specific to the Obligor. Thus, many Obligors may be similarly situated in so far as the provisions of their respective contractual obligations. Accordingly, allegations of violations of the provisions of applicable federal or state consumer protection laws could potentially result in a large class of claimants asserting claims against the Seller, the Servicer and/or the Issuer. There is no assurance that such claims will not be asserted against the Seller, the Servicer and/or the Issuer in the future. To the extent it is determined that the Contracts were not originated in accordance with all applicable laws, the Seller may be obligated to repurchase from the Issuer any Receivable that fails to comply with such legal requirements. There can be no assurance, however, that the Seller will have adequate resources to make such repurchases. See "*Certain Legal Aspects of the Receivables*."

Furthermore, neither the Trustee nor any other party not affiliated with the Seller will be responsible for determining whether a Receivable was an Eligible Receivable at closing or at the time of its subsequent acquisition. As a result, the Noteholders may not be able effectively to discover any non-Eligible Receivables or enforce the Seller's repurchase obligation if such a discovery is made.

Additionally, Congress, the states and regulatory agencies could further regulate the consumer credit industry in ways that make it more difficult or costly for the Seller to originate or otherwise acquire additional loans, or for the Servicer to collect payments on the Receivables. For instance, bills have been introduced in the U.S. House of Representatives, the U.S. Senate and in several states in recent years that would create a usury cap of 36% and may also otherwise greatly restrict the default rates and fees that lenders, including the Seller, can charge customers for late and returned payments. Further, changes in the regulatory application or judicial interpretation of the laws and regulations applicable to financial institutions also could impact the manner in which they conduct their business. The regulatory environment in which financial institutions operate has become increasingly complex, and following the financial crisis of 2008, supervisory efforts to apply relevant laws, regulations and policies have become more intense.

In California, the Seller currently operates under a pilot program that was promulgated by the California State Legislature in September 2010 and which has been modified and extended through January 1, 2023. The pilot program allows greater flexibility in interest rates and fees for certain loans while also requiring enhanced disclosures and other protections for borrowers. See "*Risk Factors—Litigation.*"

Litigation

Due to the consumer-oriented nature of the Seller's and the Servicer's industry and the application of certain laws and regulations, industry participants are regularly named as defendants in litigation alleging violations of federal and state laws and regulations and consumer law torts, including fraud. Many of these actions involve alleged violations of consumer protection laws. No assurance is given that liability for any such violations could not arise after the Closing Date. For example, on May 8, 2017, the Seller was served with a purported class action case that was filed on March 14, 2017 asserting that the Servicer's debt collection letters threatening legal action were technically defective under the California Rosenthal Fair Debt Collections Practices Act because they listed an amount in excess of the $2,500 that the Servicer is permitted to, and intended to, sue for in small claims court. The amount sued for in the related small claims actions was in compliance with applicable law. The Seller intends to vigorously contest this action, including by opposing class certification; however, if the class is certified, the complaint asserts that the class could be in the "thousands." Any litigation could also increase the regulatory scrutiny on the Seller's and the Servicer's compliance with applicable consumer protection laws and regulations or result in possible regulatory enforcement actions against the Seller or the Servicer. A significant judgment or regulatory enforcement action against the Seller, the Servicer or the Issuer in connection with any litigation could have a material adverse effect on the Seller's, the Servicer's and/or the Issuer's financial condition,

results of operations or ability to perform its obligations under the Transaction Documents. See "*Seller's Consumer Loan Business—Litigation*."

The Seller's direct loan agreements currently contain an arbitration provision, which includes a class action waiver. The enforceability of arbitration provisions in consumer contracts has been challenged by consumers and some regulators and has not consistently been upheld by state and federal courts. The United States Supreme Court has upheld such provisions twice in the past seven years, but no assurance is given that they will continue to do so. The Seller's arbitration provision is intended, on the one hand, to avert or deter class actions against the Seller, and on the other hand, to comply with applicable federal case law, and has been amended several times over the past several years to reflect decisions of the United States Supreme Court and other courts. To that end, the Seller's arbitration provision is designed to be substantively fair and customer-friendly, to prevent any credible allegation of overreaching. In addition, it contains a bilateral exclusion for small claims court actions.

The legislation in California that extended the pilot program discussed under "*Risk Factors—Consumer Protection Laws and Contractual Restrictions*" also prohibits lenders from requiring arbitration as a condition of providing credit. In order to meet this requirement and to further ensure its arbitration provisions are fair and customer-friendly, the Seller has added an "opt out" provision to its arbitration clauses in all states in which it issues consumer loans allowing customers 60 days to notify Seller of their desire to opt out of the arbitration clause. In California, for loans originated under the Pilot Program for Increased Access to Responsible Small Dollar Loans (California Financial Code Section 22365), customers may decline to sign the arbitration agreement.

In March 2015, the Consumer Financial Protection Bureau (the "**CFPB**") released its report studying the use of mandatory arbitration provisions in consumer financial service agreements. On May 5, 2016, the CFPB announced a proposed rule that, among other things, would ban consumer finance companies from including arbitration clauses that include a class action waiver in their consumer contracts. The proposed rule would not ban arbitration clauses in their entirety. The CFPB's proposed rule, if promulgated in its proposed form, and any other rule or guidance applicable to the use of mandatory arbitration provisions in consumer financial service agreements would not affect the Seller's or the Servicer's current collection procedures, but might create additional exposure for the Seller or the Servicer at some point in the future.

On June 26, 2015, a complaint, captioned *Kerrigan Capital LLC and Kerrigan Family Trust v. David Strohm, et. al.*, CIV 534431, was filed by one of the Seller's shareholders in the Superior Court of the State of California, County of San Mateo, against certain of the Seller's directors, officers, former director and officers, and certain of its stockholders (the "**Shareholder Lawsuit**"). Neither the Seller nor any of its corporate affiliates has been named as a defendant. In general, the complaint alleges that the defendants breached their fiduciary duties to the Seller's common stockholders in their capacities as officers, directors and/or controlling stockholders by approving certain of the Seller's preferred stock financing rounds with unfavorable terms and that certain defendants aided and abetted the alleged breach of fiduciary duties. The complaint has been brought as a class action on behalf of all holders of the Seller's common stock and seeks unspecified monetary damages and other relief. If any of the Seller's directors, officers, former directors and officers, and stockholders to whom the Seller has indemnification obligations incur any losses in connection with this matter, the Seller may be required to indemnify them for such losses.

The Seller believes that the Shareholder Lawsuit is without merit and the defendants intend to vigorously defend the action. This litigation, as with any other litigation, is subject to uncertainty and there can be no assurance that this litigation will not have a material adverse effect on the business, results of operations, financial position or cash flows of the Seller.

Potential Negative Publicity or Public Perception

Negative publicity about the Seller and the Servicer's industry or their business, including the terms of the consumer loans, effectiveness of the proprietary credit risk model, privacy and security practices, collection practices, litigation, regulatory compliance and the experience of customers, even if inaccurate, could adversely affect the Seller and the Servicer's reputation and confidence in their business. Negative publicity or public perception could subject the Seller or the Servicer to increased regulatory scrutiny and/or litigation, as discussed above, which could have a material adverse effect on the Seller's, the Servicer's and/or the Issuer's financial condition, results of operations or ability to perform its obligations under the Transaction Documents.

Changes in Terms of Receivables

The Servicer may, subject to the limitations set forth in the Credit and Collection Policies, change various Receivable terms, other fees and the required monthly minimum payment. The changes may be voluntary on the part of the Servicer or may be required by law or market conditions. This could result in reduction of Collections on the Receivables and delays or reductions of payments on the Notes. See "*Servicing Standards*."

Servicer System Failure

The Servicer depends on its loan servicing and collection facilities, and in particular on its computer hardware and software systems, and on long-distance and local telecommunications access to transmit and process information among its various facilities. The Servicer uses a standard program to prepare and store off-site backups of its main system applications and data files on a routine basis. The Servicer has a contingency plan and has designed its systems in a manner that will allow recovery. However, the plan may not prevent a systems failure or allow the Servicer to timely resolve any systems failures. Also, a natural disaster, calamity, or other significant event that causes long-term damage to any of these facilities or to the facilities of its other service providers or the Trustee or that interrupts the Servicer's telecommunications networks or other systems could have a material adverse effect on its operations and on collection activity with respect to the Receivables, and consequently, on payments to the Noteholders. See "*The Servicer—Systems*."

Third-Party Service Providers

As discussed under "*Underwriting*" and "*The Servicer*," the third-party service providers utilized by the Seller and the Servicer perform significant functions in connection with the origination and servicing of Receivables. Should economic or geopolitical conditions, natural, environmental or man-made disasters, intentional acts of terrorism, computer hacking or similar events affect one or more of the third-party service providers, the Seller or the Servicer could experience difficulties in originating or servicing Receivables and there could be delays or reductions in payments on the Notes.

Obligations of Seller and Servicer

The Seller and the Servicer have obligations arising from representations and warranties, and certain other contractual obligations related to the sale or servicing of the Receivables, including the obligation of the Seller to repurchase Receivables in certain limited circumstances, the obligation of the Servicer to service the Receivables and the obligation of the Seller and the Servicer to provide indemnification under certain circumstances. In the event of any financial or other inability of any of the Seller or the Servicer, or any successor Servicer, to fulfill its obligations in respect of the Receivables, payments on the Notes could be adversely affected. There can be no assurance that the Back-Up Servicer

will be able to fulfill its obligations or effectively service the Receivables if it becomes the successor Servicer. See "*Risk Factors—Termination of PF Servicing as Servicer.*"

New Markets

As of March 31, 2017, the Seller has seven retail locations in Nevada, the first of which was opened in June 2015. As of March 31, 2017, the Seller has three retail locations in Utah, the first of which was opened in May 2015. As of March 31, 2017, the Seller has nine retail locations in Arizona, the first of which opened in May 2016. On April 10, 2017, the Seller opened access to its mobile originations platform to customers in Missouri, the first state in which the Seller has opened on a "mobile-first" basis without any retail locations. On April 19, 2017, the Seller opened access to its mobile originations platform to customers in New Mexico. The Seller expects to expand its footprint into additional states in 2017 and beyond. There is no limit in the Transaction Documents on the number of new states the Seller may enter. Because the Seller has limited operating experience in Nevada, Utah, Arizona, Missouri and New Mexico and no operating history as of the Closing Date in any states other than California, Texas, Illinois, Nevada, Utah, Arizona, Missouri and New Mexico, the Issuer cannot predict with certainty that Receivables originated in Nevada, Utah, Arizona, Missouri, New Mexico or such other states will have the same delinquency and default experience as those originated in California, Texas and Illinois. Additionally, the Seller has limited operating experience in states where it operates only on a mobile basis without retail locations, such as Missouri and New Mexico, and cannot predict with certainty that Receivables originated in such states will have the same delinquency and default experience as those originated in states where the Seller does have retail locations. As a result, delinquencies and losses may be greater from Receivables generated in states where the Seller currently has limited or no operating history, retail locations or business activity.

Noteholder Control Limitations

Less than 100% of the Noteholders (or the Required Noteholders) may consent to certain amendments or waivers, take certain actions, or direct certain actions to be taken, under the Transaction Documents. Additionally, certain provisions of the Transaction Documents may be amended, and certain actions may be taken without the consent of the Noteholders. See "*Description of the Indenture—Amendments*." In such instances, the interests of every Noteholder may not be fully protected.

The Indenture is not qualified under the Trust Indenture Act of 1939 (the "**TIA**"). In the event that the Indenture should in the future be amended to become qualified under the TIA, the provisions of the Indenture expressly exclude the applicability of Section 316(a)(1) of the TIA, which would permit the holders of a majority in principal amount of the indenture securities or any series thereof to take or direct certain actions. See "*Description of the Indenture—Acts of Noteholders*."

Security Interests

The Seller, in connection with selling the rights under the installment loans and related Receivables to the Issuer, has assigned or will assign the rights under the Contracts, the Receivables and any Related Security to the Issuer, who in turn has granted or will grant a security interest in its interest in the rights under the Contracts and Related Rights to the Trustee. The Seller represents and warrants in the Purchase Agreement that its assignment to the Issuer constitutes a valid sale to the Issuer of all right, title and interest of the Seller in the Contracts and Related Rights and that, in the event such assignment were to be characterized as a loan instead of a sale, the Issuer has a first priority perfected security interest in such Contracts and Related Rights.

The Issuer has warranted in the Indenture that the Indenture constitutes a valid grant to the Trustee of a security interest in all legal right, title and interest of the Issuer to the Trust Estate, subject to Permitted

Encumbrances, and that, to the extent the UCC applies, once financing statements are filed, the Issuer has taken and will take all actions that are required under applicable law to perfect the Trustee's interest in the Trust Estate.

If any of the representations and warranties of the Seller or the Issuer regarding security interests were found not to be true, however, payments on the Notes could be delayed or reduced. In addition, the Transaction Documents permit Permitted Encumbrances to have priority over the Trustee's perfected security interest in the Contracts and the Related Rights. If any of these Permitted Encumbrances were to arise, or if other interests in the Contracts or the Related Rights were found to have priority over those of the Trustee, there could be delays or reductions in payments on the Notes. Furthermore, if a bankruptcy trustee for the Seller or the Servicer were to argue that any of its administrative expenses relate to the Contracts and the Related Rights or the Transaction Documents, those expenses could be paid from collections on the Contracts and the Related Rights before the Trustee receives any payments, which could result in delays or reductions in payments on the Notes.

In the event the Seller's representations and warranties relating to the perfection of security interests in a Receivable and its Related Security are breached, then such Receivable will not be considered an Eligible Receivable and, upon the expiration of the applicable cure period, may be required to be repurchased by the Seller. "*Description of Purchase Agreement—Repurchase Payments*." There can be no assurance, however, that such a breach will be discovered or that the Seller will agree to or have the funds to make such a repurchase.

Insolvency Risks

The Seller will represent that each transfer of Contracts and Related Rights to the Issuer will be a sale, so that the Issuer will be the owner of the Contracts and Related Rights. Nonetheless, if the Seller were to go into bankruptcy, and a party in interest (including the Seller itself) were to assert that the transfer of the Contracts and Related Rights by the Seller to the Issuer was not a sale, delays in distributions on the Notes could result. If a court were to adopt such a position and conclude that such transfer was the grant of a security interest in the Contracts and Related Rights to secure a borrowing by the Seller, then delays or reductions in distributions on, or other losses with respect to, the Notes could result.

The Seller, the initial Servicer, and the Issuer have each taken steps to minimize the risk that, in the event the Seller or the initial Servicer were to become the debtor in a bankruptcy case, a court would order that the assets and liabilities of the Issuer be substantively consolidated with those of the Seller or the initial Servicer. The Issuer has been established as a separate, special purpose limited liability company whose organizational documents limit the nature of its business, activities, and operations. If a party in interest (including the Seller or the initial Servicer itself) were to take the position that the assets and liabilities of the Issuer should be substantively consolidated with those of the Seller or the initial Servicer, delays in payments on the Notes could result. If a court were to adopt such position, then delays or reductions in payments on, or other losses with respect to, the Notes could result.

Should the Seller go into bankruptcy, there could be other adverse effects that could result in delays or reductions in distributions on, or other losses with respect to, the Notes. These adverse effects could include, but may not be limited to, one or more of the following. The parties may be prohibited (unless authorization is obtained from the court) from taking any action to enforce any obligations of the Seller under any Transaction Document or to collect any amount owing by the Seller under any Transaction Document. In addition, with the authorization of the bankruptcy court, the Seller may be able to repudiate any of the Transaction Documents to which it is a party. Such a repudiation would excuse the Seller from performing any of its obligations, and the rights of the Issuer under the Transaction Documents may be limited or eliminated. Such a repudiation could also excuse the other parties to the Transaction Documents

from performing any of their obligations. In particular, the Seller may be able to repudiate its obligation to repurchase Contracts or Related Rights, as required by the Transaction Documents.

The Servicer will be permitted to commingle collections on the Contracts and the Related Rights with its own funds for up to two Business Days (or, with respect to payments made at retail locations or to regional collectors, three Business Days) before they are transferred to the Collection Account. In the event the Servicer goes into bankruptcy, the Trustee may not have a perfected or priority interest in any collections that have not been transferred to the Collection Account at the time of the commencement of the bankruptcy. The Servicer may not be required to transfer to the Collection Account any collections that are in its possession or under its control at the time it goes into bankruptcy.

To the extent that the Servicer has commingled collections on the Contracts and the Related Rights with its own funds, the holders of the Notes may be required to return to the Servicer, as preferential transfers, payments received on the Notes.

If the Servicer were to go into bankruptcy, it may stop performing its functions as servicer. Alternatively, the Servicer may take the position that unless the amount of its compensation is increased or the terms of its obligations are otherwise altered, it will stop performing its functions as servicer. The Servicer may also have the power, with the approval of the court, to assign its rights and obligations as servicer to a third-party without the consent, and even over the objection, of the parties, and without complying with the requirements of the applicable documents.

If the Servicer is in bankruptcy, then the parties may be prohibited (unless authorization is obtained from the court) from taking any action to enforce any obligations of the Servicer under the applicable documents or to collect any amount owing by the Servicer under the applicable documents.

If the Servicer is in bankruptcy, then, despite the terms of the documents, the parties may be prohibited from terminating the Servicer and appointing a successor Servicer.

It is possible that a period of adverse economic conditions resulting in high defaults and delinquencies on the Contracts and the Related Rights will pose a potential insolvency risk to the Servicer if its servicing compensation is less than its cost of servicing.

The occurrence of any of these events could result in delays or reductions in distributions on, or other losses with respect to, the Notes.

Similar issues could arise if the Seller or the Servicer, or any of their affiliates (including Oportun, LLC), is designated by the Secretary of the Treasury as systemically important and then subjected to a receivership as set forth in the "orderly liquidation authority" provisions of Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**").

There may also be other possible effects of a bankruptcy of the Seller or the Servicer that could result in delays or reductions in distributions on, or other losses with respect to, the Notes. Regardless of any specific adverse determinations in a bankruptcy of the Seller or the Servicer, the fact that such a proceeding has been commenced could have an adverse effect on the value of the Contracts and the Related Rights and the liquidity and value of the Notes.

As discussed under "*Underwriting*" and "*The Servicer*," the third-party service providers utilized by the Seller and the Servicer perform significant functions in connection with the origination and servicing of Receivables. Should one or more third-party service providers become insolvent or go into insolvency

proceedings, the Seller or the Servicer could experience difficulties in originating or servicing Receivables and there could be delays or reductions in payments on the Notes.

As discussed under "*Loan Originations*," the Seller acquires certain Contracts and Related Rights from Oportun, LLC, a Delaware limited liability company that is a wholly-owned subsidiary that originates consumer loans in Nevada under the Seller's brand, and may, in the future, originate consumer loans under the Seller's brand in other markets. It is the Seller's intention, and the Seller will represent, that each such acquisition is a sale, so that the Seller will be the owner of the Contracts and Related Rights. No opinion to this effect has been sought or delivered. If Oportun, LLC were to go into bankruptcy or other insolvency proceedings, and a party in interest (including Oportun, LLC itself) were to assert that the transfer of the Contracts and Related Rights by Oportun, LLC to the Seller was not a sale, delays in distributions on the Notes could result. If a court were to adopt such a position and conclude that such transfer was the grant of a security interest in the Contracts and Related Rights to secure a borrowing by Oportun, LLC, then delays or reductions in distributions on, or other losses with respect to, the Notes could result.

As discussed under "*The Servicer—Payment Processing*," Loomis collects cash from the Servicer's servicing operations and Bank of America credits such amounts to the Servicer Account prior to Bank of America's actual receipt of such amounts. Should Loomis go into bankruptcy or otherwise fail to perform its obligations, Bank of America may reverse such credits, which could result in delays or reductions in payments on the Notes. Also as discussed under "*The Servicer —Payment Processing*," the Seller accepts customer payments via ACH payments and via third-party bill payment services. If an ACH processor or a provider of third-party bill payment services were to go into bankruptcy or insolvency or otherwise fail to perform its obligations while collections are in its possession or under its control, there may be delays or reductions in payments on the Notes. An increase in the use of ACH payments and third-party bill payment services, including as a result of the Seller opening in new markets on a "mobile-first" basis without any retail locations, could increase the risk of such delays or reductions.

Yield Considerations

The yield to investors of Notes will be sensitive to the rate and timing of principal payments thereon. During the Amortization Period, the outstanding principal balance of the Notes will be reduced by a portion of Collections, which could subject investors to reinvestment risk, especially if a Rapid Amortization Event occurs or the Receivables prepay more quickly than expected.

All of the Receivables may be prepaid, in whole or in part, at any time without penalty. The rate and timing of prepayment on the Receivables may be influenced by a variety of economic, social and other factors. In addition, the Seller is obligated to repurchase Receivables as a result of breaches of representations and warranties as to the characteristics of the Receivables as of the Closing Date or as of the date of subsequent acquisition of a Receivable from the Seller. See "*The Receivables—Maturity and Prepayment Assumptions*."

Accordingly, the rate and timing of prepayment on the Receivables may be influenced by the Seller, as well as a variety of economic, social and other factors and therefore cannot be accurately predicted. Moreover, many other factors will affect the amount and timing of payments of principal on the Notes, including (i) the payment of principal on the Notes on an accelerated basis (as described under "*Description of the Indenture—Event of Default*"), (ii) whether and when the Issuer elects to redeem the Notes (as described under "*Description of the Notes—Optional Redemption*") and (iii) the remaining term of the Receivables once the Amortization Period commences. Therefore, no assurance can be given as to the level of payments and prepayments that the Receivables will experience or the extent to which the Notes will experience any accelerated principal payments.

Investors are urged to consider that the yield to maturity of the Notes purchased at a discount or premium will be more sensitive to the rate and timing of payments of principal thereon. Noteholders should consider, in the case of any such Notes purchased at a discount, the risk that a slower than anticipated rate of principal payments could result in an actual yield that is lower than the anticipated yield, and, in the case of any such Notes purchased at a premium, the risk that a faster than anticipated rate of principal payments could result in an actual yield that is lower than the anticipated yield. The Noteholders will bear all the reinvestment risks relating to payments and prepayments on the Receivables and resulting from distributions of principal on the Notes. These reinvestment risks include the possibility that the Noteholders may not be able to reinvest distributions of principal in alternative comparable investments having similar yields. No representation is made as to the anticipated rate of payments or prepayments of, rate and timing of losses on or repurchases of the Receivables, the occurrence of a Rapid Amortization Event or the resulting yield to maturity of the Notes.

Servicer Account Commingling Risk

The Servicer is required to transfer Collections credited to the Servicer Account to the Collection Account (which is an account of the Trustee containing no property other than Collections) within two Business Days of the date such Collections were credited to the Servicer Account. The initial Servicer may commingle such Collections in the Servicer Account with proceeds of other unsecured consumer loans that are the property of the Seller or other wholly-owned subsidiaries of the Seller prior to transferring such Collections to the Collection Account. Relative rights of the owners of the funds in the Servicer Account will be reflected in an intercreditor agreement (the "**Intercreditor Agreement**"). See "*Description of the Notes—Deposit of Collections into Trust Accounts*." Pending transfer to the Collection Account, such commingled Collections will be credited to the Servicer Account, which is an account of the initial Servicer with Bank of America subject to control rights of the Trustee. The Trustee may not have a perfected or priority interest in any Collections that have not been transferred to the Collection Account, and thus payments on the Notes could be delayed or reduced if the Servicer were to go into bankruptcy, become insolvent, or fail to perform its obligations under the Transaction Documents. See "*Risk Factors—Insolvency Risks*."

Book-Entry Registration

The Notes initially will be represented by one or more Global Notes registered in the name of Cede & Co. ("**Cede**") as a nominee of DTC and will not be registered in the names of the owners of the beneficial interests of such Notes ("**Note Owners**") or their nominees. Issuance of the Notes as Global Notes may reduce the liquidity of such Notes in the secondary trading market since investors may be unwilling to purchase Notes for which they cannot obtain definitive physical securities representing such investors' interests, except in certain circumstances described under "*Description of the Notes—Definitive Notes.*"

Since transactions in Notes represented by Global Notes will be effected only through DTC, direct or indirect participants in DTC's book-entry system or certain banks, the ability of a Note Owner to pledge its interest in the Notes to persons or entities that do not participate in the DTC system, or otherwise to take actions in respect of such Notes, may be limited due to lack of a physical security representing such Note Owner's interest in such Notes.

Additionally, Note Owners of the Notes may experience some delay in their receipt of distributions of interest on and principal of the Global Notes since distributions may be required to be forwarded by the Trustee to DTC and, in such case, DTC will be required to credit such distributions to the accounts of its participants which thereafter will be required to credit them to the accounts of the applicable Note Owners either directly or indirectly through indirect participants. See "*Description of the Notes—Book-Entry Registration*."

Vulnerability of Information Technology Infrastructure

The Servicer uses information management systems to manage its credit portfolio, including management of Collections. These systems are subject to damage or interruption from:

- power loss, computer system failures and internet, telecommunications or data network failures;
- operator negligence or improper operation by, or supervision of, employees;
- physical and electronic loss of data or security breaches, misappropriation and similar events;
- computer viruses;
- intentional acts of vandalism, terrorism, cyber-terrorism, cyber-crime, computer hacking and similar events; and
- hurricanes, earthquakes, tornadoes, fires, floods and other natural disasters.

In addition, the software that the Servicer has developed to use in daily operations may contain undetected errors that could cause the system to fail or cause the information provided to the customer or contained in the Servicer's system to be incorrect. Any failure of the Servicer's systems due to any of these causes, if it is not supported by the Servicer's disaster recovery plan, could cause an interruption in operations. Though the Servicer has implemented contingency and disaster recovery processes in the event of one or several technology failures, any unforeseen failure, interruption or compromise of these systems or security measures could affect its collection of the Receivables. In addition, incorrect information resulting from errors has previously caused and could cause the Servicer or the Seller to not be in compliance with applicable regulatory requirements. Noncompliance with applicable regulatory requirements, if not remediated, could result in fines, returns of overcharged amounts and/or potential litigation. The risk of possible failures, interruptions or errors may not be adequately addressed, and any of such events could occur, resulting in reduced Collections or delay or reductions in distributions to Noteholders. See "*The Servicer—Systems*."

Security Breaches of Confidential Customer Information

The Seller and the Servicer store customers' personal information, credit information and other sensitive data. Any accidental or willful security breaches or other unauthorized access could cause the theft and criminal use of this data. Security breaches or unauthorized access to confidential information could also expose the Seller and the Servicer to liability related to the loss of the information, litigation and negative publicity. If security measures are breached because of third-party action, employee error, malfeasance or otherwise, or if design flaws in the Seller's or the Servicer's software are exposed and exploited, and, as a result, a third party obtains unauthorized access to customer data, the Seller's brand and relationships with customers could be severely damaged, and the Seller or the Servicer could experience difficulties in originating or servicing Receivables and there could be delays or reductions in payments on the Notes.

The Seller's retail locations also process physical customer loan documentation that contain confidential customer information, including financial and personally identifiable information. The Seller also retains physical records in various storage locations outside of its retail locations. The loss or theft of customer information and data from retail locations or other storage locations could subject the Seller to additional regulatory scrutiny, possible civil litigation and possible financial liability, which could have an

adverse effect on its results of operations, financial condition, liquidity and ability to collect on the loans for such customers.

Financial Regulatory Reform

The Dodd-Frank Act was signed into law on July 21, 2010. Although the Dodd-Frank Act generally took effect on July 22, 2010, many provisions did not take effect for some time or required implementing regulations to be issued. Some of these implementing regulations still have not been issued. The Dodd-Frank Act is extensive and significant legislation that, among other things:

- created a framework for the liquidation of certain bank holding companies and other nonbank financial companies, defined as "covered financial companies," in the event such a company is in default or in danger of default and the resolution of such a company under other applicable law would have serious adverse effects on financial stability in the United States, and also for the liquidation of certain of their respective subsidiaries, defined as "covered subsidiaries," in the event such a subsidiary is, among other things, in default or in danger of default and the liquidation of such subsidiary would avoid or mitigate serious adverse effects on the financial stability or economic conditions of the United States;

- created a new framework for the regulation of over-the-counter derivatives activities;

- strengthened the regulatory oversight of securities and capital markets activities by the U.S. Securities and Exchange Commission (the "**SEC**"); and

- created the CFPB, an agency responsible for administering and enforcing the laws and regulations for consumer financial products and services.

The Dodd-Frank Act impacts the offering, marketing and regulation of consumer financial products and services offered by financial institutions, which could include the Seller, the Servicer and their affiliates, including the Issuer. The CFPB has supervision, examination and enforcement authority over the consumer financial products and services offered by certain non-depository institutions and large insured depository institutions. The CFPB also has broad rulemaking and enforcement authority over providers of credit, savings and payment services and products and authority to prevent "unfair, deceptive or abusive acts or practices." The CFPB has the authority to write regulations under federal consumer financial protection laws, and to enforce those laws against and examine large insured depository institutions and certain non-depository institutions for compliance with applicable laws, including, among others, the Truth in Lending Act, Equal Credit Opportunity Act, Electronic Fund Transfer Act, and Fair Debt Collection Practices Act.

Under its authority to prevent ''unfair, deceptive or abusive acts or practices,'' on June 2, 2016, the CFPB issued a proposed final rule that could affect the Seller's loans that have an APR in excess of 36%, if the Seller has access to repayment through the consumer's bank account which was obtained at, or within 72 hours after, the inception of the loan. A portion of loans that the Seller currently originates could be considered to be ''covered'' under this definition. While no assurances can be given with respect to the ultimate impact of this proposed rulemaking, the Seller believes that the Seller's practices are in substantial compliance with the proposed requirement that a lender reasonably determine that a consumer has the ability to repay a covered loan before such covered loan is made. While some adjustments to the Seller's practices (such as reporting of covered loans to a special type of credit reporting agency and sending of a model notice before attempting to withdraw funds from a customer's bank account) would need to be made to comply with the final rule if promulgated in its proposed form, the Seller does not expect that these adjustments would have a material impact on the Seller's business. However, there is no certainty that the

rule, in its final form, will not have a substantial impact on the Seller's business by causing increased compliance costs and litigation exposure, or by causing the Seller to alter or cease offering affected loan products or services. Additionally, the CFPB has indicated that it expects to conduct a separate rulemaking under the Dodd-Frank Act to identify larger participants in the installment lending market for purposes of its supervision program, which could lead to future supervision and examination by the CFPB of the Seller's operations. The CFPB is also authorized to impose fines and provide consumer restitution in the event of violations, engage in consumer financial education, track consumer complaints, request data and promote the availability of financial services to underserved consumers and communities.

Depending on how the CFPB functions and its areas of focus, it could increase the compliance costs for the Seller and Servicer, potentially delay the Seller's ability to respond to marketplace changes, result in requirements to alter products and services that would make them less attractive to consumers and impair the ability of the Seller to offer products and services profitably or prevent the Seller from offering its current products altogether. The CFPB is authorized to pursue administrative proceedings or litigation for violations of federal consumer financial laws. In these proceedings, the CFPB can obtain consent orders (which can include orders for restitution or rescission of contracts, as well as other kinds of affirmative relief) and monetary penalties ranging from $5,526 per day for minor violations of federal consumer financial laws (including the CFPB's own rules) to $27,631 per day for reckless violations and $1,105,241 per day for knowing violations. In addition, the CFPB has indicated that companies are expected to review and monitor consent orders issued by the CFPB against other companies and modify their practices accordingly. As a result, while the Seller believes that the Seller's practices are in material compliance with federal consumer protection laws, there is no certainty that any such modifications to the Seller's practices will not have a substantial impact on the Seller's business by causing increased compliance costs and litigation exposure, or by causing the Seller to alter or cease offering affected loan products or services. Also, where a company has violated Title X of the Dodd-Frank Act or CFPB regulations under Title X, the Dodd-Frank Act empowers state attorneys general and state regulators to bring civil actions for the kind of cease and desist orders available to the CFPB.

The Dodd-Frank Act also increases the regulation of the securitization markets. For example, the rules applicable to the Seller described under "*Credit Risk Retention*" were required under the Dodd-Frank Act. The Dodd-Frank Act also gives broader powers to the SEC to regulate credit rating agencies and adopt regulations governing these organizations and their activities. The SEC has also issued final rules, which generally became effective in June 2015, that require issuers or underwriters of rated asset-backed securities to file with the SEC a form that includes the findings and conclusions of reports of third-party due diligence providers, and for third-party due diligence providers and rating agencies to comply with certain other filing and information requirements relating to the third-party due diligence providers' due diligence services, findings and conclusions.

Compliance with the implementing regulations under the Dodd-Frank Act or the oversight of the SEC or CFPB may impose costs on, create operational constraints for, or place limits on pricing with respect to finance companies such as the Seller, the Servicer, the Issuer and their respective affiliates. Some of the regulations required by the Dodd-Frank Act have not been finalized. As such, in many respects, the ultimate impact of the Dodd-Frank Act and its effects on the financial markets and their participants will not be fully known for an extended period of time. Until all of the implementing regulations are issued, no assurance can be given that these new requirements imposed by the Dodd-Frank Act will not have a significant impact on marketability of asset-backed securities such as the Notes, on the servicing of the Contracts and Receivables, and on the operating results, regulation and supervision of the Seller, the Servicer, the Issuer and/or their respective affiliates.

Credit under the Community Reinvestment Act

The Seller is certified by the U.S. Department of the Treasury as a CDFI. The Seller has been certified as a CDFI since 2009 and is currently in the re-certification process. See "*Seller's Consumer Loan Business—Overview*." While the Seller has no reason to believe it will not be re-certified, until such re-certification process is complete, there can be no assurance that the Seller will maintain its certification as a CDFI. In addition, there can be no assurance that the CDFI program will not be discontinued at some point in the future. If the Seller were to not be re-certified, or if the CDFI program were to be discontinued, investors in the Series 2017-A Notes may not be able to use their investments in the Series 2017-A Notes for credit under the Community Reinvestment Act.

Receivables Acquired by the Issuer or Removed from the Trust Estate During the Revolving Period

During the Revolving Period, it is expected that the Issuer will use Collections to purchase a significant number of new Receivables from the Seller. Given the reasonably short-term nature of the Receivables owned by the Issuer as of the Closing Date, it is likely that substantially all of the Outstanding Receivables Balance of the Receivables Pool will be collected and reinvested during the Revolving Period. Acquisitions of new Receivables are subject to certain conditions, the Concentration Limits and the eligibility criteria set forth in the definition of Eligible Receivables. Such conditions, limits and criteria are designed to help assure that acquisitions of Receivables during the Revolving Period do not result in a significant degradation of the quality of the Receivables Pool taken as a whole. However, there can be no assurance that such conditions will prevent a degradation of the overall credit quality of the Receivables Pool, for example because other characteristics of the Receivables which are not contemplated in the eligibility criteria impact the overall credit performance of the Receivables Pool.

In addition, although the Issuer has made a commitment in the Purchase Agreement to acquire additional Receivables from the Seller, the Seller is not bound to sell all future Receivables to the Issuer that would be Eligible Receivables. If the Seller generates insufficient additional Receivables or chooses not to sell sufficient additional Receivables to the Issuer, the Revolving Period would terminate.

Modifications to the Credit and Collection Policies

The Seller or the Servicer may choose to modify the Credit and Collection Policies at any time, and there are no restrictions on the Seller's or the Servicer's ability to make such modifications except the Servicer has covenanted not to modify the Credit and Collection Policy in any manner that could be reasonably expected to result in a Material Adverse Effect. Major changes to credit policy require approval from both the internal Credit Risk Committee and the Compliance, Risk and Credit Policy Committee of the Board of Directors. Modifications to the Credit and Collection Policies could alter the policies by which the Servicer services the Receivables, including the policies by which the Servicer determines whether to change the terms of the Receivables owned by the Issuer. If these types of modifications were to occur, it could result in worse performance of the Receivables. Additionally, modifications to the Credit and Collection Policies could also change the standards and procedures by which the Seller originates new Receivables. If these types of modifications were to occur and the Issuer were to acquire Receivables that were originated based on standards and procedures which incorporated such modifications, they could adversely impact the performance of the Receivables Pool or result in the Issuer acquiring Receivables that are of lower credit quality than the Receivables previously acquired by the Issuer. In the event that the performance of the Receivables Pool deteriorates or the Issuer acquires Receivables of a lower credit quality, it could adversely affect the performance of the Notes.

Potential Conflicts of Interest Relating to the Initial Purchasers

The Initial Purchasers may from time to time perform investment banking services for, solicit investment banking business from, or conduct trading or investing in any of the securities of, any person named in this Memorandum. The Initial Purchasers and/or their employees or customers may from time to time have a long or short position in the Notes. These long or short positions may be as a result of any market making activities with respect to the Notes. The Initial Purchasers and/or their employees or customers may from time to time enter into hedging positions with respect to the Notes. Additionally, as of the Closing Date, a special purpose subsidiary of the Seller is being provided with warehouse financing, with respect to other receivables originated by the Seller, under the VFN Facility that is being provided by the Initial Purchasers or affiliates thereof. As discussed under "*Use of Proceeds*," the Seller will apply all or a portion of the net proceeds from the sale of the Series 2017-A Notes that are used by the Issuer to purchase the Contracts and Related Rights from the Seller to permit the special purpose subsidiary that participates in the VFN Facility to pay down the warehouse financing being provided under the VFN Facility by the Initial Purchasers or affiliates thereof.

Changes in Receivables Since Statistical Calculation Date

Not all of the Receivables in the Statistical Pool will be included in the Receivables Pool that is ultimately purchased by the Issuer on the Closing Date, and such Receivables Pool may include Receivables that are not included in the Statistical Pool described herein. As a result of the foregoing, the Receivables sold to the Issuer on the Closing Date may have characteristics that differ somewhat from the characteristics of the Receivables in the Statistical Pool. The Seller believes that the characteristics of the Receivables Pool as of the initial Cut-Off Date will not differ materially from the characteristics of the Statistical Pool as of the Statistical Calculation Date, and the Receivables must satisfy the eligibility criteria described in "*Description of the Purchase Agreement.*" If an investor purchases a Note, such investor must not assume that the characteristics of the Receivables sold to the Issuer on the Closing Date will be identical to the characteristics of the Statistical Pool.

There May Be a Conflict of Interest Among Classes of Notes

As described elsewhere in this Memorandum, the Required Noteholders or another specified percentage of Noteholders are entitled to make certain decisions with regard to, among other things, treatment of defaults by the servicer, exercising rights and remedies following an Event of Default (including directing the liquidation of the Trust Estate), consenting to certain amendments to the Transaction Documents and certain other matters. In the case of votes by holders of all of the Notes, the outstanding principal balance of the Class A Notes will generally be substantially greater than the outstanding principal balance of the Class B Notes. Consequently, the Class A Noteholders will frequently have the ability to determine whether and what actions should be taken. The Class B Noteholders will generally need the concurrence of the Class A Noteholders to cause actions to be taken.

Because the holders of different classes of Notes may have varying interests when it comes to these matters, a Noteholder may find that courses of action determined by other Noteholders do not reflect such Noteholder's interests but that such Noteholder is nonetheless bound by the decisions of these other Noteholders.

The Notes May Not Be Suitable for All Investors

The Notes are not suitable investments for all investors. In particular, an investor should not purchase the Notes unless such investor understands the structure, including the priority of payments, and prepayment, credit, liquidity and market risks associated with the Notes. The Notes are complex securities.

An investor should possess, either alone or together with financial, tax and legal advisors, the expertise to analyze the prepayment, reinvestment, default and market risk, the tax consequences of an investment and the interaction of these factors.

Structuring Tables are Based Upon Assumptions and Models

The decrement tables appearing under "*The Receivables—Maturity and Prepayment Assumptions*" have been prepared on the basis of the modeling assumptions set forth under "*The Receivables—Maturity and Prepayment Assumptions*" in this Memorandum. The model used in this Memorandum for prepayments does not purport to be an historical description of prepayment experience or a prediction of the anticipated rate of prepayment of any pool of Receivables, including the Receivables Pool. It is highly unlikely that the Receivables will prepay at the rates specified. The prepayment assumption is for illustrative purposes only. For these reasons, the actual weighted average lives of the Notes may differ from the weighted average lives shown in the decrement tables.

Reduction, Withdrawal or Qualification of the Ratings on the Notes; Unsolicited Ratings

The ratings on the Class A Notes and Class B Notes are not a recommendation to purchase, hold or sell the Class A Notes or Class B Notes and do not address market value or investor suitability. The ratings reflect KBRA's assessment of the likelihood of repayment of the Class A Notes and Class B Notes. There can be no assurance that the Class A Notes or Class B Notes will perform as expected or that the rating will not be reduced, withdrawn or qualified in the future as a result of a change of circumstances, deterioration in the performance of the Receivables, errors in analysis or otherwise, including as a result of a failure by the Seller to comply with its obligation to post information provided to KBRA on a website that is accessible by rating agencies that have not been hired by the Seller to rate the Class A Notes and Class B Notes. None of the Seller, the Issuer or any of their affiliates will have any obligation to replace or supplement any credit enhancement or to take any other action to maintain any ratings on the Class A Notes or Class B Notes. A rating agency may have a conflict of interest where, as is the case with the ratings of the Class A Notes and the Class B Notes by KBRA, the sponsor or the issuer of a security pays the fee charged by such rating agencies for their rating services.

In addition, a non-hired nationally recognized statistical rating organization could choose to provide an unsolicited rating on either the Class A Notes or Class B Notes, without notice to or from the Seller or the Issuer, and such unsolicited rating could be lower than the rating provided by KBRA, and none of the Seller, the Issuer or the Initial Purchasers is obligated to inform Noteholders if an unsolicited rating is issued after the date of this Memorandum. If the ratings on the Class A Notes or Class B Notes are reduced, withdrawn or qualified, or if the Class A Notes or Class B Notes receive an unsolicited rating from a non-hired nationally recognized statistical rating organization that is lower than the other ratings of the Class A Notes or Class B Notes, it could adversely affect the market value and/or marketability of the Class A Notes or Class B Notes.

Considerations Under the Investment Company Act of 1940

The Issuer has not registered with the SEC as an investment company pursuant to the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), in reliance on the exception from the definition of "investment company" set forth in Rule 3a-7 under the Investment Company Act, although other exceptions or exclusions may be available to the Issuer. Counsel for the Issuer will opine, in connection with the sale of the Notes, that the Issuer is not at the time of such sale an investment company required to be registered under the Investment Company Act (assuming, for the purposes of such opinion, the accuracy and completeness of all representations and warranties made or deemed to be made by purchasers of the Notes and the equity owners of the Issuer and compliance by the Issuer with its

representations and covenants in the Indenture, among other things). No opinion or no-action position has been requested of the SEC. Accordingly, investors in the Notes will not be accorded the protections of the Investment Company Act because the Issuer will not be registered thereunder.

If the SEC or a court of competent jurisdiction were to find that the Issuer is required, but has failed, to register as an investment company, in violation of the Investment Company Act, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors could sue the Issuer and recover any damages caused by the violation of the registration requirement of the Investment Company Act; and (iii) any contract to which the Issuer is party that is made in violation, or whose performance involves a violation, of the Investment Company Act would be unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than nonenforcement and would not be inconsistent with purposes of the Investment Company Act. Should the Issuer be subjected to any or all of the foregoing, there could be a material adverse effect on the Issuer and the Noteholders.

Combination or "Layering" of Multiple Risk Factors May Significantly Increase the Risk of Loss on the Notes

Although the various risks discussed in this Memorandum are generally described separately, prospective investors in the Notes should consider the potential effects of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to an investor may be significantly increased. In considering the potential effects of layered risks, the investor should carefully review the descriptions of the Receivables and the Notes.

THE ISSUER

The Issuer is a Delaware limited liability company formed on February 27, 2017. It is a bankruptcy remote special purpose vehicle that is wholly-owned by the Seller. The Issuer has been organized for limited purposes, which include, without limitation, purchasing contracts and receivables (such as the Contracts and Receivables) and issuing debt and other interests secured thereby (such as the Series 2017-A Notes) or entering into financing transactions with respect thereto, and any activities incidental to and necessary or convenient for the accomplishment of such purposes. The principal executive offices of the Issuer are located at 1600 Seaport Boulevard, Suite 250, Room 109, Redwood City, California 94063. The telephone number of such office is 650-391-0109.

SELLER'S CONSUMER LOAN BUSINESS

Overview

The following is a brief description of the Seller's consumer loan business, including a general description of the underwriting and servicing policies and procedures customarily and currently employed by the Seller and the Servicer with respect to the Receivables, as set forth in the Credit and Collection Policies in effect as of the Closing Date.

The Seller, a Delaware corporation, was founded in 2005, and made its first unsecured consumer installment loan in 2006. In January 2015, the Seller changed its name from Progress Financial Corporation to Oportun, Inc. The Seller operates a consumer loan business, with a targeted customer base of borrowers residing in the United States with little to no credit history who are underserved by traditional, mainstream financial institutions, mainly due to their lack of established credit history, FICO scores, and relevant banking products that are affordable or suitable. In order to serve its target loan applicants, the Seller has developed a proprietary credit scoring model and technology platform for use in its credit underwriting

process. In developing its own approach to credit underwriting over time, the Seller has relied in part on its own experience and knowledge of its customers to identify the data the Seller believes is the most predictive of credit performance of its customers. This underwriting approach differs in material ways from the underwriting process used by banks and other financial institutions that rely mainly on information available from credit bureaus.

The Seller is certified by the U.S. Department of the Treasury as a Community Development Financial Institution ("**CDFI**"). The Seller has been certified as a CDFI since 2009 and is currently in the re-certification process. Going forward, to maintain certification, all certified CDFIs will be required to submit an annual certification report demonstrating continued compliance with the CDFI certification requirements. Such designations are typically granted to financial institutions providing credit and financial services to underserved markets and low income communities. The Law Offices of Paul Soter, counsel to the Seller and the Issuer, will deliver its opinion to the Trustee and the Initial Purchasers that, based on the assumptions and limitations set forth in the opinion, investors in the Series 2017-A Notes who are insured depository institutions subject to the Community Reinvestment Act (the "**CRA**") should be able to use their investments in the Series 2017-A Notes for CRA credit on the same basis as direct or indirect loans to a CDFI or purchases of obligations of a CDFI.

As of March 31, 2017, the Seller has disbursed over 1.9 million loans since it began loan operations with an aggregate principal amount totaling approximately $3.56 billion. As of March 31, 2017, the Seller had managed loans outstanding to 488,015 customers with an aggregate principal balance outstanding of approximately $1.03 billion. The original size of each individual loan made by the Seller and that is outstanding as of March 31, 2017, ranges from approximately $300 to $7,108. The original size of each loan is a function of a customer's requested borrowing amount, ability to pay and the Seller's risk assessment of the customer. As of March 31, 2017, the average loan amount outstanding was approximately $2,106 (the average original loan size of the outstanding loans was approximately $2,973) with a weighted average interest rate of approximately 32.7%, a weighted average original term of approximately 26.0 months and a weighted average remaining term of approximately 19.7 months.

In addition to growing its portfolio of unsecured installment consumer loans, the Seller expects, over time, to evaluate the opportunity to provide a broader suite of loan products. However, such other products originated by the Seller will not be eligible for sale by the Seller to the Issuer nor for use by the Issuer as collateral for the Notes.

Litigation

The Seller is routinely involved, and may in the future be involved, in various standard corporate and consumer legal proceedings, both continuing and discontinued, arising in the ordinary course of business. As of the date of this Memorandum, the Seller believes that there are no threatened or pending proceedings against the Seller that could be reasonably expected to have a material adverse effect on the Seller, the Noteholders or the Trust Estate.

As discussed under *"Risk Factors—Litigation,"* the Shareholder Lawsuit is pending, although neither the Seller nor any of its corporate affiliates has been named as a defendant. The Seller believes that the Shareholder Lawsuit is without merit and the defendants intend to vigorously defend the action. This litigation, as with any other litigation, is subject to uncertainty and there can be no assurance that this litigation will not have a material adverse effect on the business, results of operations, financial position or cash flows of the Seller.

LOAN ORIGINATIONS

The Seller currently originates consumer receivables through an omni-channel distribution model, primarily involving the Seller's retail network, contact centers, mobile website, direct mail marketing, community outreach by the salesforce, radio advertising, digital advertising and other marketing vehicles. The Seller's current loan portfolio is comprised of receivables originated in California, Texas, Illinois, Nevada, Utah, Arizona, Missouri and New Mexico. The Seller expects to expand its retail footprint within California, Texas, Illinois, Nevada, Utah and Arizona. The Seller expects to expand its footprint into additional states in 2017 and beyond. The Seller expects to expand via a retail presence in some states and a mobile-first approach without an initial retail presence in certain states.

In Nevada, the Seller acquires consumer loans and the related receivables from Oportun, LLC ("**Oportun, LLC**"), a Delaware limited liability company and wholly-owned subsidiary of the Seller. Oportun, LLC originates consumer loans in Nevada under the Seller's brand using the same underwriting processes and procedures used by the Seller, as described herein, before selling such loans to the Seller pursuant to a purchase and sale agreement (the "**Oportun, LLC Sale Agreement**"). Oportun, LLC may, in the future, originate consumer loans in other markets under the Seller's brand using the same underwriting processes and procedures used by the Seller before selling such loans to the Seller pursuant to the Oportun, LLC Sale Agreement. Loans originated by Oportun, LLC and the related receivables are serviced by the Servicer using the same servicing policies and procedures used to service the loans and related receivables originated directly by the Seller, as described herein.

Retail Network

The primary channel by which the Seller currently originates consumer loans is through approximately 234 retail locations located in California, Texas, Illinois, Nevada, Utah and Arizona as of March 31, 2017. The Seller utilizes both a 'stand-alone' format and a co-location format. Stand-alone retail locations are independent retail locations where the Seller is the only tenant and are generally located in places that tend to have a high density of customer traffic, such as malls, shopping centers, and business districts. The Seller's co-location format is a booth or kiosk, primarily located inside supermarkets with predominately Hispanic customers.

The Seller's retail locations are staffed by customer loyalty representatives ("**CLRs**") and regional managers (including district managers ("**DM**s") and territory managers ("**TMs**")). CLRs are responsible for soliciting customers, taking applications, collecting supporting loan documents, disbursing loans, taking customer payments, and loading funds (including loan disbursements) to a reloadable, co-branded Visa® debit card offered by the Seller to its customers under the trade name "Ventiva" (the Ventiva card is issued by Metabank, a federal savings bank, and is co-branded by the Seller). In early 2016, CLRs began performing certain grassroots activities in their local communities, such as handing out marketing materials and gathering leads. CLRs do not make credit decisions, rather all credit decisions are made on a centralized basis using the Seller's proprietary risk system. CLRs report to a DM, who is responsible for managing loan originations for a district comprising multiple retail locations. TMs supervise the DMs and may have multiple DMs under their direct supervision.

Direct Mail Marketing

Since 2009, the Seller has utilized direct mail marketing across its footprint. Direct mail recipients are invited to go to one of the Seller's retail locations, contact the Seller's contact centers, or visit the Seller's website. Applications may be completed either at one of the Seller's retail locations, by a contact center agent over the phone, or, via the Seller's website on either a desktop computer or a mobile device. If the applicant is pre-approved, the remaining steps in the loan origination process (document verification,

loan disbursement, and credit education) all take place at the Seller's retail locations, although document verification can also be executed via the Seller's mobile website.

Radio Advertising

In 2016, the Seller tested radio advertising on Spanish-language radio stations. Based on the positive results of such testing, the Seller has expanded its investment in radio advertising in 2017.

Digital Advertising

In 2016, the Seller began testing digital advertising as a supplement to its direct mail program. Digital advertising includes marketing vehicles such as paid and unpaid search, e-mail marketing, and paid display advertisements. While scale of the digital advertising initiative is still small, the Seller is continuing to test and improve its campaign results and anticipates expanding its investment in digital advertising in future years.

Contact Centers

The Seller's loan-origination staff operate from its contact centers in Mexico. Loan-origination staff members are primarily engaged in marketing the Seller's products and assisting customers through the loan process, including application initiation, pre-approval, application follow-up, loan approval notification, and disclosure of terms and conditions.

Mobile

In the fall of 2014, the Seller successfully completed a public beta test of its mobile website, which the Seller uses in conjunction with its direct mail marketing campaign. In 2015, the Seller conducted a limited, gradual rollout of such mobile service to customers in select regions within its geographical footprint. Based on positive results from the tests, the Seller expanded access to its mobile website in 2016, including outside of the Seller's traditional retail location footprint. In early 2017, the Seller opened in Missouri and New Mexico with a mobile-first, end-to-end approach without a physical retail presence, where customers can apply either via the Seller's website or by calling the Seller's contact center. The Seller plans to continue expanding access to its mobile website, including plans to expand to additional states in 2017, using the mobile-first, end-to-end approach without a physical retail presence.

New Channels

The Seller is also actively testing additional marketing strategies and programs. For 2017, initiatives are underway to test out-of-home advertising (e.g., billboards), television, and expanded use of digital media.

Loan Renewals

In marketing its lending services and designing the features of its loan products, the Seller undertakes to develop a repeat customer base that returns to the Seller for new loans after the customers' existing loans are paid off. For the Receivables included in the Statistical Pool, as of the Statistical Calculation Date, the average original loan size to new customers is approximately $2,065, and the average original loan size for renewal customers is approximately $3,333. The largest loan amounts that the Seller currently offers to new and existing customers are approximately $6,200 and $8,200, respectively. For loans to repeat customers, the payment history on the applicant's prior loan is taken into consideration in underwriting the requested new loan. Since the beginning of 2014, the Seller's average monthly customer

approval rate was significantly higher for renewal loans than for new loans, as described hereunder in "*Underwriting—Loan Application.*"

The Seller launched a "Good Customer Program" in California in the second quarter of 2013 and in the remaining states in 2015. Previously, existing loan customers could not apply for a renewal loan until the payoff balance on their existing loan could be paid off in three regular payments or less. When a customer applied for a renewal loan, they were fully re-underwritten, and the balance on their existing loan was required to be fully repaid. Under the Good Customer Program, the Seller allows certain customers it determines to be lower risk to apply for and, if successfully re-underwritten, receive a renewal loan prior to repaying in full the balance of their existing loan. In order to be eligible for the Good Customer Program, a customer must be current on their loan payments and meet certain other selection criteria including, currently, the customer must never have been more than 14 days delinquent, the customer must have repaid at least 60% of the original loan balance, and the original loan must be outstanding for at least six months. Proceeds of the renewal loan under the Good Customer Program are used to pay off their existing loan. Customers that do not qualify for the Good Customer Program are required to repay the balance of their current loan before they can receive a renewal loan.

UNDERWRITING

The following is a brief description of the underwriting policies and procedures used by the Seller as of the Closing Date to underwrite its loans.

Loan Application

Whether applying for a loan in one of the Seller's retail locations, over the phone, or through the internet or with a mobile device, all prospective customers are asked to complete a "**Mini-Application**," which involves gathering basic information from the prospective customer and obtaining a credit bureau report. If in a retail location or over the phone, the CLR or contact center-based loan-origination staff member gathers the necessary information from the applicant and enters the information into the Seller's loan origination system. If online, customers enter their own information into the application, but due to the Seller's omni-channel system, they can seamlessly transition their application to a contact center origination staff member or a retail location if they have questions or problems. The system then automatically processes the Mini-Application, classifying the applicant as either declined or eligible to continue. This process takes approximately three minutes and is designed to quickly screen applicants for bad credit.

Applicants who pass the Mini-Application screen are then asked to complete a "**Full-Application**," which is a longer series of quantitative and qualitative questions designed to assess their ability and willingness to honor their loan obligations. The CLR or contact center-based loan-origination staff member, as applicable, will administer the Full-Application, and the responses are entered into the Seller's loan origination system. If online, the customer continues to enter their information into the Full-Application. The Full-Application process takes approximately five to eight minutes. Once the Full-Application is completed, the loan origination system applies the Seller's proprietary credit scoring model and approves or denies the applicant.

Applicants who pass the Full-Application screen are pre-approved for a loan, subject to verification of identity, income and address. Documents which can verify such information include government-issued photo IDs for proof of identity, employment paystubs or bank statements for proof of income, and utility bills or bank statements (or other accepted documentation) for proof of address. The Seller also uses proprietary data derived from third-party sources to complete the verification process. Applicants (other than mobile applicants) are instructed to bring their verification documents to one of the Seller's retail

locations in order to complete their application. The CLR will, in addition to inspecting the documents on premises, scan and send the documents to the Seller's verification group. If the customer has applied through the mobile channel, the customer uploads the documents online to the verification group for review and verification. The verification group is based in the Seller's contact centers in Mexico and, as of March 31, 2017, was comprised of approximately 102 full-time dedicated resources, including employees of PF Servicing's Mexican subsidiary as well as third-party agents.

The verification group independently reviews and verifies the authenticity of each submitted customer document (if not verified electronically through other sources), according to documented credit policies. Upon completion of the verification group's review and reference checks (where applicable), the application receives a final decision. For the twelve months ending March 31, 2017, Oportun's approval rate was 37% for new loans and 70% for renewal loans.

For approved applicants, the CLR prints a final loan disbursement document package ("**Document Package**") for the customer to sign, which includes the loan disclosure statement and promissory note, including an arbitration clause, privacy notice, credit education document (that educates the customer on the importance of good credit and paying on time), and other disclosures for customers including payment options available to the customer. For approved applicants applying online, the customer is called by a customer service agent to finalize the loan terms prior to the customer's execution of the loan documents. The customer then receives the Document Package, which is then eSigned by the customer.

Direct origination customers can elect to have their loan disbursed via a Ventiva card or a printed check in the store. For a card disbursement, the CLR loads the loan amount onto the customer's card and the card is then ready for the customer to set a PIN and activate via phone. The Ventiva card allows customers to access their loan funds from any ATM or merchant location that accepts Visa cards. In addition, the Ventiva product operates as a fully reloadable prepaid debit card should the customer desire to deposit additional funds to their Ventiva account for later use. For check disbursements, the Seller prints the check directly at the respective retail location for customer pickup.

For customers applying online, other than as described below, the loan proceeds are disbursed via ACH directly into the customer's bank account, which has been verified before disbursement as belonging to that customer. In addition, if the customer applied online, but is in a region where the Seller has a retail location, the customer also has the option of going to a store and receiving their loan proceeds via a check or a Ventiva card instead. In cases where the customer resides in a region where the Seller only has an online presence, the customer may, in limited circumstances, request that their loan proceeds be sent via a mailed check.

Credit Evaluation

The Seller relies on its proprietary risk scoring model to determine whether to extend credit to applicants. Any changes to score cut-offs or underwriting criteria require the unanimous consent of all members of the Seller's internal Credit Risk Committee, which is chaired by the Seller's Chief Credit Officer and includes the CEO, the CFO, the Chief Legal Officer, the Chief Compliance Officer, and the Chief Operations Officer. Major changes to credit policy also require approval from the Compliance, Risk and Credit Policy Committee of the Board of Directors.

In order for an applicant to qualify for credit, the Seller must determine whether an applicant has the financial ability to repay the loan. Income and employment is verified through paystubs, bank statements, calls to the applicant's employer, public benefit statements or through other databases. The applicant must have sufficient free cash flow after the prospective loan payment to be approved. The Seller also requires a government issued photo identification, proof of address (evidenced by utility bills, bank

statements, or validated electronically from a credit bureau or alternative data source), and, two to four references when required.

The Seller's scoring model is an empirically derived decision tree with over 300 end nodes built using the credit experience the Seller has gained through tracking a great number of customers over the Seller's business history. Data elements evaluated for the scoring model are gathered from several different sources including the credit bureaus, information collected throughout the application process and other alternative data sources. Once the data is aggregated, the system calculates the scores which are used in the decision tree. The complete scoring process takes only a few seconds after data is submitted. The scoring model is upgraded from time to time as new data elements and other information become available and refinements to the model are made.

The decision tree incorporates the following scores and measurements to make an Approve/Decline decision:

- Free Cash Flow Measurement – measuring ability to pay.
- Stability and willingness to pay – as measured by the Seller's internal proprietary Alternative Data Score ("**ADS Score**").
- Performance on other credit metrics (if any) – VantageScore and other bureau information:
    - VantageScore (tri-bureau competitor to FICO) and other bureau information.
    - Proprietary custom attribute bureau scoring model ("**PF Score**") developed to evaluate applicants with thin credit profiles.
    - Other credit bureau attributes may be taken into consideration.
    - Delinquency on the applicant's prior loan is taken into consideration for returning customers.
- References verified (when required) – Call at least two references for higher risk applicants. Lower risk and medium risk applicants may not have references called.

The system determines loan amounts based upon the applicant's free cash flow and their overall creditworthiness. Applicants can generally choose a loan amount lower than the assigned loan amount. Only applicants that have both sufficient free cash flow and acceptable risk scores will be approved for larger loan amounts. Applicants that are deemed to be higher risk will be approved for a lower loan amount, regardless of their free cash flow. Applicants that have low free cash flow will be approved for a lower loan amount regardless of their risk scores. Generally, loan size and term are correlated to ensure relatively constant loan payments, and smaller loans have higher APRs and shorter terms.

Loan Amounts

As of the Statistical Calculation Date, original loan amounts for the Receivables included in the Statistical Pool ranged from approximately $299 to $7,102. For the Receivables included in the Statistical Pool, the average original loan size to new customers is approximately $2,065, and the average original loan size for renewal customers is approximately $3,333. The largest loan amount the Seller currently

offers new and renewal customers is approximately $6,200 and $8,200, respectively. The Seller's loan amounts have been increased over time as historical performance datasets for customers have become larger due to the growth of the Seller's loan portfolio. The Seller periodically reviews loan size parameters and makes adjustments to optimize profitability and to increase customer satisfaction, and beginning in April 2017, the Seller increased the maximum loan size to approximately $8,200 for certain lower risk customers. The Seller anticipates continuing to increase the maximum loan amount over time, including during the Revolving Period, as the Seller moves towards allowing lower risk repeat loan customers to be approved for larger amounts, and loans of up to $8,200 will be eligible for inclusion in the Receivables Pool. All changes in the Seller's loan amount assignment strategy must be approved by both the internal Risk Committee and, for material changes, the Compliance, Risk and Credit Policy Committee of the Board of Directors.

Modifications of Credit and Collection Policy

Historically, the Seller has modified the underwriting policies and procedures from time to time in order to comply with state and federal legal requirements and in other manners designed to enhance its loan business. In addition, as the Seller identifies new processes and tools that may increase the accuracy and effectiveness of the servicing and collection process, the Seller may implement such processes and tools. Historically, the Seller has produced and consistently updated written policies and procedures detailing the loan underwriting process and procedures, and such policies and procedures are included as part of the Credit and Collection Policies. There can be no assurance that the Credit and Collection Policy will not change materially over time after the Closing Date. Moreover, the Seller may modify the Credit and Collection Policies without Noteholder consent. See "*Risk Factors—Modifications to the Credit and Collection Policies.*"

THE SERVICER

PF Servicing, LLC ("**PF Servicing**" or the "**Servicer**"), a wholly-owned subsidiary of the Seller, will act as Servicer of the Receivables. In certain circumstances, PF Servicing may be removed as Servicer, in which case the Back-Up Servicer may be appointed as the successor Servicer. See "*Description of the Servicing Agreement—Servicer Termination.*" The performance of PF Servicing as Servicer for the Issuer under the Servicing Agreement will be guaranteed by the Seller.

PF Servicing services all Receivables originated by the Seller (including by Oportun, LLC, the Seller's wholly-owned subsidiary that operates in Nevada and may, in the future, operate in other markets), and does not service receivables on behalf of any other persons. As of March 31, 2017, PF Servicing employed approximately 52 people in the United States and had approximately 517 people employed by its Mexican subsidiary or its third-party service providers in Mexico and Colombia that work on PF Servicing's collection activities. PF Servicing employs a credit and collections strategy that includes first payment reminder calls, manual and dialer-based calls, collection letters, text message campaigns (when the customer has agreed to receive SMS), regional collectors, and a legal staff that files small claims court cases and attends court hearings.

PF Servicing's collection activities involve a combination of efforts that take place at its contact centers in Jalostotitlan and Leon, Mexico, and a fully outsourced contact center in Barranquilla, Colombia, as well as regional centers in Dallas and Houston, Texas, and Los Angeles and Redwood City, California. Regional collection activities also occur by region with teams located in the major regions that PF Servicing serves. Oportun provides personalized visits as a service to customers only at the verbal request and approval of the customer. Personalized visits to a customer's residence are made only if the customer requests a visit in order to process a payment and/or execute loan documents for re-writes. Regional collectors also make phone calls from regional collections offices. PF Servicing maintains a predictive

dialer system and text message campaigns that have the capacity to contact thousands of delinquent customers per day. The Servicer may open additional contact centers in Mexico, Colombia or other countries as its managed portfolio grows.

PF Servicing's customer service personnel update customer account information (*e.g.*, phone numbers, addresses), enter updated billing information, handle disputes and complaints and process payments in person in retail locations or over the phone (via ACH). The customer service department may also offer additional services or products to customers after resolving their problems, such as encouraging the customer to sign up for recurring ACH payments.

Systems

The Seller and PF Servicing utilize the following programs and systems in its loan origination, underwriting and servicing activities:

The Seller and PF Servicing utilize proprietary loan origination and workflow management systems to facilitate the production and servicing of loans. These systems are accessed securely by CLRs at retail locations, contact center staff, customer service representatives, application verifiers and collectors. The systems enable them to facilitate the loan origination, underwriting, disbursement and servicing processes. The Seller employs a team of software and quality assurance engineers who are continuously building and improving its systems.

The key software modules underlying the workflow management system are the Risk Engine, Financial Accounting & Reporting Engine and Servicing Systems, as described below.

- Risk Engine – Automated, analytics-based decision model for approval and credit line assignment. It includes regional segmentation and third-party integrations to credit bureaus, address verification services, and other external data sources to aid in the risk assessment.

- Financial Accounting & Reporting Engine (the "**FE**") – Loan system of record that calculates principal, interest and late fees in compliance with applicable state lending laws. The set rates cannot be overridden or altered during the origination process. It includes an amortization table for each product offering and loan type.

- Servicing System – Supports payments, collections efforts, customer service, contact management and third-party phone number support.

The Seller's loan origination and servicing systems are designed to be highly available, resilient, scalable and secure. Supporting systems are deployed in a hybrid cloud environment that is hosted by data center and cloud service providers that are N+1 compliant, including Amazon Web Services, a subsidiary of a publicly traded company and a provider of highly scalable, secure and available cloud services, and Equinix, Inc., a publicly traded data center company.

The Seller's and the Servicer's IT services and applications are deployed across multiple data centers using network, telephony, server, storage, database and end user services hardware and operating systems. Infrastructure is designed to be load balanced across multiple sites and automatically scale up and down to meet peaks in demand and maintain good application performance. Mission critical applications and production databases are backed up on a daily basis. In the event of a catastrophic disaster affecting one of the Seller's or the Servicer's hosting facilities, production databases can be restored from a backup to minimize disruption of service. Furthermore, additional measures for operational recovery include real-time replication of production databases for quick failover.

All business critical systems and networks are monitored 24/7 by a security operations center to provide threat management services designed to proactively detect a threat before an impact occurs. For operation management, Oportun has developed a virtual 24/7 network operations center that proactively monitors critical networks, systems, databases and applications for issues and availability. Additional monitoring tools are in place to monitor performance of the network, applications and voice quality of contact center VOIP solutions.

The Seller is conducting a refresh of its Business Continuity Plan ("**BCP**") that will be completed in the fourth quarter of 2017. The BCP is intended to prepare the Seller in the event of an extended service outage either in multiple retail sites or its main "hubs." It covers various vulnerabilities, including natural disasters, which would affect its data centers, headquarters or retail locations. In addition to the recovery steps and communication protocols, the plan outlines roles and responsibilities for both command and control functions as well as members of its data recovery team.

Payment Processing

Loan payments due from customers are set according to an amortization schedule. All loans are fully amortizing and require bi-weekly or semi-monthly payments to coincide with a customer's wage payments. The Seller does not typically bill its customers, and accepts payments in the following ways:

- in its retail locations with the assistance of a CLR (except in regions where the Seller is operating on a mobile-only basis);

- via recurring ACH or one-time ACH payments from a customer's bank account, which can be set up automatically via the phone, in person at time of loan disbursement or any other time through the lifecycle of the loan (including in collections to pay a delinquent account); or

- via third-party bill payment services, including at MoneyGram outlets and at 7-Eleven and Family Dollar stores via a partnership with PayNearMe.

Customers previously had been able to make payments via payment kiosks in a small number of the Seller's retail locations provided by TIO Networks (but branded as the Seller), but that option was discontinued in October 2016.

The following table shows the monthly distribution of customer payments by payment type for the twelve-months ended March 31, 2017.

	Retail Location, Agent-Assisted	ACH (One-time and Recurring)	Third-Party	TIO Kiosks
Mar-17	45.3%	47.1%	7.6%	0.0%
Feb-17	45.2%	47.4%	7.4%	0.0%
Jan-17	45.3%	47.3%	7.4%	0.0%
Dec-16	45.2%	47.7%	7.1%	0.0%
Nov-16	45.4%	47.6%	7.1%	0.0%
Oct-16	45.0%	48.1%	6.9%	0.0%
Sep-16	45.2%	47.9%	6.7%	0.1%
Aug-16	45.4%	47.9%	6.5%	0.1%
Jul-16	45.2%	48.5%	6.1%	0.2%
Jun-16	45.8%	48.3%	5.8%	0.2%
May-16	46.4%	47.9%	5.5%	0.2%
Apr-16	46.5%	48.2%	5.2%	0.2%

The Servicer utilizes a tightly monitored process for handling customer payments. Central to this process is the Servicer's use of payment automation tools through its partnerships with Loomis Armored US, Inc. ("**Loomis**") and Bank of America, the Servicer's commercial bank. Loomis is a division of Loomis AB, a leading international provider of cash handling services, and provides the Servicer with smart safes as well as cash pickup, transport and deposit services. In addition, the Servicer's proprietary servicing system, which records customer payments in real time, and its reconciliation processes create a checks-and-balances system to reduce opportunities for human error, fraud or theft. For the twelve months ended March 31, 2017, the Servicer processed approximately $1.13 billion of customer payments and incurred less than 0.015% shrinkage.

Upon receipt by a CLR of a cash payment by a customer at a retail location, the payment information is entered into the Servicer's servicing system, which generates a receipt. Customers are informed at the time of loan disbursement to always expect a receipt after making a payment. The cash collected is inserted by the CLR into the bill feeder of a Loomis smart safe located in the retail location. Each smart safe is connected via the internet to Loomis's computer system. The smart safe counts the money and reports electronically to Loomis the amount deposited. At approximately midnight of every Business Day, Loomis's computer system generates a report of all the day's cash payments received in the Servicer's smart safes. This report is transmitted electronically the following day to the Servicer's bank, Bank of America, which at midnight of such day credits the total payment amount to the Servicer Account. Loomis assumes contractual responsibility for amounts deposited into its respective safes.

Loomis retrieves smart safe deposits at retail locations on a cycle of one to three times a week, depending on payment volume. Approximately 97% of these deposits relate to cash payments that already have been credited to the Servicer Account and therefore are retained by Loomis. The remainder includes checks, money orders, coins or currency not accepted by the bill feeder, which are deposited by Loomis into the Servicer Account. The Servicer's accounting team performs daily reconciliations between deposit amounts reported by Loomis and payment amounts entered into the Servicer's servicing system by the CLRs.

All payments that are received via ACH and third-party providers are transmitted via ACH to the Servicer Account at Bank of America and are reconciled on a daily basis by the Servicer's accounting team. As another check against potential misplaced funds, the Servicer makes reminder calls to customers

approximately one to three days after a missed payment. Any discrepancies as to reports of payment are researched and, if applicable, addressed with retail employees.

Subservicing

PF Servicing may delegate all or a portion of its duties as Servicer to one or more subservicers, contractors or agents (which may include affiliates of PF Servicing) after the Closing Date. Notwithstanding any such delegation of a duty, PF Servicing will remain obligated and liable for the performance of such duty as if it were performing such duty. Any subservicer retained by PF Servicing will be reimbursed by PF Servicing for certain expenditures that it makes, generally to the same extent PF Servicing would be reimbursed under the Servicing Agreement and Indenture.

Currently PF Servicing conducts collection activities from its contact centers in Jalostotitlan and Leon, Mexico, and a fully outsourced contact center in Barranquilla, Colombia, as well as regional centers in Dallas and Houston, Texas, and Los Angeles and Redwood City, California. Employees of PF Servicing's Mexican subsidiary as well as third-party agents at these servicing centers review electronically transmitted application materials, telephonically service loans and provide customer assistance to the largely Spanish-speaking customer base of the Seller. PF Servicing may open additional contact centers in Mexico, Colombia or other countries as its managed portfolio grows.

SERVICING STANDARDS

The following is a brief description of the servicing policies and procedures used by the Servicer as of the Closing Date to service the Receivables. As described above, the Credit and Collection Policy is subject to modifications. See "*Underwriting—Modifications of Credit and Collection Policies*" and "*Risk Factors—Modifications to the Credit and Collection Policies*" in this Memorandum. Additionally, in the event that the Back-Up Servicer becomes Successor Servicer, it will not be required to follow these servicing policies and procedures. See "*Risk Factors—Modifications to the Credit and Collection Policies*" and "*Risk Factors—Termination of PF Servicing as Servicer*."

The Servicer's credit policies and procedures are maintained by the Chief Credit Officer and the collection policies and procedures are maintained by the Chief Operations Officer. Material changes to policies and procedures are reviewed by in-house regulatory counsel and then subsequently approved by the Seller's internal Credit Risk Committee. Any changes to score cut-offs or underwriting criteria require the consent of the Seller's internal Credit Risk Committee. Major changes to credit policy require approval from both the internal Credit Risk Committee and the Compliance, Risk and Credit Policy Committee of the Board of Directors. See "*Seller's Consumer Loan Business—Overview*."

The Servicer employs a range of efforts to service the loans, including credit education during origination, payment reminder calls, manual and dialer-based calls, collection letters, text message campaigns (when the customer has agreed to receive SMS), regional collectors and, in California and Texas, legal efforts in small claims court. Repayment performance of customers is reported to credit bureaus, which bolsters collection efforts but also helps customers with consistent repayment histories build good credit.

The Servicer currently offers a one-time re-write to a small percentage of severely delinquent customers who have experienced a life-changing event impacting their ability to pay. The re-write program was implemented in the third quarter of 2008. When a loan is re-written, the customer signs a new loan document with a principal balance equal to the payoff balance of the original loan. The re-written loan will have a longer term than the remaining term of their original loan, thereby providing the customer with a lower, more manageable payment amount. No money is disbursed to the customer when a loan is re-

written. In order to qualify for a re-write, the customer must make one full payment before a lower payment structure is offered. Any re-writes that miss their first two full payments are charged off at the end of the month upon reaching 30 days delinquent. Performance of re-writes is tracked based upon original loan vintage, so low re-write activity does not materially distort charge-off tracking. Re-writes constitute approximately 2% to 3% of new loan vintages on average and, as of March 31, 2017, represented approximately 1.3% of the Seller's total loan portfolio outstanding. Re-written loans will be available to be purchased as Subsequently Purchased Receivables, subject to the applicable eligibility criteria.

In the future, the Servicer anticipates replacing the existing re-write program with a loan modification program that will be similar to the existing re-write program. Any loan so modified will be subject to the criteria applicable to Eligible Receivables at the time of its modification. The loan modification program will continue to help customers who can no longer afford their current loan payment and will also help good customers who have experienced a life event (e.g., loss of job, reduced job hours, injury, family emergency) to get back on track. A delinquent customer can qualify for a loan modification by making one payment to demonstrate his willingness to make a commitment to pay on a regular and recurring basis (a "willingness payment"). Alternatively, a delinquent customer who has been making consistent regular payments (at least three) without being able to pay the full amount past due may also qualify. The loan modification will result in a resetting of the contractual delinquency status of the loan to current but will not change the original pricing or conditions of the loan. The term of the loan may be extended if the customer desires a lower payment. The customer will not have to sign a new agreement. Loans that qualified for a loan modification by making one willingness payment will be charged-off at the end of the month immediately upon reaching 30 days delinquent if they miss their first two full payments (same policy as the existing rewrite program). Loan modifications for those customers that had been making consistent regular payments prior to the loan modification (at least three payments) will be charged-off at the standard 120 day charge-off policy. A loan can only be modified every twelve months or two times throughout the life of the loan. Loans that have been modified pursuant to the foregoing are restricted pursuant to the Concentration Limits to no more than 5% of the aggregate Outstanding Receivables Balance.

As part of its commitment to assisting customers build financial stability, the Seller launched a hardship program to help customers who have been unable to keep their loan current due to circumstances beyond their control. For customers who meet the qualifying criteria and demonstrate a willingness to work with PF Servicing, PF Servicing will temporarily halt collections activities on the loan, including phone calls, letters and legal activity. Collectors only offer this option after having first exhausted all negotiation efforts to bring the account current or lower the delinquency level of the account. The hardship program is expected to have less than 1% of the total portfolio enrolled in the program. Normal delinquency aging and charge-off policies continue to apply for accounts in the hardship program.

In addition, subject to the Credit and Collection Policies and the terms of the Transaction Documents, the Servicer may waive, modify or vary any term of any Receivable or consent to the postponement of strict compliance with any such term or in any manner grant indulgence to any Obligor if, in the Servicer's reasonable determination, such waiver, modification, postponement or indulgence is not materially adverse to the collectability of amounts due on such Receivable.

PF Servicing's small claims process focuses on delinquent customers who have the ability to repay their loans. Very delinquent customers are informed of PF Servicing's small claims process and that continuing to not make a payment may result in legal action. Currently PF Servicing only pursues accounts for legal action in certain counties in California and Texas with higher origination volumes. Once a customer becomes approximately 75 days delinquent, PF Servicing files small claims cases on delinquent customers who are at risk of charging off in the next 45 days if they fail to make a payment. Once the customer has been served by a process server, PF Servicing will attempt to reach an agreement with the

customer. Many of the delinquent borrowers will start to pay once they have been served in order to avoid the legal process. If the customer continues not to pay, PF Servicing will then seek a judgment. Once a judgment has been obtained, PF Servicing may seek to garnish wages if allowed by the state. Since its inception, PF Servicing has filed small claims cases on approximately 3.8% of loans originated and received judgments on approximately 1.3% of loans originated. Many of these cases result in loan payoff after a small claims case has been filed and before a judgment is rendered.

The Seller serves a population that many times has no credit profile or a thin credit profile. Because a typical customer has little or no debt, bankrupt borrowers represent approximately 2% of the balances that are charged off. Once PF Servicing receives a bankruptcy notice, the loan is marked as bankrupt in the Servicer's servicing system and all collection activities are ceased. To date, PF Servicing has not taken any special actions to collect on bankrupt accounts post-bankruptcy filing, though it retains the right to file claims on behalf of the Seller or the Issuer.

The Seller charges-off non-re-written loans that are 120 or more days delinquent at month-end. However, the Seller continues to make post-charge-off recovery efforts. Re-written loans that become 30 or more days delinquent and on which the first two scheduled payments are not made are charged-off. The Seller has achieved an average static pool principal net charge-off rate of approximately 5.5% to 6.5% since 2009. As of March 31, 2017, the Seller's total portfolio balance was approximately $1.03 billion and the percentage of loans with borrowers who were 30 days delinquent or greater or 60 days delinquent or greater was approximately 3.5% and 2.0%, respectively. Additionally, the Seller works with its customers after they experience financial hardships in order to help them re-establish their regular payment habits through its re-write and loan modification programs. As of March 31, 2017, approximately 1.3% of the Seller's total portfolio balance had been re-written. When the loan modification program is implemented, the balance of modified loans is anticipated to remain below 3% of the Seller's total portfolio of outstanding loans (and is subject to a 5% Concentration Limit).

THE RECEIVABLES

The statistical information presented in this Memorandum concerning the Receivables is based on the Outstanding Receivables Balances of the Receivables described herein as of the Statistical Calculation Date (the "**Statistical Pool**"), which is the close of business on April 12, 2017. The statistical characteristics as of the initial Cut-Off Date of the actual Receivables transferred to the Issuer on the Closing Date (the "**Receivables Pool**") may vary from the characteristics of the actual Receivables in the Statistical Pool. As a result of the foregoing, the statistical distribution of characteristics as of the Closing Date for the Receivables Pool will vary somewhat from the statistical distribution of such characteristics as of the Statistical Calculation Date as presented in this Memorandum. The Seller believes, however, that the characteristics of the Receivables Pool as of the initial Cut-Off Date will not differ materially from the characteristics of the Statistical Pool as of the Statistical Calculation Date, and the Receivables must satisfy the eligibility criteria described in "*Description of the Purchase Agreement.*" In addition, after the Closing Date, a significant number of additional Receivables may be purchased by the Issuer and added to the Receivables Pool from time to time during the Revolving Period. Such additional Receivables must also meet the eligibility criteria and are subject to the Concentration Limits at the time of acquisition by the Issuer, which are designed to help maintain a consistent credit profile for the Receivables Pool notwithstanding the purchase by the Issuer of additional Receivables. See "*Description of the Purchase Agreement—Purchase of Receivables*"; "*Description of the Purchase Agreement—Certain Representations and Warranties*"; "*Description of the Purchase Agreement—Repurchase Payments*" in this Memorandum. Nevertheless, the statistical distribution of the characteristics of the Receivables Pool likely will vary over time and may vary significantly. See "*Risk Factors—Receivables Acquired by the Issuer or Removed from the Trust Estate During the Revolving Period.*"

The Receivables in the Statistical Pool are comprised of loan repayments owing under unsecured amortizing consumer installment loan contracts. As of the Statistical Calculation Date, the Receivables in the Statistical Pool ranged in original size from approximately $299 to $7,102, with terms ranging from approximately 6 to 39 months. The Seller charges fixed rates of interest on its loans, determined on a sliding scale based upon the amount disbursed. As of the Statistical Calculation Date, these rates ranged from approximately 15.0% to 60.9% with a weighted average of approximately 32.8%. Generally, loan size and term are correlated to ensure relatively constant loan payments.

As of March 31, 2017, the median age of the Seller's loan customers was approximately 38. The average number of dependents was approximately 1, and average annual gross income was approximately $37,799. The customers spent an average of approximately 6.3 years at the same address, and an average of approximately 5.8 years with the same employer. Approximately 37% of new customers had no credit score, and those with credit scores had an average VantageScore of approximately 666.

All loans in California, Nevada, Utah, Arizona, Missouri and New Mexico, as well as all loans in Texas greater than $1,320, bear simple interest, and the origination fee is capitalized as part of the principal balance at the time the loan is disbursed. Loans in Texas less than or equal to $1,320 bear simple interest, and the origination fee is collected in equal installments over the life of the loan. Loans in Illinois bear simple interest, and the origination fee is paid before any principal payments are made. All loans are fully amortizing and typically require bi-weekly or semi-monthly payments, whichever schedule coincides with a customer's wage payments. For all loans in all states, the origination fee is earned in full at the time of origination.

The Seller charges origination fees between 5% and 8% of the loan amount not to exceed a maximum amount between $15 and $150 depending upon the state of origination and loan amount.

The Seller charges late fees of approximately $5 to $15 (exact amount depends on loan payment frequency) if a scheduled installment payment becomes between 6 and 14 days delinquent depending upon the state of origination and loan amount. The Seller does not charge more than one late fee per delinquent installment payment or two late fees in a rolling 30 day period. The Servicer has discretion to waive such late fees in accordance with the Credit and Collection Policies.

In determining which Receivables to sell to the Issuer after the Closing Date, pursuant to the Purchase Agreement, the Seller will identify assets that satisfy the definition of Eligible Receivables, and to the extent the assets available for sale based on that criterion exceed the Issuer's capacity to purchase Receivables at such time, the Seller will use a random selection process to select which of the Eligible Receivables to sell to the Issuer.

Composition of the Statistical Pool

The following tables present certain statistical information regarding the composition of the Contracts pursuant to which Receivables comprising the Statistical Pool were originated, as of the Statistical Calculation Date:

Distribution of Contracts in the Statistical Pool by Outstanding Receivables Balance as of the Statistical Calculation Date

Outstanding Receivables Balance Range	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) (1)	Weighted Average Age (in months) (1)	Renewal % (2)	Weighted Average Interest Rate (1)
$0.01 - $500.00	11,321	$3,237,104	1.72%	12	7	40.06%	34.608%
$500.01 - $1,000.00	14,636	$11,058,539	5.87%	15	6	46.40%	34.843%
$1,000.01 - $1,500.00	11,932	$14,860,540	7.89%	18	7	65.95%	33.721%
$1,500.01 - $2,000.00	9,919	$17,284,622	9.18%	22	8	76.51%	32.696%
$2,000.01 - $2,500.00	9,253	$20,707,982	11.00%	23	7	60.03%	33.357%
$2,500.01 - $3,000.00	7,721	$21,129,682	11.23%	25	7	77.60%	33.131%
$3,000.01 - $3,500.00	4,929	$15,942,380	8.47%	28	7	86.46%	32.718%
$3,500.01 - $4,000.00	6,213	$23,278,718	12.37%	28	4	83.27%	32.827%
$4,000.01 - $4,500.00	2,705	$11,412,881	6.06%	30	3	84.19%	32.385%
$4,500.01 - $5,000.00	3,557	$16,819,151	8.94%	31	4	58.25%	33.124%
$5,000.01 - $5,500.00	1,907	$10,015,572	5.32%	31	3	88.75%	31.338%
$5,500.01 - $6,000.00	1,785	$10,225,878	5.43%	31	2	93.26%	30.811%
$6,000.01 - $6,500.00	2,003	$12,264,142	6.52%	31	1	91.49%	30.267%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(2) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

Distribution of Contracts in the Statistical Pool by Original Receivables Balance as of the Statistical Calculation Date

Original Receivables Balance Range [1]	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [2]	Weighted Average Age (in months) [2]	Renewal % [3]	Weighted Average Interest Rate [2]
$0.01 - $500.00	2,520	$479,478	0.25%	8	3	24.10%	38.082%
$500.01 - $1,000.00	8,780	$4,321,998	2.30%	10	3	32.42%	36.661%
$1,000.01 - $1,500.00	11,899	$9,808,485	5.21%	13	3	34.96%	35.330%
$1,500.01 - $2,000.00	8,734	$10,413,591	5.53%	17	4	72.38%	32.608%
$2,000.01 - $2,500.00	6,187	$9,595,691	5.10%	20	5	83.73%	32.415%
$2,500.01 - $3,000.00	9,280	$18,186,378	9.66%	21	5	46.38%	34.213%
$3,000.01 - $3,500.00	8,010	$17,723,221	9.42%	23	6	76.74%	33.691%
$3,500.01 - $4,000.00	5,397	$14,366,928	7.63%	27	7	93.98%	33.504%
$4,000.01 - $4,500.00	11,048	$34,425,227	18.29%	28	6	83.88%	32.465%
$4,500.01 - $5,000.00	2,858	$10,405,621	5.53%	31	6	94.43%	32.098%
$5,000.01 - $5,500.00	6,998	$25,860,358	13.74%	31	7	59.45%	32.782%
$5,500.01 - $6,000.00	1,753	$8,642,007	4.59%	31	4	99.00%	30.675%
$6,000.01 - $6,500.00	3,986	$21,545,907	11.45%	31	3	89.82%	30.513%
$6,500.01 - $7,000.00	187	$1,094,317	0.58%	31	3	100.00%	29.188%
$7,000.01 - $7,500.00	244	$1,367,985	0.73%	31	6	100.00%	28.275%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) Original Receivables Balance of any Contract represents the Outstanding Receivables Balance of such Contract as of the date it was originally entered into.

(2) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(3) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

Distribution of Contracts in the Statistical Pool by Interest Rate as of the Statistical Calculation Date

Interest Rate Range	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [1]	Weighted Average Age (in months) [1]	Renewal % [2]	Weighted Average Interest Rate [1]
15.001% - 20.000%	539	$288,159	0.15%	10	3	75.09%	17.789%
20.001% - 25.000%	1,409	$1,428,105	0.76%	18	4	91.97%	23.345%
25.001% - 30.000%	18,557	$49,380,651	26.23%	27	5	81.46%	28.646%
30.001% - 35.000%	29,859	$79,371,619	42.17%	28	6	96.57%	32.625%
35.001% - 40.000%	34,839	$55,741,845	29.61%	22	4	37.67%	36.416%
40.001% - 45.000%	1,255	$922,595	0.49%	12	4	53.22%	42.662%
45.001% - 50.000%	932	$621,408	0.33%	11	2	59.60%	47.462%
50.001% - 55.000%	367	$346,178	0.18%	12	1	68.33%	51.858%
55.001% - 60.000%	121	$133,331	0.07%	14	0	0.90%	57.046%
60.001% - 65.000%	3	$3,300	*	19	0	0.00%	60.623%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(2) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

* Greater than zero but less than 0.005%.

Distribution of Contracts in the Statistical Pool by Days Delinquent as of the Statistical Calculation Date

Days Delinquent	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [1]	Weighted Average Age (in months) [1]	Renewal % [2]	Weighted Average Interest Rate [1]
0	82,549	$179,478,245	95.35%	26	5	74.70%	32.751%
1 - 29	5,332	$8,758,946	4.65%	24	7	73.48%	32.986%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(2) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

Distribution of Contracts in the Statistical Pool by Age as of the Statistical Calculation Date

Age (in months)	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [1]	Weighted Average Age (in months) [1]	Renewal % [2]	Weighted Average Interest Rate [1]
0	6,936	$20,258,563	10.76%	26	0	76.22%	32.654%
1 - 5	49,327	$114,914,025	61.05%	25	3	71.08%	32.915%
6 - 10	14,577	$25,427,500	13.51%	24	8	77.20%	33.306%
11 - 15	8,993	$15,168,852	8.06%	27	13	86.01%	31.882%
16 - 20	5,636	$9,985,533	5.30%	30	18	86.44%	31.421%
21 - 25	1,795	$2,135,677	1.13%	30	22	84.10%	31.765%
26 - 30	614	$346,144	0.18%	31	27	79.66%	31.886%
31	3	$897	*	33	31	100.00%	30.724%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(2) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

* Greater than zero but less than 0.005%.

Distribution of Contracts in the Statistical Pool by Original Term as of the Statistical Calculation Date

Original Term (in months) [1]	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [2]	Weighted Average Age (in months) [2]	Renewal % [3]	Weighted Average Interest Rate [2]
6	3	$305	*	6	4	0.00%	34.762%
7 - 12	14,770	$7,699,973	4.09%	10	3	32.77%	35.576%
13 - 18	15,212	$15,511,684	8.24%	15	4	57.78%	34.149%
19 - 24	21,916	$40,102,875	21.30%	21	5	62.59%	33.555%
25 - 30	20,325	$59,321,283	31.51%	28	6	85.65%	32.748%
31 - 36	15,558	$65,347,299	34.72%	31	5	80.93%	31.637%
37 - 39	97	$253,773	0.13%	37	7	86.33%	30.222%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) Original Term represents the number of months to maturity of a Contract as of the date it was originally entered into. Only Contracts with an Outstanding Receivables Balance as of the Statistical Calculation Date are reflected herein.

(2) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(3) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

* Greater than zero but less than 0.005%.

Distribution of Contracts in the Statistical Pool by State as of the Statistical Calculation Date

State [1]	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [2]	Weighted Average Age (in months) [2]	Renewal % [3]	Weighted Average Interest Rate [2]
California	64,054	$135,797,791	72.14%	26	5	76.15%	33.517%
Texas	15,381	$37,008,155	19.66%	26	5	74.69%	29.285%
Illinois	4,460	$8,792,659	4.67%	25	5	71.56%	34.980%
Nevada	1,680	$3,157,429	1.68%	24	5	57.26%	32.973%
Utah	1,055	$1,825,242	0.97%	23	3	65.16%	34.689%
Arizona	1,251	$1,655,915	0.88%	21	3	9.66%	34.217%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) State represents the State within the United States in which the Contract was originally executed.

(2) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(3) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

Distribution of Contracts in the Statistical Pool by ADS Score as of the Statistical Calculation Date

ADS Score Range [1]	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [2]	Weighted Average Age (in months) [2]	Renewal % [3]	Weighted Average Interest Rate [2]
<= 260	2	$508	*	7	1	0.00%	35.174%
261 - 500	103	$44,052	0.02%	15	4	80.47%	30.979%
501 - 600	1,455	$899,579	0.48%	15	4	67.14%	33.464%
601 - 700	13,741	$15,897,978	8.45%	19	4	68.64%	33.824%
701 - 800	38,951	$78,643,090	41.78%	25	5	66.80%	33.474%
801 - 900	30,541	$83,418,270	44.32%	28	5	80.57%	32.119%
901 - 1,000	3,088	$9,333,715	4.96%	29	6	98.62%	30.643%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) ADS Score means the credit score for an Obligor referred to as the "Alternative Data Score" determined by the Seller in accordance with its proprietary scoring method.

(2) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(3) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

* Greater than zero but less than 0.005%.

Distribution of Contracts in the Statistical Pool by PF Score as of the Statistical Calculation Date

PF Score Range [1]	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [2]	Weighted Average Age (in months) [2]	Renewal % [3]	Weighted Average Interest Rate [2]
Unavailable	15,158	$23,073,680	12.26%	22	5	58.62%	33.544%
101 - 400	311	$277,609	0.15%	22	8	92.52%	33.427%
401 - 500	1,633	$1,761,175	0.94%	22	6	92.92%	32.433%
501 - 600	9,713	$12,756,218	6.78%	21	6	85.35%	33.171%
601 - 700	24,647	$49,157,379	26.11%	24	5	83.66%	32.804%
701 - 800	22,967	$62,991,801	33.46%	28	5	75.58%	32.470%
801 - 900	10,243	$29,343,163	15.59%	28	6	67.76%	32.537%
901 - 1,000	2,787	$7,752,677	4.12%	29	6	64.55%	32.675%
1,001 - 1,200	422	$1,123,489	0.60%	28	5	51.07%	33.446%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) PF Score means the credit score for an Obligor referred to as the "PF Score" determined by the Seller in accordance with its proprietary scoring method.

(2) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(3) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

Distribution of Contracts in the Statistical Pool by VantageScore as of the Statistical Calculation Date

VantageScore Range [1]	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Weighted Average Original Term (in months) [2]	Weighted Average Age (in months) [2]	Renewal % [3]	Weighted Average Interest Rate [2]
Unavailable	15,147	$23,040,507	12.24%	22	5	58.57%	33.544%
501 - 600	7,241	$11,565,611	6.14%	23	5	82.18%	32.721%
601 - 700	48,509	$110,090,307	58.48%	26	5	78.38%	32.615%
701 - 800	15,415	$39,287,725	20.87%	27	5	72.72%	32.674%
801 - 1,000	1,569	$4,253,041	2.26%	27	4	62.22%	33.243%
Total:	**87,881**	**$188,237,191**	**100.00%**	**26**	**5**	**74.64%**	**32.762%**

(1) VantageScore is the credit score for an Obligor referred to as a "VantageScore" calculated and reported by any one of Equifax Inc., Experian plc, or TransUnion.

(2) Weighted Average Original Term, Weighted Average Age and Weighted Average Interest Rate each represents a weighted average by Outstanding Receivables Balance.

(3) Renewal % represents the percentage of Receivables that are renewal Receivables by Outstanding Receivables Balance.

Delinquency and Default Experience of Sponsor and its Subsidiaries

The following tables set forth the historical delinquency and default experience with respect to all receivables originated by the Sponsor and its subsidiaries ("**Sponsor Group Receivables**") for each of the periods or at each of the dates shown, as applicable. There can be no assurance that the delinquency and default experience for the Issuer with respect to the Receivables will be similar to the historical experience set forth below.

Delinquency Experience of Sponsor Group Receivables

			30-59 Days Delinquent		
Date	Number of Contracts	Total Outstanding Receivables Balance	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance
3/31/2017	487,985	$1,027,471,833	10,350	$15,898,489	1.5%
12/31/2016	492,031	$1,025,472,262	12,181	$17,528,355	1.7%
9/30/2016	449,547	$905,763,981	9,651	$12,838,235	1.4%
6/30/2016	416,503	$803,949,844	8,547	$10,418,225	1.3%
3/31/2016	401,210	$720,562,924	7,765	$9,137,703	1.3%
12/31/2015	403,816	$708,640,557	10,151	$11,628,164	1.6%
9/30/2015	367,564	$607,107,085	8,720	$9,696,065	1.6%
6/30/2015	331,928	$517,917,948	7,403	$7,712,195	1.5%
3/31/2015	307,353	$453,506,564	6,205	$6,376,885	1.4%
12/31/2014	296,420	$437,122,374	7,160	$7,494,116	1.7%
9/30/2014	253,190	$351,528,079	6,381	$6,349,994	1.8%
6/30/2014	223,760	$291,444,749	5,493	$5,210,302	1.8%
3/31/2014	202,908	$253,578,769	4,359	$3,983,706	1.6%
12/31/2013	197,554	$253,371,009	5,230	$4,996,068	2.0%
9/30/2013	171,236	$214,774,615	4,124	$3,699,076	1.7%
6/30/2013	152,918	$177,829,459	3,188	$2,693,869	1.5%
3/31/2013	143,847	$158,387,619	2,945	$2,497,087	1.6%
12/31/2012	143,915	$160,873,320	4,100	$3,305,290	2.1%
9/30/2012	133,652	$133,202,366	3,442	$2,458,401	1.8%
6/30/2012	122,883	$105,509,462	2,760	$1,806,610	1.7%
3/31/2012	116,116	$95,316,852	2,636	$1,758,527	1.8%
12/31/2011	114,346	$102,114,547	3,120	$2,270,998	2.2%
9/30/2011	93,771	$81,256,791	2,559	$1,679,051	2.1%
6/30/2011	79,262	$62,731,742	2,150	$1,251,264	2.0%
3/31/2011	67,275	$50,717,342	1,663	$1,065,040	2.1%
12/31/2010	59,041	$48,090,305	1,681	$1,110,906	2.3%
9/30/2010	40,783	$33,138,085	867	$524,943	1.6%
6/30/2010	26,582	$19,966,420	571	$284,498	1.4%
3/31/2010	18,204	$11,965,853	478	$241,618	2.0%
12/31/2009	14,177	$9,497,786	413	$196,519	2.1%
9/30/2009	10,318	$6,419,323	397	$186,689	2.9%
6/30/2009	8,589	$5,121,407	347	$156,432	3.1%
3/31/2009	8,362	$4,966,394	376	$201,405	4.1%
12/31/2008	8,511	$5,294,690	397	$226,465	4.3%
9/30/2008	7,937	$4,912,189	344	$194,551	4.0%

Delinquency Experience of Sponsor Group Receivables (continued)

	60-89 Days Delinquent			90-119 Days Delinquent		
Date	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance	Number of Contracts	Outstanding Receivables Balance	% of Total Outstanding Receivables Balance
3/31/2017	8,142	$11,489,153	1.1%	6,496	$8,680,915	0.8%
12/31/2016	8,211	$11,233,704	1.1%	6,654	$8,258,277	0.8%
9/30/2016	7,309	$9,255,563	1.0%	6,096	$7,185,088	0.8%
6/30/2016	6,440	$7,491,540	0.9%	4,672	$5,132,325	0.6%
3/31/2016	6,220	$7,168,566	1.0%	5,378	$5,849,044	0.8%
12/31/2015	8,000	$8,878,952	1.3%	5,940	$6,307,323	0.9%
9/30/2015	7,045	$7,526,385	1.2%	5,323	$5,462,011	0.9%
6/30/2015	5,559	$5,685,002	1.1%	3,931	$3,868,265	0.7%
3/31/2015	4,900	$5,109,896	1.1%	3,802	$3,904,316	0.9%
12/31/2014	5,549	$5,596,994	1.3%	4,026	$3,958,228	0.9%
9/30/2014	4,849	$4,617,709	1.3%	3,508	$3,262,799	0.9%
6/30/2014	3,871	$3,445,399	1.2%	3,048	$2,753,853	0.9%
3/31/2014	3,272	$3,082,910	1.2%	2,822	$2,571,679	1.0%
12/31/2013	3,472	$3,131,710	1.2%	2,824	$2,540,073	1.0%
9/30/2013	2,920	$2,550,336	1.2%	2,433	$2,011,151	0.9%
6/30/2013	2,652	$2,185,174	1.2%	1,995	$1,620,534	0.9%
3/31/2013	2,432	$2,047,960	1.3%	2,204	$1,711,071	1.1%
12/31/2012	3,071	$2,396,460	1.5%	2,458	$1,723,681	1.1%
9/30/2012	2,790	$1,866,994	1.4%	2,186	$1,379,455	1.0%
6/30/2012	2,578	$1,676,810	1.6%	1,978	$1,244,952	1.2%
3/31/2012	2,094	$1,498,029	1.6%	1,936	$1,344,490	1.4%
12/31/2011	2,366	$1,662,864	1.6%	1,919	$1,270,202	1.2%
9/30/2011	2,050	$1,271,905	1.6%	1,476	$869,151	1.1%
6/30/2011	1,798	$1,080,356	1.7%	1,085	$627,953	1.0%
3/31/2011	1,445	$932,487	1.8%	986	$630,714	1.2%
12/31/2010	1,034	$641,795	1.3%	654	$405,533	0.8%
9/30/2010	635	$369,304	1.1%	413	$223,379	0.7%
6/30/2010	396	$204,023	1.0%	283	$133,874	0.7%
3/31/2010	262	$134,337	1.1%	200	$104,558	0.9%
12/31/2009	283	$138,125	1.5%	170	$82,781	0.9%
9/30/2009	248	$97,270	1.5%	201	$82,923	1.3%
6/30/2009	291	$137,819	2.7%	194	$97,220	1.9%
3/31/2009	263	$146,399	2.9%	195	$111,901	2.3%
12/31/2008	297	$168,670	3.2%	215	$121,643	2.3%
9/30/2008	262	$148,563	3.0%	166	$91,533	1.9%

Default Experience of Sponsor Group Receivables

	Quarterly Vintage						
	Q1 2015	**Q2 2015**	**Q3 2015**	**Q4 2015**	**Q1 2016**	**Q2 2016**	**Q3 2016**
Aggregate Original Receivables Balance	$148,871,599	$202,058,292	$241,037,003	$272,201,796	$200,305,499	$275,254,938	$306,124,439

	Yearly Vintage						
	2008	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Aggregate Original Receivables Balance	$10,195,675	$15,660,418	$73,621,305	$162,184,517	$243,613,517	$347,480,798	$566,146,008

Cumulative Net Principal Defaults
as a Percentage of Original Principal Balance

Months of Seasoning	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016
1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
6	0.9%	1.2%	1.1%	0.9%	0.7%	0.9%	1.0%
7	1.5%	2.0%	1.8%	1.4%	1.3%	1.6%	1.7%
8	2.2%	2.8%	2.4%	1.9%	1.9%	2.3%	
9	2.8%	3.5%	3.0%	2.5%	2.4%	3.0%	
10	3.4%	4.0%	3.5%	2.9%	3.1%	3.6%	
11	3.9%	4.4%	3.9%	3.4%	3.6%		
12	4.3%	4.8%	4.3%	3.9%	4.1%		
13	4.6%	5.2%	4.7%	4.3%	4.5%		
14	4.9%	5.5%	5.1%	4.8%			
15	5.1%	5.9%	5.4%	5.1%			
16	5.3%	6.1%	5.8%	5.4%			
17	5.5%	6.4%	6.0%				
18	5.7%	6.6%	6.3%				
19	5.9%	6.8%	6.5%				
20	6.0%	7.0%					
21	6.2%	7.2%					
22	6.3%	7.3%					
23	6.4%						
24	6.4%						
25	6.5%						

Cumulative Net Principal Defaults
as a Percentage of Total Original Receivables Balance (continued)

Months of Seasoning	2008	2009	2010	2011	2012	2013	2014
1	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%
6	1.3%	1.0%	1.2%	1.3%	1.0%	0.9%	0.9%
7	3.2%	1.9%	2.1%	2.1%	1.7%	1.5%	1.6%
8	4.6%	2.8%	3.1%	3.0%	2.4%	2.1%	2.2%
9	5.8%	3.6%	3.9%	3.7%	3.0%	2.7%	2.8%
10	6.6%	4.2%	4.6%	4.3%	3.5%	3.2%	3.3%
11	7.4%	4.7%	5.1%	4.8%	3.9%	3.6%	3.7%
12	8.1%	5.0%	5.5%	5.1%	4.3%	4.0%	4.1%
13	8.4%	5.2%	5.9%	5.4%	4.6%	4.3%	4.4%
14	8.7%	5.4%	6.1%	5.7%	4.9%	4.6%	4.7%
15	8.8%	5.4%	6.3%	5.9%	5.1%	4.8%	5.0%
16	8.9%	5.5%	6.3%	6.0%	5.3%	5.0%	5.2%
17	8.9%	5.5%	6.4%	6.1%	5.4%	5.2%	5.4%
18	8.9%	5.5%	6.4%	6.2%	5.5%	5.3%	5.6%
19	8.9%	5.5%	6.4%	6.2%	5.5%	5.4%	5.7%
20	8.9%	5.5%	6.4%	6.2%	5.6%	5.4%	5.8%
21	8.9%	5.4%	6.4%	6.2%	5.6%	5.5%	5.9%
22	8.9%	5.4%	6.4%	6.2%	5.6%	5.5%	5.9%
23	8.9%	5.4%	6.4%	6.2%	5.6%	5.6%	6.0%
24	8.8%	5.4%	6.4%	6.2%	5.6%	5.6%	6.0%
25	N/A	N/A	N/A	N/A	5.6%	5.6%	6.0%
26	N/A	N/A	N/A	N/A	5.6%	5.6%	6.1%
27	N/A	N/A	N/A	N/A	5.6%	5.6%	6.1%
28	N/A	N/A	N/A	N/A	5.6%	5.6%	6.1%
29	N/A	N/A	N/A	N/A	5.6%	5.6%	
30	N/A	N/A	N/A	N/A	5.6%	5.6%	
31	N/A	N/A	N/A	N/A	5.5%	5.6%	
32	N/A	N/A	N/A	N/A	5.5%	5.6%	
33	N/A	N/A	N/A	N/A	5.5%	5.6%	
34	N/A	N/A	N/A	N/A	5.5%	5.6%	
35	N/A	N/A	N/A	N/A	5.5%	5.5%	
36	N/A	N/A	N/A	N/A	5.5%	5.5%	

Maturity and Prepayment Assumptions

All the Receivables are prepayable by the Obligors without penalty. See "*Risk Factors—Yield Considerations*." If prepayments are received on the Receivables during the Amortization Period, the actual weighted average life of the Receivables may be shorter than the scheduled weighted average life (*i.e.*, the weighted average life assuming that payments will be made as scheduled and that no prepayments will be made). For this purpose, the term "prepayments" includes:

- voluntary prepayments by Obligors;
- liquidations due to default;
- purchases of Receivables by the Seller as a result of specified breaches of representations, warranties or covenants.

"**Weighted Average Life**" or "**WAL**" refers to the average amount of time from the date of issuance of a security until each dollar of principal of the security is repaid to the investor. The weighted average lives of the Class A Notes and the Class B Notes will be influenced by (among other things) the rate at which principal payments (including scheduled payments and prepayments) on the Receivables are made during the Amortization Period. Principal payments on Receivables may be in the form of scheduled payments or prepayments (for this purpose, the term "prepayment" includes prepayments and liquidations due to a default). The prepayment methodology used in this Memorandum, the constant prepayment rate or "**CPR**," represents an assumed annualized rate of prepayment relative to the then outstanding balance on a pool of Receivables. The CPR assumes that a fraction of the outstanding Receivable pool is prepaid on each Payment Date, which implies that each Receivable in the Receivable pool is equally likely to prepay. This fraction, expressed as a percentage, is annualized to arrive at the CPR for the Initial Hypothetical Receivables and the Subsequent Hypothetical Receivables (discussed below). The CPR measures prepayments based on the Outstanding Receivables Balance on the previous Payment Date. The CPR further assumes that each Receivable will be either paid as scheduled or prepaid in full. The actual weighted average life of the Receivables may be increased by any re-writes or re-ages of the Receivables. See "*Servicing Standards*." Any reinvestment risks resulting from a faster or slower incidence of prepayment of Receivables will be borne by the Noteholders. See also "*Description of the Notes—Optional Redemption*" regarding the Issuer's right to elect to redeem the Notes.

The Scheduled Amortization Period Commencement Date for the Notes is June 1, 2020, assuming, among other things, (a) prepayments with respect to the Receivables are received at a rate of 30% CPR and (b) the modeling assumptions (as described below) apply.

The "**Initial Hypothetical Receivables**" is a pool of loans equal to those Receivables as of the Statistical Calculation Date. The table below represents the Initial Hypothetical Receivables that have been further segregated into 23 hypothetical receivables pools having the characteristics set forth in the table below.

Hypothetical Receivables Pool Number	Unpaid Principal Balance	Original Principal Balance	Interest Rate	Original Loan Term (months)	Loan Age (months)	Renewal Flag
1	$305.03	$915.00	34.762%	6	4	No
2	$2,442,046.77	$4,056,803.63	36.318%	8	2	No
3	$2,734,780.59	$4,285,161.66	36.236%	11	3	No
4	$4,587,498.95	$6,458,451.72	35.454%	13	3	No
5	$1,961,328.67	$3,068,791.31	35.639%	16	4	No
6	$9,874,098.94	$12,942,933.11	34.007%	19	4	No
7	$5,127,115.09	$7,091,768.93	34.459%	22	5	No
8	$2,884,861.34	$3,591,514.47	34.821%	25	5	No
9	$5,625,435.69	$7,071,078.77	35.600%	29	6	No
10	$11,753,704.53	$14,664,794.85	35.493%	31	5	No
11	$710,828.85	$832,498.49	35.962%	34	5	No
12	$34,684.68	$41,277.70	32.489%	37	6	No
13	$965,695.14	$1,525,437.95	33.894%	8	2	Yes
14	$1,557,450.38	$2,281,533.73	34.298%	11	3	Yes
15	$3,266,588.02	$4,625,284.28	34.192%	13	3	Yes
16	$5,696,268.40	$8,366,826.12	32.561%	16	4	Yes
17	$7,098,212.22	$10,253,932.95	32.874%	19	5	Yes
18	$18,003,448.44	$25,549,080.44	33.317%	22	6	Yes
19	$14,310,156.20	$20,270,928.43	32.807%	25	6	Yes
20	$36,500,829.48	$49,030,930.43	32.122%	29	6	Yes
21	$50,408,393.24	$64,325,299.95	30.718%	31	5	Yes
22	$2,474,371.98	$2,947,459.63	30.805%	34	5	Yes
23	$219,088.34	$260,138.75	29.863%	37	7	Yes

Each "**Subsequent Hypothetical Receivables**" consists of two hypothetical receivables pools of Contracts with the following characteristics that will be acquired during the Revolving Period.

Hypothetical Receivables Pool Number	Portion of Subsequent Receivables	Interest Rate	Original Loan Term (months)	Loan Age (months)	Renewal Flag	Purchase Price (% of Principal Balance)
24	25.00%	35.138%	22	0	No	100%
25	75.00%	31.955%	27	0	Yes	100%

In addition, the following assumptions have been used in preparing the tables below:

- all prepayments on the Receivables each month are made in full at the specified monthly CPR and there are no defaults, losses or repurchases;
- commencing in June 2017 and continuing to the end of the Revolving Period, all amounts in the Collection Account (in excess of the Required Monthly Payments) are used to purchase Receivables (that have the characteristics of the Subsequent Hypothetical Receivables listed above) so long as the Coverage Test is satisfied;
- payments on the Receivables are made once a month commencing in June 2017, each scheduled monthly payment on the Receivables is made on the last day of each month, whether or not such day is a Business Day, and each month has 30 days; except for June 2017, which has 25 days;
- the initial principal amounts of the Class A Notes and the Class B Notes are equal to $131,766,000 and $28,235,000, respectively;
- interest accrues on the Class A Notes at 3.23% per annum and the Class B Notes at 3.97% per annum, and Monthly Interest is calculated as the product of (i)(A) for the First Payment

Date, a fraction, the numerator of which is the actual number of days in the related Interest Period (based on a 30-day month) and the denominator of which is 360, and (B) for any Payment Date thereafter, one-twelfth (1/12), (ii) the related note rate and (iii) outstanding principal balance of the related class of notes as of the immediately preceding Payment Date (after giving effect to any payments of principal on such Payment Date) or with respect to the First Payment Date, as of the Closing Date;

- the initial Cut-Off Date for the Receivables is the close of business on June 5, 2017;
- payments on the Notes are made on the 8th day of each month commencing in July 2017 whether or not such day is a Business Day;
- the Series 2017-A Notes are purchased on June 8, 2017;
- the Revolving Period continues uninterrupted until the Scheduled Amortization Period Commencement Date and no Rapid Amortization Event, Servicer Default or Event of Default occurs;
- the Issuer does not exercise its optional redemption (except for purposes of the "WAL to Optional Redemption (years)" specified in the table below, which assumes that the Issuer exercises its optional redemption on the first Payment Date following the Scheduled Amortization Period Commencement Date);
- the Servicer receives a monthly servicing fee equal to the product of (i) 5.000%, (ii) the aggregate Outstanding Receivables Balance as of the first day of the related Monthly Period (or, in the case of the First Payment Date, the initial Cut-Off Date) and (iii)(A) for the First Payment Date, a fraction, the numerator of which is the actual number of days between the assumed purchase date of the Series 2017-A Notes and the First Payment Date (based on a 30-day month) and the denominator of which is 360, and (B) for any Payment Date thereafter, one-twelfth (1/12);
- the Back-Up Servicer receives a monthly fee equal to $9,000;
- the Trustee receives a monthly fee equal to $2,100;
- all other fees and expenses are assumed to be zero; and
- the Required Overcollateralization Amount is $28,236,191.

The table below was created relying on the assumptions listed above. The table indicates the percentages of the original principal amounts of the Class A Notes and Class B Notes that would be outstanding on the assumed purchase date of the Series 2017-A Notes and after each of the listed Payment Dates if certain percentages of CPR are assumed. The table also indicates the corresponding weighted average life of the Class A Notes and Class B Notes if the same percentages of CPR are assumed.

The foregoing assumptions are known as the "modeling assumptions." Since the table below was prepared on the basis of the modeling assumptions, there will be discrepancies between the characteristics of the actual Receivables and the characteristics of the Receivables assumed in preparing the table. Any of the discrepancies may have an effect upon the percentages of the initial principal balance for the Class A Notes and Class B Notes outstanding and the weighted average lives of the Class A Notes and Class B Notes set forth in the table. In addition, since the actual Receivables have characteristics which differ from those assumed in preparing the table set forth below, the related weighted average life may be longer or shorter than indicated in the table.

Date	10% CPR	20% CPR	30% CPR	40% CPR	50% CPR
June 08, 17	100.00%	100.00%	100.00%	100.00%	100.00%
Jul 08, 17	100.00	100.00	100.00	100.00	100.00
Aug 08, 17	100.00	100.00	100.00	100.00	100.00
Sep 08, 17	100.00	100.00	100.00	100.00	100.00
Oct 08, 17	100.00	100.00	100.00	100.00	100.00
Nov 08, 17	100.00	100.00	100.00	100.00	100.00
Dec 08, 17	100.00	100.00	100.00	100.00	100.00
Jan 08, 18	100.00	100.00	100.00	100.00	100.00
Feb 08, 18	100.00	100.00	100.00	100.00	100.00
Mar 08, 18	100.00	100.00	100.00	100.00	100.00
Apr 08, 18	100.00	100.00	100.00	100.00	100.00
May 08, 18	100.00	100.00	100.00	100.00	100.00
Jun 08, 18	100.00	100.00	100.00	100.00	100.00
Jul 08, 18	100.00	100.00	100.00	100.00	100.00
Aug 08, 18	100.00	100.00	100.00	100.00	100.00
Sep 08, 18	100.00	100.00	100.00	100.00	100.00
Oct 08, 18	100.00	100.00	100.00	100.00	100.00
Nov 08, 18	100.00	100.00	100.00	100.00	100.00
Dec 08, 18	100.00	100.00	100.00	100.00	100.00
Jan 08, 19	100.00	100.00	100.00	100.00	100.00
Feb 08, 19	100.00	100.00	100.00	100.00	100.00
Mar 08, 19	100.00	100.00	100.00	100.00	100.00
Apr 08, 19	100.00	100.00	100.00	100.00	100.00
May 08, 19	100.00	100.00	100.00	100.00	100.00
Jun 08, 19	100.00	100.00	100.00	100.00	100.00
Jul 08, 19	100.00	100.00	100.00	100.00	100.00
Aug 08, 19	100.00	100.00	100.00	100.00	100.00
Sep 08, 19	100.00	100.00	100.00	100.00	100.00
Oct 08, 19	100.00	100.00	100.00	100.00	100.00
Nov 08, 19	100.00	100.00	100.00	100.00	100.00
Dec 08, 19	100.00	100.00	100.00	100.00	100.00
Jan 08, 20	100.00	100.00	100.00	100.00	100.00
Feb 08, 20	100.00	100.00	100.00	100.00	100.00
Mar 08, 20	100.00	100.00	100.00	100.00	100.00
Apr 08, 20	100.00	100.00	100.00	100.00	100.00
May 08, 20	100.00	100.00	100.00	100.00	100.00
Jun 08, 20	100.00	100.00	100.00	100.00	100.00
Jul 08, 20	91.46	90.74	89.90	88.88	87.65
Aug 08, 20	83.22	81.90	80.35	78.52	76.31
Sep 08, 20	75.27	73.46	71.36	68.88	65.91
Oct 08, 20	67.62	65.42	62.88	59.92	56.40
Nov 08, 20	60.27	57.78	54.92	51.61	47.72
Dec 08, 20	53.24	50.55	47.47	43.92	39.81
Jan 08, 21	46.53	43.71	40.49	36.83	32.61
Feb 08, 21	40.14	37.25	33.99	30.30	26.09
Mar 08, 21	34.07	31.19	27.94	24.30	20.19
Apr 08, 21	28.33	25.50	22.34	18.81	14.88
May 08, 21	22.92	20.19	17.16	13.81	10.11
Jun 08, 21	17.84	15.26	12.40	9.26	5.84
Jul 08, 21	13.12	10.70	8.05	5.16	2.04
Aug 08, 21	8.73	6.51	4.09	1.48	0.00
Sep 08, 21	4.71	2.69	0.51	0.00	0.00
Oct 08, 21	1.02	0.00	0.00	0.00	0.00
Nov 08, 21	0.00	0.00	0.00	0.00	0.00
WAL to Maturity (years)	3.62	3.59	3.56	3.53	3.49
WAL to Optional Redemption (years)	3.00	3.00	3.00	3.00	3.00
Principal Window to Maturity	Jul 20-Nov 21	Jul 20-Oct 21	Jul 20-Oct 21	Jul 20-Sep 21	Jul 20-Aug 21

The Receivables will not have the characteristics assumed above, and there can be no assurance that (a) the Receivables will prepay at any of the rates shown in the tables or at any other particular rate or will prepay proportionately or (b) the principal on the Class A Notes and Class B Notes and the weighted average lives of the Class A Notes and Class B Notes will be as calculated above. Because the rate of distributions of principal of the Class A Notes and Class B Notes will be a result of the actual amortization (including prepayments) of the Receivables, which will include Receivables that have remaining terms to stated maturity shorter or longer than those assumed, the weighted average lives of the Class A Notes will differ from those set forth above, even if all of the contracts prepay at the indicated constant prepayment rates.

CERTAIN LEGAL ASPECTS OF THE RECEIVABLES

Consumer Protection Laws

The Seller is licensed to make consumer loans in California, Texas, Illinois, Arizona, Missouri and New Mexico. In Nevada, the Seller's wholly-owned subsidiary, Oportun, LLC, is licensed to make consumer installment loans. In Utah, a license is not required, rather, as required, the Seller has filed a Consumer Credit Notification. Each state has consumer lending statutes that provide specific requirements regarding permitted loan pricing, fees and terms. In California, the Seller is licensed under the California Finance Lenders Law, California Financial Code Section 22000, as a consumer finance lender and operates under the Pilot Program for Increased Access to Responsible Small Dollar Loans (California Financial Code Section 22365), and is regulated by the California Department of Business Oversight ("**DBO**"). In Texas, the Seller is licensed to make consumer loans under the Texas Finance Code, Chapter 342, Subchapters E and F, and the Texas Office of Consumer Credit Commissioner ("**OCCC**") is the Seller's state regulator. In Illinois, the Seller is licensed to make consumer loans under the Consumer Installment Loan Act, 205 ILCS 670, and the Illinois Department of Financial & Professional Regulation is its regulator. In Nevada, Oportun, LLC is licensed to make consumer installment loans under the Nevada Installment Loan and Finance Act, NRS Chapter 675, and is regulated by the Nevada Financial Institutions Division. In Utah, the Seller has filed a Consumer Credit Notification Form under the Utah Consumer Credit Code, Title 70C, which authorizes it to make loans to consumers, and is regulated by the Utah Department of Financial Institutions. In Arizona, Oportun is licensed by the Arizona Department of Financial Institutions as a Consumer Lender, under Ariz. Rev. Stat., 6-600, *et seq*. In Missouri, Oportun is licensed by the Missouri Division of Finance as a Consumer Installment Lender, under Mo. Stat. §§ 408.500 *et seq*. In New Mexico, Oportun is licensed by the New Mexico Division of Financial Institutions as a Small Loan Company Business, under the New Mexico Small Loan Act of 1955, N.M. Stat §§ 58-15-1, *et seq*. The Seller has also received the designation as a CDFI from the U.S. Department of the Treasury.

The Seller is subject to state and federal regulations relating to the business of extending credit to borrowers, including the federal Consumer Credit Protection Act, Federal Trade Commission Act, Title 6, Chapter 5 of the Arizona Revised Statutes, the California Fair Debt Collection Practices Act, the California Financial Code, the Illinois Consumer Installment Loan Act, the Nevada Installment Loan and Finance Act, the Texas Finance Code, the Texas Debt Collection Practices Act, the Utah Consumer Credit Code, the Missouri Consumer Installment Loan Provisions, the New Mexico Small Loan Act, anti-money laundering requirements (the Bank Secrecy Act and The USA PATRIOT Act), the Equal Credit Opportunity Act, the Fair Debt Collection Practices Act, the Fair Credit Reporting Act, privacy regulations (the Gramm-Leach-Bliley Act and the Right to Financial Privacy Act), the Electronic Fund Transfer Act, the Servicemembers Civil Relief Act, the Telephone Consumer Protection Act, the Truth in Lending Act (and Regulation Z of the CFPB), anti-discrimination and fair lending laws, laws relating to servicing procedures or maximum charges and rates of interest, and other similar laws. Receivables originated on or after October 3, 2016 are also subject to the Military Lending Act.

Obligors may elect to receive loan proceeds from the Seller on a Visa-branded Ventiva debit card. As issuer of the Ventiva cards, Metabank is subject to Office of the Comptroller of the Currency guidelines and the Seller is obligated to cooperate with Metabank in ensuring that the Ventiva card product complies with such guidelines. The Seller is registered with the U.S. Department of the Treasury's Financial Crimes Enforcement Network ("**FinCEN**") as a Money Services Business ("**MSB**") in relation to the Ventiva cards. The Seller, in connection with its partnership with Metabank, is also subject to regulation under The USA PATRIOT Act, Office of Foreign Assets Control ("**OFAC**"), Bank Secrecy Act ("**BSA**"), anti-money laundering laws ("**AML**"), and know-your-customer requirements. One of the requirements of a MSB is to have the Seller's BSA/AML and OFAC Policies and Procedures independently tested and reviewed. The Seller has gone through six independent reviews, annually from 2011 to 2016. For each review through 2016, there were no noted significant deficiencies, and the Seller's BSA/AML and OFAC program was considered to be fundamentally sound.

The Seller's Regulatory Legal and Compliance team reviews the Seller's contracts, policies and procedures (as does the Seller's external compliance counsel in certain instances) to ensure compliance with applicable regulatory laws and regulations. The Seller has built its systems and processes with controls in place in order to permit its policies and procedures to be followed on a consistent basis. For example, loan pricing terms are programmed into the Seller's loan origination software and all loan documentation is computer generated, so there is no need or opportunity for manual intervention. Each loan contract is also reviewed during the document audit process to check for proper execution of the loan documents.

In addition, it is the Seller's policy to keep abreast of and provide its input, if appropriate, on the changing regulatory environment and new laws that may impact the Seller's business. The Seller receives updated materials from outside consultants, industry groups, attends seminars on regulatory issues and compliance best practices, and works closely with consumer compliance counsel to track changes in federal and state laws applicable to its business. As a part of its compliance program, the Seller routinely reviews its contracts, policies and procedures to ensure compliance with applicable regulatory laws and regulations, and has its policies and procedures periodically reviewed and approved by independent third parties, including its outside regulatory counsel. As part of its monitoring effort, the Seller has periodic meetings with state regulators and legislators, including the Commissioner of the DBO, and representatives of the CFPB.

For each state in which it currently operates, the Seller is required to complete an annual report (or its equivalent) and submit it to the regulator. In all states except Utah, the Seller is subject to examination by the regulator. Multiple exams have taken place in California (most recently in December 2015), Texas (most recently in July 2015) and Illinois (most recently in May 2016). Nevada conducted its first exam of the Seller in April 2016. No material findings have been made in any of these state exams. Examinations are currently underway in Illinois and Nevada. The examinations principally involve the review of a sample of loan files and marketing materials for compliance with both state and federal law and a review of other materials such as advertising materials and customer complaints.

The Seller is certified as a CDFI by the U.S. Department of the Treasury. The Seller has been certified as a CDFI since 2009 and is currently in the re-certification process. Going forward, to maintain certification, all certified CDFIs will be required to submit an annual certification report demonstrating continued compliance with the CDFI certification requirements.

Servicemembers Civil Relief Act and Military Lending Act

Under the terms of the Servicemembers Civil Relief Act, as amended, a person who enters active military service after the origination of a loan (including a person who was in reserve status and is called to active duty after origination of the loan), such as the incurrence of a revolving credit, may be entitled to:

(a) a reduction in the interest rate on such obligation and a cap at 6% (including fees) per annum for the duration of the military service on such obligation;

(b) a stay of proceedings aimed at collecting such debt when delinquent; and

(c) an extension of the maturity date of the loan, or to have the payments lowered and the payment schedule adjusted.

The Servicemembers Civil Relief Act applies to members of the Army, Navy, Air Force, Marines, National Guard, Reserves, Coast Guard, officers of the National Oceanic and Atmospheric Administration and officers of the U.S. Public Health Service assigned to duty with the military. Application of the Servicemembers Civil Relief Act would adversely affect, for an indeterminate period of time, the ability of the Servicer to collect the full amounts of interest and principal on certain Receivables during the Obligor's period of active duty status, and, under certain circumstances, after active duty status has been completed. Interest at a rate in excess of 6% that would have otherwise been incurred but for the Servicemembers Civil Relief Act is forgiven. Because the Servicemembers Civil Relief Act applies to Obligors who enter military service after origination of the Receivables, no information can be provided as to the number of Receivables that may be affected by the Servicemembers Civil Relief Act.

The Military Lending Act (the "**MLA**") became effective on October 1, 2015, with compliance mandatory for loans originated by the Seller on or after October 3, 2016. Under the terms of the MLA, "covered borrowers" are entitled to certain protections when becoming obligated on a consumer credit transaction. These protections include: a limit on the Military Annual Percentage Rate (which for the Seller is the same as the APR) of 36%, certain required disclosures before origination, a prohibition on charging prepayment penalties and a prohibition on arbitration agreements (the **"MLA Protections"**). "Covered borrower" is defined as a "covered member" or a dependent. "Covered member" means a member of the armed forces who is serving on active military duty. Pursuant to the MLA, a company that originates loans is permitted to rely on a credit report from a nationwide credit reporting agency to conclusively determine whether an applicant is a covered borrower (the **"MLA Safe Harbor"**). The Seller has a compliance program in place with respect to the MLA in reliance on the MLA Safe Harbor. While the Seller believes it is in compliance with the provisions of the MLA, evolving application or interpretation of the new regulation could cause the Seller to make adjustments in its policies and procedures or determine that its compliance program is insufficient. If the Seller made a loan to a covered borrower without providing the required MLA Protections, and the MLA Safe Harbor was deemed not to apply, such loan could be deemed void. While the Seller has not historically tracked the percentage of military members in its borrower population and cannot predict the military status of future loan applicants, based on its experience receiving a low number of requests under the Servicemembers Civil Relief Act and the Seller's experience under the MLA thus far, the Seller believes that the MLA is unlikely to have a significant impact on its business. See "*Risk Factors—Consumer Protection Laws and Contractual Restrictions*."

THE TRUSTEE

Wilmington Trust, National Association ("**WTNA**") (formerly called M & T Bank, National Association) — also referred to herein as the "**Trustee**" — is a national banking association with trust powers incorporated in 1995. The Trustee's principal place of business is located at 1100 North Market Street, Wilmington, Delaware 19890. WTNA is an affiliate of Wilmington Trust Company, and both WTNA and Wilmington Trust Company are subsidiaries of Wilmington Trust Corporation. Since 1998,

Wilmington Trust Company has served as trustee in numerous asset-backed securities transactions involving consumer loans.

WTNA is subject to various legal proceedings that arise from time to time in the ordinary course of business. WTNA does not believe that the ultimate resolution of any of these proceedings will have a materially adverse effect on its services as trustee.

WTNA has provided the above two paragraphs and none of the Seller, the Issuer, the Servicer, the Back-Up Servicer or the Initial Purchasers has verified the accuracy of such information. Other than the above two paragraphs, WTNA has not participated in the preparation of, and is not responsible for, any other information contained herein.

WTNA is the Trustee under the Indenture for the benefit of the Noteholders and any other Person including the Trustee to which any Secured Obligations are payable (the "**Secured Parties**"). The Issuer, the Seller, the Servicer, the Back-Up Servicer and their respective affiliates may from time to time enter into normal banking and trustee relationships with the Trustee and its affiliates. The Trustee, the Sponsor, the Issuer, the Seller, the Servicer and any of their respective affiliates may hold Series 2017-A Notes in their own names. In addition, for purposes of meeting the legal requirements of certain local jurisdictions, the Trustee shall have the power to appoint a co-trustee or separate trustees of all or part of the Trust Estate. In the event of such appointment, all rights, powers, duties and obligations conferred or imposed upon the Trustee by the Indenture shall be conferred or imposed upon the Trustee and such separate trustee or co-trustee jointly, or, in any jurisdiction in which the Trustee shall be incompetent or unqualified to perform certain acts, singly upon such separate trustee or co-trustee who shall exercise and perform such rights, powers, duties and obligations solely at the direction of the Trustee.

The Trustee may, after giving 60 days' prior written notice to the Issuer and the Servicer, resign at any time, in which event the initial Servicer or the Issuer (at the expense of the Issuer) will be obligated to appoint a successor trustee. The Issuer may also remove the Trustee if (i) the Trustee ceases to be eligible to continue as such under the Indenture; (ii) if a court or federal or state bank regulatory agency having jurisdiction in the premises in respect of the Trustee shall have entered a decree or order granting relief or appointing a receiver, liquidator, assignee, custodian, trustee, conservator, sequestrator (or similar official) for the Trustee or for any substantial part of the Trustee's property, or ordering the winding-up or liquidation of the Trustee's affairs or the Trustee consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, conservator, sequestrator (or other similar official) for the Trustee or for any substantial part of the Trustee's property, or makes any assignment for the benefit of creditors or fails generally to pay its debts as such debts become due or takes any corporate action in furtherance of any of the foregoing, although this provision may not be enforceable; or (iii) if the Trustee is otherwise incapable of acting as Trustee. In such circumstances, the initial Servicer or the Issuer will be obligated to appoint a successor Trustee. Any resignation or removal of the Trustee and appointment of a successor Trustee does not become effective until acceptance of the appointment by the successor trustee.

WTNA will also act as securities intermediary and depositary bank under the Indenture (in such capacities, the "**Securities Intermediary**" and the "**Depositary Bank**," respectively).

BACK-UP SERVICER

Systems & Services Technologies, Inc. will act as the back-up servicer (in such capacity, the "**Back-Up Servicer**"). Pursuant to the Back-Up Servicing Agreement, dated as of the Closing Date, among the Back-Up Servicer, the Servicer, the Issuer and the Trustee (the "**Back-Up Servicing Agreement**"), the Back-Up Servicer (or a successor thereto appointed pursuant to the Back-Up Servicing Agreement) will be required to service the Receivables (within fifteen calendar days of notice of termination of the Servicer and notice of appointment to the Back-Up Servicer, or such later date as may be agreed by the Trustee and

the Back-Up Servicer, and once it has received the necessary information to do so) upon the termination of PF Servicing as Servicer. See "*Description of the Servicing Agreement—Servicer Termination*" and "*Risk Factors—Termination of PF Servicing as Servicer*."

The Back-Up Servicer shall indemnify and hold harmless the Issuer and the Trustee, on behalf of the Noteholders (collectively, the "**Back-Up Servicer Indemnified Parties**"), from and against any loss, liability, expense, damage or injury suffered or sustained solely by reason of such Back-Up Servicer's gross negligence in the performance of (or failure to perform) its duties or obligations under the Back-Up Servicing Agreement or willful misconduct including any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses reasonably incurred in connection with the defense of any actual action, proceeding or claim; *provided, however,* that the Back-Up Servicer, shall not indemnify the Back-Up Servicer Indemnified Parties if such acts or omissions were attributable directly or indirectly to negligence or willful misconduct by such Back-Up Servicer Indemnified Party.

The Trustee may with the consent of 66⅔% or more of the holders of the aggregate principal balance of the Series 2017-A Notes outstanding, or shall at the direction of 66⅔% or more of the holders of the aggregate principal balance of the Series 2017-A Notes outstanding, nominate any Person acceptable to the Trustee (the "**Nominee**") to replace SST as Back-Up Servicer but only if such replacement is for cause or a Servicer Default or any Event of Default has occurred and is continuing. Any early termination fees due to the Back-Up Servicer as a result of any such termination effected without cause shall be an expense of the Issuer payable as Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses.

USE OF PROCEEDS

The net proceeds from the sale of the Series 2017-A Notes will be used by the Issuer to purchase the Contracts and Related Rights from the Seller. The Seller will apply all or a portion of such proceeds paid to it to permit the special purpose subsidiary that participates in the VFN Facility to pay down the warehouse financing being provided under the VFN Facility by the Initial Purchasers or affiliates thereof.

MATURITY CONSIDERATIONS

The Indenture provides that Series 2017-A Noteholders will not receive principal payments until the earlier of the Scheduled Amortization Period Commencement Date and the occurrence of a Rapid Amortization Event. Series 2017-A Noteholders will receive payments of principal, to the extent of funds available therefor, on each Payment Date during the Amortization Period until the Series 2017-A Termination Date. In some instances, Subsequently Purchased Receivables or Receivables modified as described under "*Servicing Standards*" may have final maturity dates beyond the Legal Final Payment Date, in each case subject to the applicable eligibility criteria.

If a Rapid Amortization Event occurs, the average life and maturity of the Series 2017-A Notes could be significantly reduced. No prepayment premium will be payable on account of any prepayment of the Series 2017-A Notes, and any reinvestment risk will be borne by the Series 2017-A Noteholders. See "*Risk Factors—Yield Considerations.*"

RESIDUAL INTEREST

The Issuer's residual interest in the Trust Estate is referred to herein as the "**Residual Interest**." The Residual Interest entitles the Issuer to, among other things, Residual Amounts payable on the Trust Estate, which Residual Amounts will be subordinated to payments owing to the Noteholders to the extent described herein. See "*Description of the Notes—Monthly Payments*" and "*Description of the Notes—Subordination.*" The Residual Interest will not be certificated and is not being offered under this

Memorandum. Any information in this Memorandum related to the Residual Interest is presented solely to provide Noteholders with a better understanding of the Series 2017-A Notes.

DESCRIPTION OF THE NOTES

The Series 2017-A Notes will be issued pursuant to the Indenture on the Closing Date in two classes: the Class A Notes and the Class B Notes. The following summary of the Series 2017-A Notes does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all of the provisions of the Indenture.

General

The Series 2017-A Notes offered and sold by the Initial Purchasers to QIBs in reliance on Rule 144A will be issued in the form of a single global note for each Class (each, a "**Global Note**" and collectively, the "**Global Notes**"), in fully registered form, without interest coupons, deposited with a custodian for, and registered in the name of a nominee of DTC.

Global Notes will trade and settle as described under "*Description of the Notes—Book-Entry Registration*" and in Annex I. Beneficial interests in each such Global Note will be shown on, and transfer thereof will be effected only through, records maintained by DTC and its direct and indirect participants, including Clearstream Banking, société anonyme ("**Clearstream**") and Euroclear System ("**Euroclear**"). Beneficial interests in any Global Note may be acquired in minimum denominations of $250,000 and in integral multiples of $1,000 in excess thereof.

The Global Notes will be deposited upon issuance with the Trustee as a custodian for DTC and registered in the name of Cede & Co. ("**Cede**"), as nominee of DTC, in each case for credit to an account of a direct or indirect participant in DTC as described below.

The Global Notes may be transferred, in whole and not in part, only to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for Definitive Notes except in the limited circumstances described in "*Description of the Notes—Definitive Notes.*"

The Series 2017-A Notes, and interests or participations therein, will be subject to certain restrictions on transfer and will bear a restrictive legend as described under "*Notice to Investors.*" In addition, transfer of beneficial interests in the Global Notes will be subject to the applicable rules and procedures of DTC and its direct or indirect participants (including, if applicable, those of Euroclear and Clearstream), which may change from time to time. See "*Description of the Notes—Book-Entry Registration.*"

Book-Entry Registration

The information in this section concerning DTC and DTC's book-entry system and Clearstream and Euroclear has been provided by DTC, Clearstream or Euroclear, as applicable. The Issuer has not independently verified the accuracy of this information.

The Series 2017-A Notes will be held through DTC in the U.S. and Clearstream or Euroclear in Europe. Note Owners who are participants with one of these systems may hold beneficial interests in the Series 2017-A Notes directly with such system. In the case of Note Owners who are not participants with one of these systems, such Note Owners may hold beneficial interests in the Series 2017-A Notes indirectly through organizations which are participants.

Clearstream and Euroclear will hold omnibus positions on behalf of the Clearstream participants and the Euroclear participants, respectively, through participants' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositories (collectively called the "**depositories**") which in turn will hold such positions in participants' securities accounts in the depositories' names on the books of DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of the Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is only available to others such as both U.S. and non-U.S. securities brokers and dealers (who may include the Initial Purchasers), banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). The DTC Rules applicable to its participants are on file with the SEC. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Transfers between DTC participants will occur in accordance with DTC rules. Transfers between Clearstream participants and Euroclear participants will occur in the ordinary way in accordance with their applicable rules and operating procedures.

Cross-market transfers between persons holding directly or indirectly through DTC, on the one hand, and directly or indirectly through Clearstream participants or Euroclear participants, on the other, will be effected through DTC in accordance with DTC rules on behalf of the relevant European international clearing system by such system's depository; however, such cross-market transactions will require delivery of instructions to the relevant European international clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (European time). The relevant European international clearing system will, if the transaction meets its settlement requirements, deliver instructions to its depository to take action to effect final settlement on its behalf by delivering or receiving securities in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream participants and Euroclear participants may not deliver instructions directly to their system's depositories.

Because of time-zone differences, credits of securities in Clearstream or Euroclear as a result of a transaction with a DTC participant will be made during the subsequent securities settlement processing, dated the Business Day following the DTC settlement date, and such credits for any transactions in such securities settled during such processing will be reported to the relevant Clearstream participant or Euroclear participant on such Business Day. Cash received in Clearstream or Euroclear as a result of sales of securities by or through a Clearstream participant or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date but will be available in the relevant Clearstream or Euroclear cash account only as of the Business Day following settlement in DTC.

Purchases of securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the securities on DTC's records. The ownership interest of each actual purchaser of each security ("**Beneficial Owners**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in securities, except in the event that use of the book-entry system for the securities is discontinued.

To facilitate subsequent transfers, all securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede, or such other name as may be requested by an authorized representative of DTC. The deposit of securities with DTC and their registration in the name of Cede or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede (nor any other DTC nominee) will consent or vote with respect to the securities unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an omnibus proxy to the Issuer as soon as possible after the record date. The omnibus proxy assigns Cede's consenting or voting rights to those Direct Participants to whose accounts the securities are credited on the record date (identified in a listing attached to the omnibus proxy).

Principal and interest payments on the Series 2017-A Notes will be made to Cede, or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer and Trustee on each payable date in accordance with their respective holdings shown on DTC's records. Payments by participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such participant and not of DTC, the Trustee or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Although DTC, Clearstream and Euroclear have agreed to the procedures set forth in this section in order to facilitate transfers of the Series 2017-A Notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and their performance may be discontinued at any time.

Beneficial Owners that are not Direct Participants or Indirect Participants but desire to purchase, sell or otherwise transfer ownership of, or other interests in, Global Notes may do so only through

participants. In addition, Beneficial Owners will receive all distributions of principal of the interest on the Series 2017-A Notes from the Trustee through the participants who in turn will receive them from DTC. Under a book-entry format, Beneficial Owners may experience some delay in their receipt of payments, since such payments will be forwarded by the Trustee to Cede, as nominee for DTC. DTC will forward such payments to its Direct Participants, which thereafter will forward them to Indirect Participants or Beneficial Owners. It is anticipated that the only "Series 2017-A Noteholder" will be Cede, as nominee of DTC. Beneficial Owners will not be recognized by the Trustee as Series 2017-A Noteholders, as such term is used in the Indenture, and Beneficial Owners will only be permitted to exercise the rights of Series 2017-A Noteholders indirectly through the participants who in turn will exercise the rights of Series 2017-A Noteholders through DTC.

Under the rules, regulations and procedures creating and affecting DTC and its operations, DTC is required to make book-entry transfers among participants on whose behalf it acts with respect to the Series 2017-A Notes and is required to receive and transmit distributions of principal and interest on the Global Notes. Direct Participants and Indirect Participants with which Beneficial Owners have accounts with respect to the Global Notes similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Beneficial Owners. Accordingly, although Beneficial Owners will not possess the Series 2017-A Notes, the Beneficial Owners will receive payments and will be able to transfer their interests, subject to the restrictions described herein.

Because DTC can only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants and certain banks, the ability of a Beneficial Owner to pledge the Series 2017-A Notes to Persons or entities that do not participate in the DTC system, or otherwise take actions in respect of the Series 2017-A Notes, may be limited due to the lack of a physical certificate for the Series 2017-A Notes and the restrictions on transfer under applicable law.

DTC has advised the Issuer that it will take any action permitted to be taken by a Series 2017-A Noteholder under the Indenture only at the direction of one or more Direct Participants to whose account with DTC the Series 2017-A Notes are credited. Additionally, DTC may take conflicting actions with respect to other interests to the extent that such actions are taken on behalf of participants whose holdings include such interests.

Except as required by law, none of the Sponsor, the Seller, the Issuer, the Servicer or the Trustee will have any liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of the Series 2017-A Notes held by DTC's nominee, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

According to DTC, the foregoing information with respect to DTC has been provided for informational purposes only and is not intended to serve as a representation, warranty, or contract modification of any kind.

Clearstream is a company with limited liability incorporated under the laws of Luxembourg. Clearstream holds securities for its participating organizations and facilitates the clearance and settlement of securities transactions between Clearstream participants through electronic book-entry changes in accounts of Clearstream participants, thereby eliminating the need for physical movement of certificates. Transactions may be settled by Clearstream in multiple currencies, including Dollars. Clearstream provides to its participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream also deals with domestic securities markets in various countries through established depository and custodial relationships. Clearstream is registered as a professional depositary in Luxembourg, and as such is subject to regulation by the Commission de Surveillance du Secteur Financier. Clearstream's participants are world-wide

financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations and may include the Initial Purchasers. Clearstream's U.S. participants are limited to securities brokers and dealers and banks. Indirect access to Clearstream is also available to other institutions that clear through or maintain a custodial relationship with a Clearstream participant, either directly or indirectly.

Euroclear was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of notes. Euroclear is the marketing name for the Euroclear System, Euroclear plc, Euroclear Bank S.A./N.V. and their affiliates.

Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries and may include the Initial Purchasers. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Securities clearance accounts and cash accounts with Euroclear are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of Euroclear and applicable Belgian law. These rules and laws govern transfers of securities and cash within Euroclear, withdrawal of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. Euroclear acts under these rules and laws only on behalf of Euroclear participants and has no record of or relationship with persons holding through Euroclear participants.

Clearstream and Euroclear have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Distributions with respect to Global Notes held through Clearstream or Euroclear will be credited to the cash accounts of Clearstream participants or Euroclear participants in accordance with the relevant system's rules and procedures, to the extent received by its depository. Such distributions will be subject to tax reporting in accordance with relevant United States tax laws and regulations. See "*Certain U.S. Federal Income Tax Consequences*." Clearstream or Euroclear, as the case may be, will take any other action permitted to be taken by a Series 2017-A Noteholder under the Indenture on behalf of a Clearstream participant or Euroclear participant only in accordance with its relevant rules and procedures and subject to its depository's ability to effect such actions on its behalf through DTC.

Definitive Notes

Notes issued in fully registered, certificated form to persons other than DTC or its nominee (or a successor clearing agency or its nominee) are referred to herein as "**Definitive Notes**."

The Series 2017-A Notes will be initially issued in book-entry form and will be issued as Definitive Notes to Note Owners or their nominees, rather than to DTC or its nominee, only if:

- the Issuer advises the Trustee in writing that DTC is no longer willing or able to discharge properly its responsibilities as depository with respect to the Series 2017-A Notes, and the Issuer is not able to locate a qualified successor;

- to the extent permitted by law, the Issuer, at its option, advises the Trustee in writing that it elects to terminate the book-entry system through DTC with respect to the Series 2017-A Notes; or

- after the occurrence of a Servicer Default or Event of Default, Note Owners representing at least a majority of the aggregate outstanding principal amount of the Series 2017-A Notes advise the Trustee and DTC in writing that the continuation of a book-entry system through DTC (or a successor thereto) is no longer in the best interest of the Note Owners.

Upon the occurrence of any event described in the immediately preceding paragraph, DTC will be required to notify all applicable Note Owners through participants of the availability through DTC of Definitive Notes. Upon surrender by DTC of the definitive instrument representing the Series 2017-A Notes and the receipt of instructions for re-registration, the Issuer will execute and the Trustee will authenticate the Series 2017-A Notes as Definitive Notes, and thereafter the Trustee will recognize the registered holders of those Definitive Notes as Series 2017-A Noteholders under the Indenture.

Distribution of principal and Monthly Interest on the Series 2017-A Notes will thereafter be made by the Trustee directly to the holders of the Definitive Notes in accordance with the procedures set forth in "*Description of the Notes—Monthly Payments*." Payments of principal and Monthly Interest on each Payment Date will be made to holders in whose names the Definitive Notes were registered at the close of business on the related Record Date. Such distributions will be made by wire transfer in immediately available funds to the account designated by such Series 2017-A Noteholder.

Subject to the terms of the Indenture, the holder of any Definitive Note may transfer the same in whole or in part, in an amount equivalent to an authorized denomination, by surrendering at the office or agency maintained by the transfer agent and registrar, which shall initially be the Trustee, for such purpose in Jacksonville, Florida, such Definitive Note with the form of transfer endorsed on it duly completed and executed by, or accompanied by a written instrument of transfer in form satisfactory to the Issuer and the transfer agent and registrar by, the holder thereof and accompanied by a certificate substantially in the form required by the Indenture. In exchange for any Definitive Note properly presented for transfer, the Issuer shall execute and the Trustee shall promptly authenticate and deliver or cause to be executed, authenticated and delivered in compliance with applicable law, to the transferee at such office, or send by mail (at the risk of the transferee) to such address as the transferee may request, Definitive Notes for the same aggregate principal amount as was transferred. In the case of the transfer of any Definitive Note in part, the Issuer shall execute and the Trustee shall promptly authenticate and deliver or cause to be authenticated and delivered to the transferor at such office, or send by mail (at the risk of the transferor) to such address as the transferor may request, Definitive Notes for the aggregate principal amount that was not transferred. No transfer of any Definitive Note shall be made unless the request for such transfer is made by the Series 2017-A Noteholder at such office. Neither the Issuer nor the Trustee shall be liable for any delay in delivery of transfer instructions and each may conclusively rely on, and shall be protected in relying on, such instructions. Upon the issuance of Definitive Notes to Series 2017-A Note Owners, the Trustee shall recognize the holders of the Definitive Notes as Series 2017-A Noteholders.

Determination of Monthly Interest

Interest will accrue on the Series 2017-A Notes from the Closing Date and will be payable on each Payment Date until the Series 2017-A Termination Date. See "*Description of the Notes—Termination*."

The amount of monthly interest payable on the Class A Notes on each Payment Date will be determined as of each Determination Date and will be an amount equal to the product of (i)(A) for the First Payment Date, a fraction, the numerator of which is the actual number of days in the related Interest Period and the denominator of which is 360, and (B) for any Payment Date thereafter, one-twelfth, times (ii) the Class A Note Rate, times (iii) the outstanding principal balance of the Class A Notes as of the immediately preceding Payment Date (after giving effect to any payments of principal on such preceding Payment Date)

or, with respect to the First Payment Date, as of the Closing Date (the "**Class A Monthly Interest**"). The "**Class A Note Rate**" is equal to 3.23% per annum.

In addition to the Class A Monthly Interest, an amount equal to the sum of (i) the amount of any unpaid Class A Deficiency Amount, as defined below, plus (ii) an amount equal to the product (such product being herein called the "**Class A Additional Interest**") of (A) one-twelfth, times (B) a rate equal to the Class A Note Rate, times (C) any Class A Deficiency Amount, as defined below (or the portion thereof which has not theretofore been paid to the Class A Noteholders), will also be payable to the Class A Noteholders. The "**Class A Deficiency Amount**" for any Determination Date shall be equal to the excess, if any, of (x) the sum of (i) the Class A Monthly Interest and the Class A Additional Interest, in each case for the Interest Period ended immediately prior to the preceding Payment Date, plus (ii) any Class A Deficiency Amount for the preceding period, over (y) the amount actually paid in respect thereof on the preceding Payment Date; *provided*, *however*, that the Class A Deficiency Amount on the first Determination Date shall be zero.

The amount of monthly interest payable on the Class B Notes on each Payment Date will be determined as of each Determination Date and will be an amount equal to the product of (i)(A) for the First Payment Date, a fraction, the numerator of which is the actual number of days in the related Interest Period and the denominator of which is 360, and (B) for any Payment Date thereafter, one-twelfth, times (ii) the Class B Note Rate, times (iii) the outstanding principal balance of the Class B Notes as of the immediately preceding Payment Date (after giving effect to any payments of principal on such preceding Payment Date) or, with respect to the First Payment Date, as of the Closing Date (the "**Class B Monthly Interest**" and together with the Class A Monthly Interest, the "**Monthly Interest**"). The "**Class B Note Rate**" is equal to 3.97% per annum.

In addition to the Class B Monthly Interest, an amount equal to the sum of (i) the amount of any unpaid Class B Deficiency Amount, as defined below, plus (ii) an amount equal to the product (such product being herein called the "**Class B Additional Interest**" and together with the Class A Additional Interest, the "**Additional Interest**") of (A) one-twelfth, times (B) a rate equal to the Class B Note Rate, times (C) any Class B Deficiency Amount, as defined below (or the portion thereof which has not theretofore been paid to the Class B Noteholders), will also be payable to the Class B Noteholders. The "**Class B Deficiency Amount**" for any Determination Date shall be equal to the excess, if any, of (x) the sum of (i) the Class B Monthly Interest and the Class B Additional Interest, in each case for the Interest Period ended immediately prior to the preceding Payment Date, plus (ii) any Class B Deficiency Amount for the preceding period, over (y) the amount actually paid in respect thereof on the preceding Payment Date; *provided*, *however*, that the Class B Deficiency Amount on the first Determination Date shall be zero. The Class B Deficiency Amount together with the Class A Deficiency Amount are collectively referred to as the "**Deficiency Amount.**" Monthly Interest (in addition to any Deficiency Amount and Additional Interest) will be distributed to the Series 2017-A Noteholders as described in "*Description of the Notes—Monthly Payments*" herein.

Credit Enhancement

Credit enhancement for the Series 2017-A Notes will be provided by excess interest and overcollateralization.

Excess Interest. It is anticipated that more interest and other fees will be paid by the Obligors on the Receivables each month than is necessary to pay interest accrued on the Series 2017-A Notes each month and the monthly fees, expenses and indemnity amounts of the Trustee, the Collateral Trustee, the Securities Intermediary, the Depositary Bank, the Back-Up Servicer and the Servicer, resulting in excess

interest ("**Excess Spread**"). The Excess Spread will be available to offset or help offset any losses on the Receivables.

Prior to the occurrence of a Rapid Amortization Event, Excess Spread not otherwise applied to offset or help offset losses on the Receivables will be released to the Issuer on each Payment Date as Residual Amounts. See "*Description of the Notes—Monthly Payments—Collection Account.*" If a Rapid Amortization Event has occurred, any Excess Spread will be transferred to the Payment Account to pay amounts payable to the Noteholders. See "*Description of the Notes—Monthly Payments—Payment Account.*"

Overcollateralization. The overcollateralization represents the amount by which the Outstanding Receivables Balance of the Receivables exceeds the outstanding principal amount of the Series 2017-A Notes. The "**Required Overcollateralization Amount**" will be approximately $28,240,402.

Losses on the Receivables, to the extent exceeding any Excess Spread, will decrease the level of overcollateralization available for the Series 2017-A Notes.

See "*Risk Factors—Credit Enhancement Limitations*."

Revolving Period

The "**Revolving Period**" is the period from and including the Closing Date to, but not including, the earlier of (i) June 1, 2020 (the "**Scheduled Amortization Period Commencement Date**") and (ii) the date on which a Rapid Amortization Event is deemed to occur pursuant to the Indenture. See "*Description of the Indenture—Rapid Amortization Event.*" During the Revolving Period, amounts deposited into the Collection Account in excess of the Required Monthly Payments will not be paid to the Series 2017-A Noteholders but instead may be paid to the Issuer on any Business Day for certain Permissible Uses, so long as the Coverage Test is satisfied, or released to the Issuer on any Payment Date as Residual Amounts. See "*Description of the Notes—Monthly Payments.*"

Coverage Test

The Issuer will be required to meet the Coverage Test as a condition to using amounts on deposit in the Collection Account for Permissible Uses. "**Permissible Uses**" means the use of funds by the Issuer to pay the Seller for Subsequently Purchased Receivables that are Eligible Receivables.

The Issuer will meet the "**Coverage Test**" if, on any date of determination, (i) the Overcollateralization Test is satisfied, (ii) the amount remaining on deposit in the Collection Account equals or exceeds the amount distributable on the next Payment Date under clauses (i)-(iv) set forth in "*Description of the Notes—Monthly Payments—Collection Account,*" (iii) the Amortization Period has not commenced and (iv) there shall not exist on such Business Day, and such application thereof shall not result in the occurrence of, a Rapid Amortization Event, a Servicer Default, an Event of Default or a Default (in each case determined by the Servicer taking into account any increases, decreases and status changes of the Receivables and any increases or decreases in the Series 2017-A Notes and the amount on deposit in the Collection Account including those scheduled to occur on such date). The Issuer will meet the "**Overcollateralization Test**" if, on any date of determination, the sum of the Outstanding Receivables Balance of all Eligible Receivables plus the amount on deposit in the Collection Account equals or exceeds the sum of the outstanding principal amount of the Series 2017-A Notes plus the Required Overcollateralization Amount.

Amortization Period

The "**Amortization Period**" is the period commencing on the date on which the Revolving Period ends and ending on the Series 2017-A Termination Date. During the Amortization Period, the Required Principal Distribution for the related Monthly Period will be distributed to the Series 2017-A Noteholders on each Payment Date (to the extent funds are available therefor) in accordance with the priority of payments described in "*Description of the Notes—Monthly Payments*" until the Series 2017-A Noteholders have been paid in full. See "*Description of the Notes—Amortization Period*."

Trust Accounts

On or prior to the Closing Date, the following segregated accounts relating to Series 2017-A shall be established in the name of the Trustee for the benefit of the Secured Parties (the "**Trust Accounts**"): the "**Collection Account**," and the "**Payment Account**." The Trustee shall be the entitlement holder of and shall have a security interest in all monies, instruments, securities and other property on deposit from time to time in the Trust Accounts and the proceeds thereof. Initially, the Collection Account will be established with WTNA, as securities intermediary, and the Payment Account will be established with WTNA, as depositary bank. Except for the Servicer's limited, revocable right to withdraw funds from certain Trust Accounts for the purposes of carrying out its duties, the Trust Accounts are under the sole dominion and control of the Trustee. Generally, interest and earnings (net of losses and investment expenses) accrued on funds on deposit in the Trust Accounts ("**Investment Earnings**") shall be treated as Collections.

Deposit of Collections into Trust Accounts

The Issuer shall or shall cause the Servicer under the Servicing Agreement to cause all Collections due and to become due, as the case may be, to be transferred to the Collection Account as promptly as possible after the date of receipt by the Servicer of such Collections, but in no event later than the second Business Day (or, with respect to payments made at retail locations or to regional collectors, the third Business Day) following such date of receipt. Relative rights of the owners of the funds in the Servicer Account will be reflected in the Intercreditor Agreement. See "*Risk Factors—Servicer Account Commingling Risk.*"

Subordination

Interest on the Class B Notes for any Payment Date will not be paid until interest (including any Class A Deficiency Amount and Class A Additional Interest) on the Class A Notes for such Payment Date has been paid in full. See "*Description of the Notes—Monthly Payments—Collection Account*." Principal of the Class A Notes and the Class B Notes will be *pari passu* and paid *pro rata* during the Amortization Period, unless a Rapid Amortization Event has occurred. If a Rapid Amortization Event has occurred, principal of the Class B Notes will not be paid until the Class A Notes have been paid in full. Residual Amounts will not be released and available to the Issuer on any Payment Date unless all interest and principal on the Series 2017-A Notes due on such Payment Date has been paid in full. See "*Description of the Notes—Monthly Payments—Payment Account.*"

Monthly Payments

On or before each Series Transfer Date, the Servicer shall provide to the Trustee a written report, and the Trustee, acting in accordance with such report, shall withdraw on such Series Transfer Date or the related Payment Date, as applicable, to the extent of funds credited to the relevant accounts, the amounts required to be withdrawn from the Collection Account and the Payment Account as follows:

Collection Account

Any Collections received by the Servicer during each Monthly Period and deposited into the Collection Account no later than the third Business Day following the end of such Monthly Period (the "**Available Funds**") shall be distributed on such Series Transfer Date in the following priority to the extent of funds available therefor:

(i) *first*, an amount equal to the Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses for such Series Transfer Date (plus the Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses due but not paid on any prior Payment Date) shall be set aside and paid to the Trustee, the Collateral Trustee, the Securities Intermediary, the Depositary Bank, the Back-Up Servicer and the successor Servicer, if any (distributed on a *pari passu* and *pro rata* basis) on the related Payment Date;

(ii) *second*, if PF Servicing is the Servicer, an amount equal to the Servicing Fee for such Series Transfer Date (plus any Servicing Fee due but not paid on any prior Payment Date) shall be set aside and paid to the Servicer on the related Payment Date;

(iii) *third*, an amount equal to the Class A Monthly Interest for such Series Transfer Date, plus the amount of any Class A Deficiency Amount for such Series Transfer Date, plus the amount of any Class A Additional Interest for such Series Transfer Date shall be deposited by the Trustee into the Payment Account on such Series Transfer Date (the "**Class A Required Interest Distribution**");

(iv) *fourth*, an amount equal to the Class B Monthly Interest for such Series Transfer Date, plus the amount of any Class B Deficiency Amount for such Series Transfer Date, plus the amount of any Class B Additional Interest for such Series Transfer Date shall be deposited by the Trustee into the Payment Account on such Series Transfer Date (the "**Class B Required Interest Distribution**" and together with the Class A Required Interest Distribution, the "**Required Interest Distribution**");

(v) *fifth*, during the Amortization Period, an amount equal to the excess of (A) the outstanding principal amount of the Series 2017-A Notes over (B) the difference of the Outstanding Receivables Balance of all Eligible Receivables minus the Required Overcollateralization Amount (each determined as of the end of such Monthly Period) shall be deposited by the Trustee into the Payment Account on such Series Transfer Date (the "**Required Principal Distribution**");

(vi) *sixth*, an amount equal to the lesser of (A) the excess of the remaining Available Funds over the Minimum Collection Account Balance (each determined as of the end of such Monthly Period) and (B) any unreimbursed fees, expenses and indemnity amounts (including, without limitation, any Transition Costs not paid pursuant to priority *first*) of the Trustee, the Back-Up Servicer and any successor Servicer, shall be set aside and paid thereto (distributed on a *pari passu* and *pro rata* basis) on the related Payment Date; and

(vii) *seventh*, the excess, if any, of the remaining Available Funds over the Minimum Collection Account Balance (each determined as of the end of such Monthly Period) shall be deposited into the Payment Account on such Series Transfer Date (and such Minimum Collection Account Balance shall remain on deposit in the Collection Account).

Payment Account

On each Payment Date, the Trustee, acting in accordance with the Servicer's report, shall pay the amount deposited into the Payment Account from the Collection Account pursuant to the foregoing paragraph on the immediately preceding Series Transfer Date to the following Persons in the following priority to the extent of funds available therefor:

(i) *first*, to the Class A Noteholders, an amount equal to the Class A Required Interest Distribution;

(ii) *second*, to the Class B Noteholders, an amount equal to the Class B Required Interest Distribution;

(iii) *third*, (A) during the Amortization Period, so long as no Rapid Amortization Event has occurred, *pari passu* and *pro rata*, to the Class A Noteholders and to the Class B Noteholders, the lesser of (I) the Required Principal Distribution and (II) the outstanding principal amount of the Series 2017-A Notes; or (B) if a Rapid Amortization Event has occurred, *first*, to the Class A Noteholders, all remaining amounts until the outstanding principal amount of the Class A Notes has been reduced to zero and *second*, to the Class B Noteholders, all remaining amounts until the outstanding principal amount of the Class B Notes has been reduced to zero;

(iv) *fourth*, to the Series 2017-A Noteholders, any other amounts (excluding the outstanding principal amount of the Series 2017-A Notes) payable thereto pursuant to the Transaction Documents; and

(v) *fifth*, the balance, if any, shall be released and be available to the Issuer, free and clear of the lien of the Indenture ("**Residual Amounts**").

Optional Redemption

The Series 2017-A Notes shall be subject to redemption by the Issuer, at its option, in accordance with the terms of the Indenture, on any Payment Date on or after the third Payment Date immediately preceding the Scheduled Amortization Period Commencement Date.

The amount necessary to effect such redemption will be equal to the sum of (a) the outstanding principal amount of the Series 2017-A Notes not then owned by the Issuer, plus (b) accrued and unpaid interest on the Series 2017-A Notes through the day preceding the Payment Date on which the redemption occurs, plus (c) any other amounts payable to the Series 2017-A Noteholders pursuant to the Transaction Documents, plus (d) any other amounts due and owing by the Issuer or the Servicer to the other Secured Parties pursuant to the Transaction Documents, minus (e) the amounts, if any, on deposit on such Payment Date in the Payment Account and the Collection Account for the payment of the foregoing amounts.

Termination

Except as otherwise provided in the Base Indenture, the right of the Series 2017-A Noteholders to receive payments from the Issuer will terminate on the first Business Day following the Series 2017-A Termination Date.

No Petition

The Trustee and each Series 2017-A Noteholder, by accepting a Series 2017-A Note, will covenant and agree that it will not, prior to the date which is one year and one day after payment in full of the latest maturing Series 2017-A Note and termination of the Indenture, institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings, under any United States federal or state bankruptcy or similar law.

CREDIT RISK RETENTION

Pursuant to the SEC's credit risk retention rules, 17 C.F.R. Part 246 ("**Regulation RR**"), the Seller, as sponsor, is required to retain an economic interest in the credit risk of the Receivables, either directly or through a majority-owned affiliate. The Seller intends to satisfy this obligation directly through the retention of an "eligible horizontal residual interest" (as defined in Regulation RR) in an amount equal to at least 5%, as of the Closing Date, of the fair value of all "ABS interests" (as defined in Regulation RR) in the Issuer, including the Notes and the limited liability company interest in the Issuer (the "**Issuer LLC Interest**"). The eligible horizontal residual interest retained by the Seller will consist of 100% of the Issuer LLC Interest, which represents the ownership of the Issuer and its assets, including the Residual Interest and the Issuer's rights to the Residual Amounts, the Issuer's ownership of which directly increases the value of the Issuer LLC Interest.

Based on the assumptions provided below, the expected fair values of the Notes and the Issuer LLC Interest on the assumed Closing Date, prepared for purposes of compliance with Regulation RR, are estimated to be as follows:

	Approximate Fair Value	Approximate Fair Value (as a Percentage of Total Fair Value)
Class A Notes	$131,746,762	49.3%
Class B Notes	$28,231,838	10.6%
Issuer LLC Interest	$107,385,649	40.2%
Total	$267,364,249	100.0%

The Seller has determined the fair value of the Notes and the Issuer LLC Interest in accordance with the fair value assessment described in the FASB Accounting Standards Codification 820, Fair Value Measurements and Disclosures ("ASC 820"), under generally accepted accounting principles. Under ASC 820, fair value of the Notes and the Issuer LLC Interest generally would be the price that would be received by the Seller in a sale of the Notes and the Issuer LLC Interest, respectively, in an orderly transaction between unaffiliated market participants. Under ASC 820, buyers and sellers are both assumed to be knowledgeable and possess a reasonable understanding of the asset using all available information. Additionally, both the buyer and the seller are assumed to be able and willing to transact without an external force specifically compelling them to do so. For example, forced sales, forced liquidations and distress sales are not considered to be "orderly transactions."

ASC 820 establishes a fair value hierarchy with the following three levels, where Level 1 is the highest priority because it is the most objective and Level 3 is the lowest priority because it is the most subjective:

- Level 1: fair value is calculated using observable inputs that reflect quoted prices for identical assets or liabilities in active markets;

- Level 2: fair value is calculated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly or indirectly; and

- Level 3: fair value is calculated using unobservable inputs, such as the sponsor's data.

The Seller believes that the fair value of the Notes should be categorized within Level 2 of the fair value hierarchy assessment, reflecting the use of inputs derived from prices for similar instruments. The Seller believes that the fair value of the Issuer LLC Interest should be categorized within Level 3 of the fair value hierarchy assessment, reflecting the use of data not observable in the market and reflecting the Seller's judgment regarding the assumptions market participants would use in pricing the Issuer LLC Interest in a hypothetical sale.

The fair value of the Class A Notes is assumed to equal the product of the initial principal amount thereof and a price of 99.98540%, the fair value of the Class B Notes is assumed to equal the product of the initial principal amount thereof and a price of 99.98880%, and interest will accrue on the Notes based on the following per annum interest rates:

Class	Interest Rate
Class A Notes	3.23%
Class B Notes	3.97%

To calculate the fair value of the Issuer LLC Interest, which represents the ownership of the Issuer and its assets, including the Residual Interest and the Issuer's rights to the Residual Amounts, the Issuer's ownership of which directly increases the value of the Issuer LLC Interest held by the Seller, the Seller used a discounted cash flow method, which is calculated using the forecasted cash flows payable on the Residual Interest and discounts the value of those cash flows to a present value using a rate intended to reflect a hypothetical market yield. The Seller used an internal model to project future interest payments and principal payments on the Receivables to be sold to the Issuer on the Closing Date and during the Revolving Period, the interest and principal payments on each class of Notes, the Servicing Fee and other expenses of the Issuer, including fees payable to the Trustee and the Back-Up Servicer. The resulting net cash flows on the Residual Interest are discounted to their present value using an expected market yield which takes into account the first loss exposure of such cash flows and the credit risk of the Receivables.

In connection with the discounted cash flow calculation described above and after considering the Seller's actual historical performance of its previous securitized portfolios of consumer installment loans, prepayment, delinquency and default assumptions used in structuring the Notes, the composition of the Receivables Pool to be sold to the Issuer, general macroeconomic conditions and other factors discussed below, the Seller made the assumptions described under "*The Receivables—Maturity and Prepayment Assumptions*" (to the extent not inconsistent with the assumptions below) as well as the following additional assumptions:

- the Class A Notes and the Class B Notes will be paid interest at the applicable "Interest Rate" described above on the basis of a 360-day year consisting of twelve 30-day months;

- interest and principal payments on the Receivables are calculated using the hypothetical pools and related pool characteristics described under "*The Receivables—Maturity and Prepayment Assumptions*;"

- payments on the Receivables are made once a month commencing in June 2017, each scheduled monthly payment on the Receivables is made on the last day of each month, whether or not such day is a Business Day, and each month has 30 days;

- the Receivables prepay at a rate of 30% CPR (this assumption used to calculate the fair value of the Issuer LLC Interest is one of the various prepayment scenarios presented in the table set forth in "*The Receivables—Maturity and Prepayment Assumptions*");

- the Receivables experience a cumulative net loss rate of 6.50% at a 100% loss severity, which is allocated in accordance with the timing curve presented in the table below:

Monthly Period	Cumulative Net Loss Timing Curve (as a percentage of the cumulative net loss rate)
1	0.0%
2	0.1%
3	0.2%
4	0.3%
5	2.9%
6	14.8%
7	25.2%
8	35.5%
9	45.0%
10	53.3%
11	60.8%
12	67.3%
13	73.1%
14	78.5%
15	83.2%
16	87.4%
17	91.0%
18	94.0%
19	96.2%
20	97.8%
21	99.1%
22	99.8%
23	100.0%
24	100.0%
25	100.0%
26	100.0%
27	100.0%
28	100.0%
29	100.0%
30	100.0%
31	100.0%

- the Revolving Period has a term of 36 months;

- the Issuer does not exercise its option to redeem the Class A Notes and the Class B Notes;

- each month, the Issuer maintains an amount of cash on deposit in the Collection Account equal to the Required Monthly Payments;

- Residual Amounts are released to the Issuer, and directly increase the value of the Issuer LLC Interest held by the Seller, on each Payment Date until the Residual Pool has been paid in full; and

- projected cash flows related to the Residual Interest, the Issuer's ownership of which directly increases the value of the Issuer LLC Interest held by the Seller, are discounted at a discount rate of 15%, which reflects an expected market yield derived from qualitative factors that take into account the first loss exposure of the Residual Interest cash flows and credit risk of the Receivables, and the rate of return that third-party investors would require to purchase residual interests similar to the Issuer LLC Interest.

The Seller developed the discount rate, cumulative net loss on the Receivables and loss timing curve based on the following additional factors:

- Discount rate— due to the lack of an actively traded market in residual interests similar to the Issuer LLC Interest, this rate reflects a determination by the Seller based on, among other items, discount rate assumptions for securitization transactions with similarly-structured residual interests and qualitative factors that consider the subordinate nature of the first-loss exposure.

- Cumulative net losses— the cumulative net loss assumption and the shape of the cumulative net loss curve reflect a determination by the Seller based on, among other items, the composition of the Receivables Pool, and experience with similar receivables originated by the Seller. Default and recovery rate estimates are included in the cumulative net loss assumption.

Based upon the foregoing inputs and assumptions, on the Closing Date, the fair value of the Issuer LLC Interest is expected to be approximately $107,385,649, which is approximately 40.2% of the aggregate fair value of all "ABS interests" in the Issuer, including the Notes and the Issuer LLC Interest. The Seller believes that the inputs and assumptions that could have a material impact on the fair value calculation, or that would be material to an evaluation of the Seller's fair value calculation, are described above. A differing opinion regarding the appropriate inputs and assumptions could materially change the determination of the fair value of the Issuer LLC Interest. Further, the actual characteristics of the Receivables to be transferred to the Issuer on the Closing Date and during the Revolving Period differ from the assumptions described above (for example, the use of hypothetical pools rather than the individual characteristics of each Receivable) and the actual performance of the Receivables is likely to differ from the assumed performance (such as the actual timing and amount of net losses on the Receivables). Consequently, the present value of the projected cash flows on the Residual Interest is expected to vary somewhat from the discounted actual cash flows on the Residual Interest, and you should not assume that the fair value of the Issuer LLC Interest will be equal to or greater than the present value of the actual cash flows on the Residual Interest, the Issuer's ownership of which directly increases the value of the Issuer LLC Interest held by the Seller. The Seller is required under Regulation RR to disclose the above fair value determinations, including the descriptions of the related inputs and assumptions. Such information is intended to allow potential investors to analyze the amount of the Seller's retained economic interest in the transactions described herein. Therefore, the fair value determinations and such inputs and assumptions disclosed above should only be used for such purpose and should not be relied upon as a prediction of the performance of the Notes.

The Seller will recalculate the fair value of the Notes and the Issuer LLC Interest following the Closing Date to reflect the issuance of the Notes and any material changes in the methodology or inputs

and assumptions described above, such as any difference between the Assumed Interest Rates and the actual interest rates on the Notes. The fair value of the Issuer LLC Interest held by the Seller, as a percentage of the sum of the fair value of the Notes and the Issuer LLC Interest and as a dollar amount, in each case, as of the Closing Date, will be included in the first monthly report delivered to Noteholders after the Closing Date, together with a description of any material changes in the method or inputs and assumptions used to calculate the fair value of the Notes and the Issuer LLC Interest (in each case, unless otherwise previously disclosed).

As described under "*Description of the Notes—Monthly Payments*," Residual Amounts on any Payment Date are subordinated to all payments of principal and interest on the Notes by, and other expenses of, the Issuer. In accordance with the requirements for an "eligible horizontal residual interest" under Regulation RR, on any Payment Date on which the Issuer has insufficient funds to make all of the distributions described under "*Description of the Notes—Monthly Payments*", any resulting shortfall will, through operation of the priority of payments, reduce Residual Amounts on such Payment Date prior to any reduction in the amounts payable for interest on, or principal of, any class of Notes. The material terms of the Notes are described in this Memorandum under "*Description of the Notes*," and the other material terms of the amounts payable on the Residual Interest, the Issuer's ownership of which directly increases the value of the Issuer LLC Interest held by the Seller, are described under "*Residual Interest*," "*Description of the Notes—Monthly Payments*" and "*Description of the Notes—Subordination.*"

The Seller does not intend to transfer or hedge the portion of the retained economic interest that is intended to satisfy the requirements of Regulation RR except as permitted under Regulation RR.

None of the Initial Purchasers (i) has independently verified any of the statements under this "*Credit Risk Retention*" section or (ii) is responsible for making any representation concerning (a) the accuracy or completeness of the fair value determination, (b) the fair value of the Issuer LLC Interest or the Notes or (c) any assumptions or other variables used to determine any such fair value.

For the avoidance of doubt, in no event shall the Trustee have any responsibility to monitor or enforce compliance with, or be charged with knowledge of, Regulation RR or any other risk retention regulations, nor shall it be liable to any investor or any other party whatsoever for any violation of such regulations or any similar provisions in effect or the breach of any terms of any Transaction Document in connection therewith.

DESCRIPTION OF THE INDENTURE

Pledge of the Trust Estate

The Issuer will grant to the Trustee at the Closing Date, for the benefit of the Trustee and the Secured Parties, to secure the Secured Obligations, a continuing Lien on and security interest in all of the Issuer's right, title and interest in, to and under the following property whether then owned or thereafter acquired, then existing or thereafter created and wherever located: (a) the Receivables and related Contracts; (b) all Collections thereon received after the applicable Cut-Off Date; (c) all Related Security; (d) the Trust Accounts that have been or will be established and maintained pursuant to the Indenture, all monies from time to time deposited therein and all investments and other property from time to time credited thereto; (e) all certificates and instruments, if any, representing or evidencing any or all of the Trust Accounts or the funds on deposit therein from time to time; (f) all investments made at any time and from time to time with moneys in the Trust Accounts; (g) the Purchase Agreement and the Servicing Agreement; (h) all additional property that may from time to time be subjected to the grant and pledge made by the Issuer or by anyone on its behalf; (i) all present and future claims, demands, causes and choses in action and all payments on or

under the foregoing; and (j) all proceeds of every kind and nature whatsoever in respect of any or all of the foregoing.

Event of Default

An "**Event of Default**" means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(i) default in the payment of any interest on the Series 2017-A Notes on any Payment Date, and such default shall continue (and shall not have been waived by the Required Noteholders) for a period of five (5) Business Days after receipt of notice thereof from the Trustee;

(ii) default in the payment of the principal of or any installment of the principal of any class of Series 2017-A Notes when the same becomes due and payable on the Legal Final Payment Date;

(iii) the filing of a decree or order for relief by a court having jurisdiction in the premises in respect of the Issuer, the Seller, Oportun, LLC, the Servicer or any substantial part of the Trust Estate in an involuntary case under any applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Issuer or for any substantial part of the Trust Estate, or ordering the winding-up or liquidation of the Issuer's affairs, and such decree or order shall remain unstayed and in effect for a period of sixty (60) consecutive days;

(iv) the commencement by the Issuer, the Seller, Oportun, LLC or the Servicer of a voluntary case under any applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or the consent by the Issuer to the entry of an order for relief in an involuntary case under any such law, or the consent by the Issuer to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Issuer or for any substantial part of the Trust Estate, or the making by the Issuer of any general assignment for the benefit of creditors, or the failure by the Issuer generally to pay its debts as such debts become due, or the taking of action by the Issuer in furtherance of any of the foregoing;

(v) either (x) a failure on the part of the Issuer duly to observe or perform any other covenants or agreements of the Issuer set forth in the Indenture, (y) a failure on the part of the Seller duly to observe or perform any other covenants or agreements of the Seller set forth in the Purchase Agreement or (z) a failure on the part of the Servicer duly to observe or perform any other covenants or agreements of the Servicer set forth in the Servicing Agreement, which failure, in either case, has a material adverse effect on the interests of the Series 2017-A Noteholders (as reasonably determined by the Required Noteholders) and which continues unremedied for a period of thirty (30) days after the date on which notice of such failure, requiring the same to be remedied, shall have been given by registered or certified mail to the Issuer or the Seller, as applicable, by the Trustee, or to the Issuer or the Seller, as applicable, and the Trustee by the Required Noteholders;

(vi) either (x) any representation, warranty or certification made by the Issuer in the Indenture or in any certificate delivered pursuant to the Indenture shall prove to have been inaccurate when made or deemed made or (y) any representation, warranty or certification made by the Seller in the Purchase Agreement or in any certificate delivered pursuant to the Purchase Agreement shall prove to have been inaccurate when made or deemed made and, in either case,

such inaccuracy has a material adverse effect on the Series 2017-A Noteholders (as reasonably determined by the Required Noteholders) and which continues unremedied for a period of thirty (30) days after the date on which a notice specifying such incorrect representation or warranty and requiring the same to be remedied, shall have been given by registered or certified mail to the Issuer or the Seller, as applicable, by the Trustee, or to the Issuer or the Seller, as applicable, and the Trustee by the Required Noteholders;

(vii) the Trustee shall cease to have a first-priority perfected security interest in all or a material portion of the Trust Estate;

(viii) the Issuer shall have become subject to regulation by the SEC as an "investment company" under the Investment Company Act of 1940, as amended;

(ix) the Issuer shall become taxable as an association or a publicly traded partnership taxable as a corporation under the Code; or

(x) a lien shall be filed pursuant to Section 430 or Section 6321 of the Code with regard to the Issuer and such lien shall not have been released within thirty (30) days.

If and whenever an Event of Default (other than in clause (iii) and (iv) above) has occurred and is continuing, the Trustee may and, at the written direction of the Required Noteholders, shall cause the principal amount of all Series 2017-A Notes outstanding to be immediately due and payable at par, together with interest thereon. If an Event of Default with respect to the Issuer specified in clause (iii) or (iv) above shall occur, all unpaid principal of and accrued interest on all the Series 2017-A Notes outstanding shall *ipso facto* become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Series 2017-A Noteholder. If an Event of Default shall have occurred and be continuing, the Trustee may exercise from time to time any rights and remedies available to it under applicable law and under the Indenture. Any amounts obtained by the Trustee on account of or as a result of the exercise by the Trustee of any right shall be held by the Trustee as additional collateral for the repayment of the Secured Obligations and shall be applied as provided in the Indenture. The acceleration of the Series 2017-A Notes may be rescinded under certain circumstances by the Required Noteholders and, prior to acceleration, the Required Noteholders may waive any Default or Event of Default and its consequences (except a Default in payment of principal of any Series 2017-A Note).

Rapid Amortization Event

A "**Rapid Amortization Event**" means any one of the following events (whatever the reason for such Rapid Amortization Event and whether it shall be voluntary or involuntary):

(i) on any Determination Date during the Revolving Period, the average annualized Monthly Loss Percentage over the previous three (3) Monthly Periods is greater than 17.0%;

(ii) a breach of any Concentration Limit for three (3) consecutive months during the Revolving Period;

(iii) the Overcollateralization Test is not satisfied for more than five (5) Business Days; or

(iv) the occurrence of a Servicer Default or an Event of Default.

The Required Noteholders may waive any Rapid Amortization Event and its consequences.

Reports to Noteholders

On or before each Payment Date, the Trustee shall make available electronically to each Series 2017-A Noteholder, with respect to each Series 2017-A Noteholder's interest a statement prepared by the Servicer and delivered to the Trustee on the preceding Determination Date and setting forth, among other things, the following information for Series 2017-A:

(i) the amount of Collections (including a breakdown of Finance Charges vs. principal Collections) received during the related Monthly Period;

(ii) the amount of Available Funds on deposit in the Collection Account on the related Series Transfer Date;

(iii) the amount of Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses, Monthly Interest, Deficiency Amounts and Additional Interest, respectively;

(iv) the amount of the Servicing Fee for such Payment Date;

(v) the total amount to be distributed to Class A Noteholders and Class B Noteholders on such Payment Date;

(vi) the outstanding principal balance of each class of Series 2017-A Notes as of the end of the day on the Payment Date;

(vii) the aggregate amount of Receivables that became Defaulted Receivables during the related Monthly Period; and

(viii) the aggregate Outstanding Receivables Balance of Receivables which were 1-29 days, 30-59 days, 60-89 days, and 90-119 days delinquent, respectively, as of the end of the preceding Monthly Period.

To the extent the Servicer provides such information to the Trustee, the Trustee will make such information available to each Series 2017-A Noteholder via the Trustee's Internet Website. The Trustee's Internet Website will initially be located at www.wilmingtontrustconnect.com or at such other address as the Trustee shall notify the parties to the Indenture from time to time. For assistance with regard to this service, investors may call the Corporate Trust Office at (866) 829-1928.

The Trustee makes no representations or warranties as to the accuracy or completeness of, and may disclaim responsibility for, any information made available by the Trustee.

The Trustee may require registration and the acceptance of a disclaimer in connection with providing access to the Trustee's Internet Website. The Trustee shall not be liable for the dissemination of information made in accordance with the Indenture. In addition, the Trustee shall be entitled to rely on but shall not be responsible for the content or accuracy of any information provided by the Servicer.

To the extent required by the Code or the Treasury regulations promulgated thereunder, on or before January 31 of each calendar year, the Trustee shall distribute to each Person who at any time during the preceding calendar year was a Series 2017-A Noteholder, a statement prepared by the Servicer containing the information required to be contained in the regular monthly report to Series 2017-A Noteholders, as set forth in clauses (iv) and (v) above, aggregated for such calendar year, and a statement prepared by the initial Servicer or the Issuer with such other customary information (consistent with the treatment of the Series

2017-A Notes as debt), required by applicable tax law to be distributed to the Series 2017-A Noteholders. Such obligations of the Trustee shall be deemed to have been satisfied to the extent that substantially comparable information shall be provided by the Trustee pursuant to any requirements of the Code as from time to time in effect.

Unless and until Definitive Notes are issued, monthly reports, containing unaudited information concerning the Issuer and prepared by the Servicer, will be sent on behalf of the Issuer only to DTC or its nominee as registered holder of the Series 2017-A Notes, pursuant to the Indenture. See "*Description of the Notes—Book-Entry Registration.*" Such reports will not constitute financial statements prepared in accordance with GAAP. The Note Owners may obtain such reports by furnishing to the Trustee a written request and a certification that such person is a Note Owner and by paying postage and reproduction costs.

Amendments

Without the consent of the Series 2017-A Noteholders, and, if the Servicer's or the Back-Up Servicer's (including, as successor Servicer) rights and/or obligations are materially and adversely affected thereby, with the consent of the Servicer or the Back-Up Servicer, as applicable, the Issuer and the Trustee, when authorized by an Issuer Order, at any time and from time to time, may enter into one or more indenture supplements or amendments to the Indenture, in form satisfactory to the Trustee, for any of the following purposes: (a) to correct or amplify the description of any property at any time subject to the lien of the Indenture, or better to assure, convey and confirm unto the Trustee any property subject or required to be subjected to the lien of the Indenture, or to subject to the lien of the Indenture additional property; (b) to evidence the succession, in compliance with the applicable provisions of the Indenture, of another Person to the Issuer, and the assumption by any such successor of the covenants of the Issuer in the Indenture and in the Series 2017-A Notes; (c) to add to the covenants of the Issuer for the benefit of any Secured Parties or to surrender any right or power conferred upon the Issuer in the Indenture; (d) to convey, transfer, assign, mortgage or pledge to the Trustee any property or assets as security for the Secured Obligations and to specify the terms and conditions upon which such property or assets are to be held and dealt with by the Trustee and to set forth such other provisions in respect thereof as may be required by the Indenture or as may, consistent with the provisions of the Indenture, be deemed appropriate by the Issuer and the Trustee, or to correct or amplify the description of any such property or assets at any time so mortgaged, pledged, conveyed and transferred to the Trustee; (e) to cure any ambiguity, or correct or supplement any provision of the Indenture which may be inconsistent with any other provision of the Indenture or the final offering memorandum for any Series of Notes; (f) to make any other provisions of the Indenture with respect to matters or questions arising under the Indenture; *provided, however*, that such action shall not adversely affect the interests of any Series 2017-A Noteholder in any material respect without consent being provided as set forth in the following paragraph; (g) to evidence and provide for the acceptance of appointment under the Indenture by a successor Trustee with respect to the Series 2017-A Notes or to add to or change any of the provisions of the Indenture as shall be necessary and permitted to provide for or facilitate the administration of the trusts under the Indenture by more than one trustee pursuant to the requirements of the Indenture or (h) to modify, eliminate or add to the provisions of the Indenture to such extent as shall be necessary to effect the qualification of the Indenture under the TIA or under any similar federal statute hereafter enacted and to add to the Indenture such other provisions as may be expressly required by the TIA; *provided, however*, that no amendment or supplement shall be permitted if it would adversely affect the tax characterization of any outstanding Series 2017-A Notes or result in a taxable event to any Series 2017-A Noteholder unless such Series 2017-A Noteholder's consent is obtained. See "*Risk Factors—Noteholder Control Limitations*."

The Issuer and the Trustee, when authorized by an Issuer Order, also may, with the consent of the Required Noteholders and, if the Servicer's or the Back-Up Servicer's (including, as successor Servicer) rights and/or obligations are materially and adversely affected thereby, the Servicer or the Back-Up

Servicer, as applicable, enter into one or more indenture supplements or amendments to the Indenture for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Indenture or of modifying in any manner the rights of the Series 2017-A Noteholders under the Indenture; *provided, however*, that no such indenture supplement or amendment shall, without the consent of the Required Noteholders and without the consent of the Series 2017-A Noteholder of each outstanding Series 2017-A Note affected thereby (and in the case of clause (iii) below, the consent of each Secured Party): (i) change the date of payment of any installment of principal of or interest on, or any premium payable upon the redemption of, any Series 2017-A Note or reduce in any manner the principal amount thereof, the interest rate thereon or the redemption price with respect thereto, modify the provisions of the Indenture relating to the application of Collections on, or the proceeds of the sale of, the Trust Estate to payment of principal of, or interest on, the Series 2017-A Notes, or change any place of payment where, or the coin or currency in which, any Series 2017-A Note or the interest thereon is payable; (ii) change the Noteholder voting requirements with respect to any Transaction Document; (iii) impair the right to institute suit for the enforcement of certain provisions of the Indenture requiring the application of funds available therefor as provided therein, to the payment of any such amount due on the Series 2017-A Notes on or after the respective due dates thereof (or, in the case of redemption, on or after the redemption date); (iv) reduce the percentage of the aggregate outstanding principal amount of the Series 2017-A Notes, the consent of the Series 2017-A Noteholders of which is required for any such indenture supplement or amendment, or the consent of the Series 2017-A Noteholders of which is required for any waiver of compliance with certain provisions of the Indenture or certain defaults thereunder and their consequences provided for in the Indenture; (v) modify or alter the provisions of the Indenture regarding the voting of Series 2017-A Notes held by the Issuer, the Seller or an Affiliate of the foregoing; (vi) reduce the percentage of the aggregate outstanding principal amount of the Series 2017-A Notes, the consent of the Series 2017-A Noteholders of which is required to direct the Trustee to sell or liquidate the Trust Estate pursuant to the Indenture if the proceeds of such sale would be insufficient to pay the principal amount and accrued but unpaid interest on the outstanding Series 2017-A Notes; (vii) modify any provision described in this paragraph, except to increase any percentage specified herein or to provide that certain additional provisions of the Indenture cannot be modified or waived without the consent of the Series 2017-A Noteholder of each outstanding Series 2017-A Note affected thereby; (viii) modify any of the provisions of the Indenture in such manner as to affect in any material respect the calculation of the amount of any payment of interest or principal due on any Series 2017-A Note on any Payment Date (including the calculation of any of the individual components of such calculation), to alter the application of Collections or to affect the rights of the Series 2017-A Noteholders to the benefit of any provisions for the mandatory redemption of the Series 2017-A Notes contained in the Indenture; or (ix) permit the creation of any lien ranking prior to or on a parity with the Lien of the Indenture with respect to any part of the Trust Estate for the Series 2017-A Notes (except for Permitted Encumbrances) or, except as otherwise permitted or contemplated in the Indenture, terminate the lien of the Indenture on any such collateral at any time subject hereto or deprive any Secured Party of the security provided by the lien of the Indenture; *provided, further*, that no amendment will be permitted if it would cause any Series 2017-A Noteholder to recognize gain or loss for U.S. federal income tax purposes, unless such Series 2017-A Noteholder's consent is obtained as described above.

Acts of Noteholders

Wherever in the Indenture a provision is made that an action may be taken or a notice, demand or instruction given by Series 2017-A Noteholders, such action, notice or instruction may be taken or given by any Series 2017-A Noteholder, unless such provision requires a specific percentage of Series 2017-A Noteholders. Notwithstanding anything in the Indenture to the contrary, none of the Seller, the Issuer or any Affiliate controlled by the Seller or controlling the Seller shall have any right to vote with respect to any Series 2017-A Note.

The Indenture is not qualified under the TIA. Moreover, the Indenture expressly provides that whether or not the Indenture is required to be qualified under the TIA, the provisions of Section 316(a)(1) of the TIA (regarding the power of holders of a majority in principal amount of Series 2017-A Notes to direct the time, manner and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, or to consent to the waiver of any past default or its consequences) shall be excluded from the Indenture. See "*Risk Factors—Noteholder Control Limitations*."

The ownership of Series 2017-A Notes shall be proved by the Note Register. Any request, demand, authorization, direction, notice, consent, waiver or other action by the holder of any such Series 2017-A Notes shall bind such Noteholder and the holder of every Series 2017-A Note and every subsequent holder of such Series 2017-A Notes issued upon the registration thereof or in exchange therefor or in lieu thereof, in respect of anything done, omitted or suffered to be done by the Trustee, the Servicer or the Issuer in reliance thereon, whether or not notation of such action is made upon such Series 2017-A Note. Until such time as Definitive Notes are issued as described under "*Description of the Notes—Definitive Notes,*" Cede will be the sole Series 2017-A Noteholder and, therefore, a beneficial owner's ability to make or give any request, demand, authorization, direction, consent, waiver or other action must be exercised through Cede and DTC as described in "*Description of the Notes—Book-Entry Registration.*"

Indemnification

The Issuer shall fully indemnify, defend and hold harmless the Trustee (and any predecessor Trustee) and its directors, officers, agents and employees from and against any and all loss, liability, claim, expense, damage or injury suffered or sustained of whatever kind or nature regardless of their merit, demanded, asserted, or claimed directly or indirectly relating to any acts, omissions or alleged acts or omissions arising out of the activities of the Trustee pursuant to the Indenture and any other Transaction Document to which it is a party or any transaction contemplated thereby, including but not limited to any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim; *provided*, *however*, that the Issuer shall not indemnify the Trustee or its directors, officers, employees or agents if such acts, omissions or alleged acts or omissions constitute negligence or willful misconduct by the Trustee. The indemnity provided therein shall (i) survive the termination of the Indenture and the resignation and removal of the Trustee, (ii) apply to the Trustee (including (a) in its capacity as Agent and (b) WTNA, as Securities Intermediary and Depositary Bank) and (iii) Deutsche Bank Trust Company Americas, in its capacity as Collateral Trustee.

Certain Covenants of Issuer

Pursuant to the Indenture, the Issuer covenants that, among other things, subject to specified exceptions and limitations, (i) it will take all actions to maintain, in favor of the Trustee, for the benefit of the Secured Parties, a first priority perfected security interest in the Trust Estate, subject to Permitted Encumbrances; (ii) except as permitted by the Indenture, it will not create any Adverse Claim upon the Trust Estate; (iii) it will notify the Trustee promptly after becoming aware of any Event of Default; and (iv) it will use commercially reasonable efforts to enforce its rights under the Purchase Agreement.

DESCRIPTION OF THE PURCHASE AGREEMENT

The Receivables will be purchased by the Issuer from the Seller on the Closing Date and on subsequent purchase dates during the Revolving Period pursuant to the Purchase Agreement.

Purchase of Receivables

Under the Purchase Agreement, the Seller has sold and assigned on the Closing Date, and may continue to sell and assign on each subsequent purchase date after the Closing Date and prior to the end of the Revolving Period, to the Issuer, without recourse except as specifically provided in the Purchase Agreement, all of its right, title and interest in (i) each Contract identified under the Purchase Agreement, (ii) all Receivables related thereto and all Collections received thereon after the applicable Cut-Off Date, (iii) all Related Security, (iv) all products of the foregoing, (v) all Recoveries relating thereto, and (vi) all proceeds of the foregoing (items specified in clauses (ii) through (vi), collectively the "**Related Rights**").

In connection with the Purchase Agreement, the Seller shall mark conspicuously its internal records to reflect the sale to the Issuer of the Contracts and Receivables sold to the Issuer pursuant to the Purchase Agreement. The Servicer, acting as custodian, will maintain records of the sold Contracts in a secure location operated by a third-party service provider. In the case of any Contracts which are executed by the Obligors as electronic copies only, an electronic copy will be retained in electronic storage and will be identified as the property of the Issuer.

Certain Representations and Warranties

Pursuant to the Purchase Agreement, the Seller will represent and warrant to the Issuer, among other things, that as of Closing Date and on subsequent purchase dates during the Revolving Period, (i) the Seller is duly organized and validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to own its properties and conduct its business as presently conducted; (ii) the Seller is duly qualified to do business and is in good standing as a foreign entity (or is exempt from such requirements) in each state where the failure to be qualified would have a material adverse effect on the conduct of the Seller's business; (iii) the performance of its obligations under the Purchase Agreement, and the consummation of the transactions provided therein have been duly authorized by all requisite action on the part of the Seller and such agreement constitutes the valid and legally binding obligation of the Seller, enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, receivership, conservatorship or other laws, regulations and administrative orders now or hereafter in effect, affecting the rights of creditors generally and except as such enforcement may be limited by general principles of equity (whether considered in a proceeding at law or in equity); (iv) no transaction contemplated by the Purchase Agreement will violate any statute or any order, rule or regulation of any federal or state court or governmental agency or body having jurisdiction over it, and (v) the Seller is not the subject of any Sanctions, is not located in a Sanctioned Country, has not funded or facilitated any activities of or business with any Person that, at the time of such funding or facilitation, is the subject or the target of Sanctions, and has not funded or facilitated any activities of or business in any Sanctioned Country.

The Seller makes certain representations and warranties regarding the Contracts and the Receivables, including the Contracts and the Receivables originated by Oportun, LLC and transferred to the Seller, in the Purchase Agreement. Such representations and warranties include, with respect to each Contract and Receivable transferred, that immediately prior to such transfer, among other things, each such Receivable is an Eligible Receivable and that the Seller is the sole owner of each Receivable being sold free from any Lien other than those released at or prior to the related purchase date.

Certain Covenants

The Seller covenants pursuant to the Purchase Agreement that it shall (i) within 30 days after any change in its name, identity or corporate structure which would make a financing statement seriously misleading within the meaning of Section 9-506 of the UCC, give the Issuer and the Trustee notice of such

change and file such financing statements or amendments as may be necessary to continue the perfection of the Issuer's interest in the Contracts and Related Rights; (ii) from time to time, execute and deliver to the Issuer any documents reasonably requested by the Issuer or the Trustee in order to evidence, perfect, maintain and enforce the title or the Issuer's security interest in the Receivables; and (iii) treat the purchase of Receivables by the Issuer as a sale or secured financing for tax and financial accounting purposes (as required by GAAP) and as a sale for all other purposes (including, without limitation, legal and bankruptcy purposes) on all relevant books, records, tax returns, financial statements and other applicable documents.

Repurchase Payments

In the event that any representation relating to eligibility and perfection made by the Seller in respect of any transferred Contract or Receivable is not true and correct on the applicable date of sale in any material respect (a "**Repurchase Event**" and any Receivable as to which a Repurchase Event applies, an "**Ineligible Receivable**"), then the Seller will be obligated to pay to the Issuer an amount equal to the outstanding principal amount of such Ineligible Receivable plus all accrued and unpaid Finance Charges and other amounts then owing with respect to the related Contract at the time of repurchase (any such payment, a "**Repurchase Payment**") within five (5) Business Days of the date the Seller or the Servicer receives knowledge or notice of the breach. Prior to the purchase termination date and if no Rapid Amortization Event has occurred and is continuing, such Repurchase Payment shall be paid by reducing the Purchase Price payable by the Issuer to the Seller on the applicable subsequent purchase date or as otherwise set forth in the Purchase Agreement. The repurchase obligation of the Seller to repurchase such Ineligible Receivable shall constitute the sole remedy against the Seller with respect to a Repurchase Event.

Indemnification

Under the Purchase Agreement, the Seller has also agreed to indemnify the Issuer (and its assignees) and its officers, directors, agents and employees (each, a "**Purchase and Sale Indemnified Party**") from and against any and all claims, losses and liabilities, including, without limitation, reasonable attorneys' fees and disbursements (all of the foregoing being collectively referred to as "**Purchase and Sale Indemnified Amounts**"), awarded against or incurred by any of them arising out of or resulting from the Seller's failure to perform its obligations under the Purchase Agreement excluding, however, (x) Purchase and Sale Indemnified Amounts to the extent resulting from gross negligence or willful misconduct on the part of such Purchase and Sale Indemnified Party or (y) Purchase and Sale Indemnified Amounts to the extent related to a default on any Receivable by the related Obligor. Such indemnity will survive the execution, delivery, performance and termination of the Purchase Agreement.

DESCRIPTION OF THE SERVICING AGREEMENT

The Servicer will be responsible for servicing and administering the Receivables in accordance with the Servicer's policies and procedures for servicing loans comparable to the loans with respect to the Receivables.

Servicing Compensation and Payment of Expenses

The Servicing Fee with respect to any Monthly Period during which PF Servicing or any Affiliate acts as Servicer shall be equal to the product of (i) 5.00%, (ii) one-twelfth and (iii) the aggregate Outstanding Receivables Balance as of the last day of the immediately prior Monthly Period (provided, that the Servicing Fee for the First Payment Date shall be based upon the actual number of days in the first Monthly Period and assuming a 30-day month) and for any Monthly Period during which (A) SST acts as successor Servicer, the Servicing Fee shall be the amount reflected on the fee schedule attached to the Back-Up Servicing Agreement (and attached hereto as Exhibit A), or (B) any other successor Servicer acts as

Servicer, the Servicing Fee shall be an amount equal to the product of (i) the current market rate for servicing receivables similar to the Receivables, (ii) one-twelfth and (iii) the aggregate Outstanding Receivables Balance as of the last day of the immediately prior Monthly Period (the "**Servicing Fee**"). The Servicing Fee shall be paid by the cash flows from the Trust Estate and in no event shall the Trustee be liable therefor. The Servicing Fee shall be payable to the Servicer solely to the extent amounts are available for distribution in respect thereof pursuant to the Indenture. See "*Description of the Notes—Monthly Payments—Collection Account.*"

Servicer Default

The occurrence of any one or more of the following events shall constitute a Servicer default (each, a "**Servicer Default**"):

(a) failure by the Servicer to make any payment, transfer or deposit under the Servicing Agreement or any other Servicer transaction document or to provide its report to the Trustee to make such payment, transfer or deposit or any withdrawal on or before the date occurring two (2) Business Days after the date such payment, transfer or deposit or such instruction or notice is required to be made or given as the case may be, under the terms of the Servicing Agreement or any other Servicer transaction document (or in the case of a payment, transfer, deposit or instruction to be made or given with respect to any Interest Period, by the related Payment Date);

(b) failure on the part of the Servicer to duly observe or perform any other covenants or agreements of the Servicer set forth in the Servicing Agreement or any other Servicer transaction document, which failure continues unremedied for a period of thirty (30) days, after the earlier of discovery by the Servicer or the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Trustee or the Issuer; or the Servicer shall assign its duties under the Servicing Agreement, except as permitted by the Servicing Agreement;

(c) any representation, warranty or certification made by the Servicer in the Servicing Agreement or any other Servicer transaction document or in any certificate delivered pursuant to the Servicing Agreement or any other Servicer transaction document shall prove to have been incorrect when made and which continues unremedied for a period of 30 days after the date on which the Servicer has actual knowledge thereof or on which written notice thereof, requiring the same to be remedied, shall have been given to the Servicer by the Trustee or the Issuer;

(d) the Servicer shall become the subject of any event of bankruptcy or shall voluntarily suspend payment of its obligations;

(e) at any time that PF Servicing is the Servicer, any event of default (which has not been waived or cured within ten (10) Business Days) under any indenture, credit or loan agreement or other agreement or instrument of any kind pursuant to which indebtedness of PF Servicing or the Seller in an aggregate principal amount in excess of $5,000,000 is outstanding or by which the same is evidenced, shall have occurred and be continuing;

(f) at any time that PF Servicing is the Servicer, a final judgment or judgments for the payment of money in excess of $5,000,000 in the aggregate shall have been rendered against the Issuer, PF Servicing or the Seller and the same shall have remained unsatisfied and in effect, without stay of execution, for a period of 30 consecutive days after the period for appellate review shall have elapsed; or

(g) at any time that PF Servicing is the Servicer, a Change in Control shall have occurred and be continuing.

Indemnification by Servicer

The initial Servicer will indemnify and hold harmless the Trustee, the Back-Up Servicer, the successor Servicer, the Issuer (together with their respective successors and permitted assigns) and each of their respective agents, officers, members and employees (collectively, the "**Servicer Indemnified Parties**"), from and against any loss, liability, expense, damage or injury suffered or sustained solely by reason of any breach by the initial Servicer of any of its representations, warranties or covenants contained in the Servicing Agreement or any failure by the initial Servicer to perform any duty or obligation of the initial Servicer contained in the Servicing Agreement or any other Transaction Document, including any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses reasonably incurred in connection with the defense of any actual action, proceeding or claim; *provided*, *however*, that the initial Servicer shall not indemnify the Servicer Indemnified Parties if such acts or omissions were attributable directly to negligence or willful misconduct by such Servicer Indemnified Party.

The successor Servicer shall indemnify and hold harmless the Issuer and the Trustee, on behalf of the Noteholders (together with their respective successors and permitted assigns) (collectively, the "**Successor Servicer Indemnified Parties**"), from and against any loss, liability, expense, damage or injury suffered or sustained solely by reason of such successor Servicer's negligence in the performance of (or failure to perform) its duties or obligations under the Servicer transaction documents or willful misconduct or breach by the successor Servicer of any of its representations or warranties contained in the Servicing Agreement, including any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses reasonably incurred in connection with the defense of any actual action, proceeding or claim; *provided*, *however*, that the successor Servicer shall not indemnify the Successor Servicer Indemnified Parties if such acts or omissions were attributable directly or indirectly to negligence or willful misconduct of such Successor Servicer Indemnified Party. Any indemnification pursuant to this paragraph shall be had only from the assets of the successor Servicer and shall not be payable from Collections except to the extent such Collections are released to the successor Servicer in accordance with the Indenture in respect of the Servicing Fee. The provisions of such indemnity shall run directly to and be enforceable by such Successor Servicer Indemnified Parties.

The Issuer will indemnify, defend and hold harmless the successor Servicer and its officers, directors, employees, representatives and agents, from and against and reimburse the successor Servicer for any and all claims, expenses, obligations, liabilities, losses, damages, injuries (to person, property, or natural resources), penalties, stamp or other similar taxes, actions, suits, judgments, reasonable costs and expenses (including reasonable attorneys' and agent's fees and expenses) of whatever kind or nature regardless of their merit, demanded, asserted or claimed against the successor Servicer directly or indirectly relating to, or arising from, claims against the successor Servicer by reason of its participation in the transactions contemplated hereby, including without limitation all reasonable costs required to be associated with claims for damages to persons or property, and reasonable attorneys' and consultants' fees and expenses and court costs except to the extent caused by the successor Servicer's negligence or willful misconduct.

Servicer Termination

The Trustee may, and upon the direction of the Required Noteholders or in the case of a Servicer Default of the type described in paragraph (d) of the definition of Servicer Default (a "**Specified Servicer Default**"), shall, after the occurrence of a Servicer Default appoint the Back-Up Servicer as the successor Servicer pursuant to the Back-Up Servicing Agreement. The Back-Up Servicer is expected to promptly following notice of appointment as successor Servicer begin its transition process, but is not required to take over servicing until fifteen (15) calendar days of notice of termination of the Servicer and notice of appointment to the Back-Up Servicer, or such later date as may be agreed by the Trustee and the Back-Up

Servicer, and once it has received the necessary information to do so. See "*Risk Factors—Payments at Retail Locations*" and "*Risk Factors—Termination of PF Servicing as Servicer*." See also "*Description of the Notes—Monthly Payments*."

If (x) the Back-Up Servicer, on the date of its appointment as successor Servicer or at any time following such appointment, fails or is unable to perform the duties of the Servicer under the Servicing Agreement or has previously resigned or otherwise been terminated as Back-Up Servicer, or (y) any other Person designated successor Servicer in accordance with the Servicing Agreement resigns, fails or is unable to perform the duties of the Servicer thereunder following its appointment as successor Servicer, the Trustee may with the consent of the Required Noteholders, and upon the direction of the Required Noteholders shall, appoint as Servicer any Person to succeed the then current Servicer pursuant to the conditions set forth in the Servicing Agreement. Notwithstanding the occurrence of the transition date for the Back-Up Servicer to perform the duties of the Servicer under the Servicing Agreement, the Back-Up Servicer shall not be obliged to complete the transfer of servicing and assume the role of successor Servicer for so long as the Servicer (or any other person on its behalf) has failed to provide sufficient information to begin servicing the majority of the Contracts, Receivables and Related Security.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following discussion summarizes certain U.S. federal income tax consequences of the ownership and disposition of any class of Series 2017-A Notes, by Note Owners unrelated to the Issuer who purchase such class of Series 2017-A Notes for cash on the Closing Date at the "issue price" (*i.e.*, the first price at which a substantial amount of such class of Series 2017-A Notes is sold other than to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The summary does not purport to deal with all U.S. federal income tax consequences or with special rules that are applicable to certain categories of Note Owners such as dealers in securities or foreign currency, banks, other financial institutions, insurance companies, real estate investment trusts, regulated investment companies, tax exempt entities, persons that hold the Series 2017-A Notes as a position in a "straddle," or as part of a synthetic security or "hedge," "conversion transaction" or other integrated investment, persons that have a "functional currency" other than the U.S. dollar, pass-through entities and investors in pass-through entities, U.S. expatriates, taxpayers subject to the alternative minimum tax, or traders in securities that elect to use a mark-to-market method of accounting. In addition, this summary is generally limited to investors who will hold the Series 2017-A Notes as "capital assets" (generally, property held for investment) within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "**Code**"). This discussion does not address any U.S. estate or gift tax considerations or any foreign, state or local tax considerations. Prospective investors are encouraged to consult their own tax advisors in determining the federal, state, local, foreign, alternative minimum, estate and gift and any other tax consequences to them of the purchase, ownership and disposition of the Series 2017-A Notes.

The following summary is based upon current provisions of the Code, the Treasury regulations promulgated thereunder and judicial or ruling authority, all of which are subject to change, which change may be retroactive. Moreover, there are no cases or Internal Revenue Service ("**IRS**") rulings on many of the issues discussed below and no ruling on any of the issues discussed below will be sought from the IRS. The opinions of counsel (described below) are not binding on the IRS or the courts.

For purposes of this discussion, "**U.S. Holder**" means a Note Owner that is for U.S. federal income tax purposes a citizen or resident of the United States, a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia, an estate the income of which is subject to U.S. federal income taxation regardless of its source, or a trust with respect to which a U.S. court is able to exercise primary

supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or an electing trust in existence on August 20, 1996 and treated as a domestic trust on that date. "**Non-U.S. Holder**" for purposes of this discussion means a Note Owner that is not a U.S. Holder or an entity or arrangement treated as a partnership for U.S. federal income tax purposes.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Series 2017-A Notes, the tax treatment of a partner will generally depend on the status of the partner and on the activities of the partnership. Partners of partnerships considering purchasing Series 2017-A Notes should consult their tax advisors.

Under the Transaction Documents, the Issuer agrees and each Series 2017-A Noteholder and Note Owner, by acquiring an interest in a Series 2017-A Note, agrees or will be deemed to agree to treat the Series 2017-A Notes as debt for U.S. federal, state and local income or franchise tax purposes. Orrick, Herrington & Sutcliffe LLP, special tax counsel to the Issuer, will deliver its opinion to the Issuer that, assuming compliance with all provisions of the Indenture and the other Transaction Documents, and based on certain representations and covenants and the facts set forth in this Memorandum, under existing law and based on the assumptions and qualifications set forth in the opinion, the Series 2017-A Notes issued on the Closing Date (other than any Series 2017-A Notes beneficially owned by the Issuer or a person treated as the same person as the Issuer for U.S. federal income tax purposes) will be characterized as debt for U.S. federal income tax purposes and the Issuer will not be classified as an association or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes. The discussion below assumes that the characterization of the Series 2017-A Notes as debt for U.S. federal income tax purposes is correct.

The U.S. Department of the Treasury and the IRS recently issued Treasury regulations under section 385 of the Code that address the debt or equity treatment of instruments held by certain parties related to the issuing entity. In particular, in certain circumstances, a note that otherwise would be treated as debt is treated as stock for U.S. federal income tax purposes during periods in which the note is held by an applicable related party (meaning a member of an "expanded group" that includes the issuing entity (or its owner(s)) generally based on a group of corporations or controlled partnerships connected through 80% direct or indirect ownership links). Under these Treasury regulations, any Series 2017-A Notes treated as stock under these rules could result in adverse tax consequences to such related party Series 2017-A Noteholder, including that U.S. federal withholding taxes could apply to distributions on the Series 2017-A Notes. If the Issuer were to become liable for any such withholding or failure to so withhold, the resulting impositions could reduce the cash flow that would otherwise be available to make payments on all Series 2017-A Notes. In addition, when a re-characterized Series 2017-A Note is acquired by a beneficial owner that is not an applicable related party, that Series 2017-A Note is generally treated as reissued for U.S. federal income tax purposes and thus may have tax characteristics differing from Series 2017-A Notes of the same class that were not previously held by a related party. As a result of considerations arising from these rules, the limited liability company agreement of the Issuer will provide restrictions on certain potential holders of the Issuer LLC Interest if they are related to a Series 2017-A Noteholder. As a result, the Issuer does not expect that these Treasury regulations will apply to any of the Series 2017-A Notes. However, the Treasury regulations are complex and recently issued and thus have not yet been applied by the IRS or any court. In addition, the IRS has reserved certain portions of the Treasury regulations pending its further consideration. Prospective investors are urged to consult their tax advisors regarding the possible effects of the new rules.

Tax Consequences to U.S. Holders

Stated Interest. The stated interest on the Series 2017-A Notes will constitute "qualified stated interest" (generally, interest payable based upon a single fixed rate or certain variable rates that is payable unconditionally at least annually) and, as a result, such stated interest will be includible as ordinary income

by each U.S. Holder either at the time such payments are received or accrued, depending on whether the U.S. Holder is a cash or accrual basis taxpayer.

Original Issue Discount on the Series 2017-A Notes. It is anticipated that neither class of Series 2017-A Notes offered hereunder will be issued with more than a *de minimis* amount of discount (generally equal to 1/4% of the principal amount of the related class of Series 2017-A Notes multiplied by its weighted average life to maturity taking into account the prepayment assumption discussed below) for purposes of the rules governing original issue discount ("**OID**") that are set forth in the Code and the Treasury regulations promulgated thereunder. However, if a class of Series 2017-A Notes offered hereunder is in fact issued at a greater than *de minimis* discount, each U.S. Holder of such class will be required to accrue and include such OID (generally, the excess of (a) the sum of all payments (other than payments with respect to qualified stated interest) required to be made on such class over (b) its issue price) in gross income as ordinary income over the term of such class on a constant yield basis. As a result, OID must be included in income in advance of the receipt of cash representing that income regardless of the U.S. Holder's normal method of tax accounting. The amount of OID includable in income with respect to each Series 2017-A Note that is issued with OID is the sum of the daily portions of OID for each day on which the U.S. Holder held such Series 2017-A Note during the taxable year. In the case of a debt instrument (such as a Series 2017-A Note) as to which the repayment of principal may be accelerated as a result of the prepayment of other obligations securing the debt instrument, OID accruals are determined under Section 1272(a)(6) of the Code by taking into account (i) a reasonable prepayment assumption (generally, the assumption used to price the debt offering), and (ii) adjustments in the accrual of OID when prepayments do not conform to the prepayment assumption. If this provision applies to a class of Series 2017-A Notes, the amount of OID that will accrue in any given "accrual period" may either increase or decrease depending upon the actual prepayment rate. Any information reports or returns to the IRS and the Series 2017-A Noteholders regarding OID, if any, will be based on the assumption that the Receivables will prepay at a rate equal to 30% CPR. However, no representation is made regarding the actual prepayment rates for the Receivables. See "*The Receivables—Maturity and Prepayment Assumptions*". Accordingly, U.S. Holders are advised to consult their own tax advisors regarding the impact of any prepayments of the Receivables (and the OID rules) if a class of Series 2017-A Notes offered hereunder is issued with OID. In the case of a Series 2017-A Note purchased with *de minimis* OID, generally a portion of such OID is taken into income by a U.S. Holder upon each principal payment on the Series 2017-A Note. Such portion equals the *de minimis* OID times a fraction the numerator of which is the amount of the principal payment made and the denominator of which is the stated principal amount of the Series 2017-A Note.

A U.S. Holder may elect to include in gross income all interest that accrues on the holder's Series 2017-A Note, including stated interest and OID, using the constant yield method described above. Generally, this election will apply only to the Series 2017-A Note for which the holder makes such election. The holder may not revoke this election without the consent of the IRS.

Bond Premium. Generally, if a U.S. Holder acquires a Series 2017-A Note for an amount that exceeds the sum of all remaining amounts then payable under the Series 2017-A Note (other than qualified stated interest), the U.S. Holder may elect to treat such excess as "amortizable bond premium." The election allows the U.S. Holder to amortize such premium (as an offset to interest income), using a constant-yield method, over the remaining term of the Series 2017-A Note. Such election, once made, generally applies to all bonds held or subsequently acquired by the U.S. Holder on or after the first taxable year to which the election applies and may not be revoked without the consent of the IRS. A U.S. Holder that elects to amortize such premium must reduce its tax basis in the Series 2017-A Note by the amount of the premium amortized during its holding period. With respect to a U.S. Holder that does not elect to amortize bond premium, the amount of bond premium is included in the U.S. Holder's tax basis in the Series 2017-A Note.

Sale or Other Disposition. If a U.S. Holder sells or otherwise disposes of a Series 2017-A Note in a taxable transaction, the U.S. Holder will recognize gain or loss in an amount equal to the difference between the amount realized on the sale or other taxable disposition (less any amount attributable to accrued but unpaid interest, which will be taxable as ordinary income if not previously included in gross income) and the U.S. Holder's adjusted tax basis in the Series 2017-A Note at that time. The adjusted tax basis of a Series 2017-A Note to a particular U.S. Holder will generally equal the amount the U.S. Holder paid for the Series 2017-A Note, increased by, if applicable, any accrued OID and gain previously included by such U.S. Holder in income with respect to the Series 2017-A Note and decreased by the amount of amortizable bond premium (if any) previously deducted with respect to such Series 2017-A Note and by the amount of principal payments previously received by such U.S. Holder with respect to such Series 2017-A Note. Any such gain or loss generally will be capital gain or loss if the Series 2017-A Note was held as a capital asset. Any such gain or loss would be long-term capital gain or loss if the holder's holding period exceeded one year, which is subject to tax at a lower maximum rate than ordinary income. The deductibility of capital losses is subject to limitations.

Backup Withholding and Information Reporting. In general, information reporting will apply to payments of interest (including OID, if any) on the Series 2017-A Notes and to the proceeds from the sale or other disposition of a note (including a redemption or retirement), and backup withholding may apply to such payments if the U.S. Holder fails to provide the appropriate intermediary with a correct taxpayer identification number, certified under penalties of perjury, as well as certain other information, or certification of exempt status, or the U.S. Holder fails to report full dividend and interest income (including OID, if any) or otherwise fails to comply with applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules is allowable as a credit against the U.S. Holder's U.S. federal income tax liability (and the U.S. Holder may be entitled to a refund), as long as the U.S. Holder timely provides certain information to the IRS.

Additional Tax on Net Investment Income

An additional 3.8% tax is imposed on the "net investment income" of certain United States citizens and resident aliens, and on the undistributed "net investment income" of certain estates and trusts. Among other items, "net investment income" would generally include gross income from interest (including OID, if any), and net gain from the sale, redemption, exchange, retirement or other taxable disposition of a Series 2017-A Note, less certain deductions.

Tax Consequences to Non-U.S. Holders

Payments of Interest. Subject to the discussions below regarding FATCA and backup withholding, payments of interest (including OID, if any), on the Series 2017-A Notes to any Non-U.S. Holder will not be subject to U.S. federal withholding tax if that interest is not effectively connected with the Non-U.S. Holder's conduct of a U.S. trade or business and such person (i) does not own, actually or constructively, 10% or more of the total voting power or capital or profits interest, as applicable, of the Issuer (or the entity treated as the Issuer for U.S. federal income tax purposes), (ii) is not a controlled foreign corporation related, directly or indirectly, to the Issuer, (iii) is not a bank receiving interest on a loan entered into in the ordinary course of business, and (iv) the Non-U.S. Holder certifies to the applicable withholding agent on IRS Form W-8BEN or Form W-8BEN-E (or other applicable form), under penalties of perjury, that the Non-U.S. Holder is not a U.S. person and provides the Non-U.S. Holder's name and address.

If a Non-U.S. Holder does not satisfy the requirements described above, payments of interest made to the U.S. Holder will be subject to U.S. federal withholding tax at a 30% rate, unless the Non-U.S. Holder provides the withholding agent with a properly executed IRS Form W-8BEN or Form W-8BEN-E (or

successor form) claiming an exemption from (or a reduction of) withholding under the benefit of an applicable income tax treaty, or the payments of interest are effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States and the Non-U.S. Holder meets the certification requirements described below. (See "*Certain U.S. Federal Income Tax Consequences—Tax Consequences to Non-U.S. Holders—Income or Gain Effectively Connected With a U.S. Trade or Business*").

Sale or Other Disposition. Subject to the discussions below regarding FATCA and backup withholding, a Non-U.S. Holder will not be subject to U.S. federal income tax on gain realized on the sale, exchange, retirement or other taxable disposition of a Series 2017-A Note unless (i) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of the disposition and certain other conditions are met or (ii) such gain is effectively connected with the conduct by such Non-U.S. Holder of a trade or business in the United States and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment maintained by the Non-U.S. Holder.

If the Non-U.S. Holder is described in (i) above, the Non-U.S. Holder will be subject to a flat 30% U.S. federal income tax (or lower applicable income treaty rate) on the gain derived from the sale or other disposition, which may be offset by U.S. source capital losses. If the Non-U.S. Holder is described in (ii) above, the Non-U.S. Holder generally will be subject to U.S. federal income tax in the same manner as a U.S. Holder. Prospective investors are urged to consult their tax advisors regarding the application of the withholding regulations to payments on the Series 2017-A Notes.

Income or Gain Effectively Connected With a U.S. Trade or Business. If a Non-U.S. Holder is engaged in trade or business in the United States, and if interest on, or gain on the sale, redemption, exchange, retirement or other taxable disposition of, a Series 2017-A Note is effectively connected with the conduct of that trade or business and, if required by an applicable income tax treaty, is attributable to a permanent establishment the Non-U.S. Holder maintains in the United States, the Non-U.S. Holder will be exempt from U.S. withholding tax but will be subject to regular U.S. federal income tax on such interest or gain generally in the same manner as if the Non-U.S. Holder were a U.S. Holder. To establish an exemption from U.S. withholding tax, the Non-U.S. Holder must provide to the applicable withholding agent a properly completed and executed IRS Form W-8ECI or applicable substitute form. In addition to regular U.S. federal income tax, if the Non-U.S. Holder is a corporation, it may be subject to U.S. branch profits tax at a 30% rate, unless an applicable income tax treaty provides for a lower rate.

Information Reporting and Backup Withholding. Payments to a Non-U.S. Holder of interest (including OID, if any), and amounts withheld from such payments, if any, generally will be required to be reported to the IRS and to the Non-U.S. Holder. Copies of these information returns may also be made available to the tax authorities of the country in which the Non-U.S. Holder resides under the provisions of a specific treaty or agreement. Backup withholding generally will not apply to payments of interest if the Non-U.S. Holder certifies as to the Non-U.S. Holder's non-U.S. status under penalties of perjury or otherwise establishes an exemption, provided that neither the Issuer nor the withholding agent has actual knowledge or reason to know that the Non-U.S. Holder is a United States person or that the conditions of any other exemptions are not in fact satisfied.

The payments of the proceeds of the disposition of Series 2017-A Notes (including redemption or retirement) to or through the U.S. office of a U.S. or foreign broker will be subject to information reporting and backup withholding unless the Non-U.S. Holder provides the certification described above under "*Certain U.S. Federal Income Tax Consequences—Tax Consequences to Non-U.S. Holders—Payments of Interest*" or otherwise establishes an exemption. The proceeds of a disposition of a Series 2017-A Note effected outside the United States to or through a foreign office of a broker generally will not be subject to backup withholding or information reporting. However, if that broker is a United States person, a controlled foreign corporation for U.S. federal income tax purposes, a foreign person 50% or more of whose gross

income from all sources for certain periods is effectively connected with a trade or business in the United States, or a foreign partnership that is engaged in the conduct of a trade or business in the United States or that has one or more partners that are United States persons who in the aggregate hold more than 50% of the income or capital interests in the partnership, information reporting requirements will apply unless that broker has documentary evidence in its files of the Non-U.S. Holder's non-U.S. status and has no actual knowledge to the contrary or unless the Non-U.S. Holder otherwise establishes an exemption.

Non-U.S. Holders are urged to consult their tax advisors regarding the application of information reporting and backup withholding to their particular situation, the availability of an exemption, and the procedure for obtaining such an exemption, if available. Backup withholding is not an additional tax. Any amounts withheld from a payment to the Non-U.S. Holder under the backup withholding rules will be allowed as a credit against its U.S. federal income tax liability, if any, and may entitle the Non-U.S. Holder to a refund, provided the Non-U.S. Holder timely furnishes the required information to the IRS.

FATCA

Under Chapter 4 of the Code ("**FATCA**"), withholding may be required on certain payments to certain "foreign financial institutions" and "non-financial foreign entities" who do not provide certain information to the Issuer or other applicable withholding agent, which may include certain information with respect to direct and certain indirect U.S. Holders. If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest or principal payments on the Series 2017-A Notes as a result of a Note Owner's failure to comply with these rules or as a result of the presence in the payment chain of an intermediary that does not comply with these rules, neither the Issuer nor the Servicer nor any other Person would, pursuant to the conditions of the Series 2017-A Notes, be required to pay additional amounts as a result of the deduction or withholding of such tax. As a result, such Note Owners may receive less interest or principal than expected. Certain countries have entered into, and other countries are expected to enter into, agreements with the U.S. to facilitate the type of information reporting required under FATCA. While the existence of such agreements will not eliminate the risk that Series 2017-A Notes will be subject to the FATCA withholding described above, these agreements are expected to reduce the risk of the withholding for Note Owners in (or indirectly holding Series 2017-A Notes through financial institutions in) those countries. If applicable, FATCA withholding applies to payments of U.S. source dividends, interest, and other FDAPI payments, and, beginning January 1, 2019, to gross proceeds from the disposition of property producing U.S. source income. Note Owners should consult their own tax advisers on how these rules may apply to payments they receive under the Series 2017-A Notes.

Certain Tax Characterizations

The Issuer and Holders of Class B Notes. If the Class B Notes were not characterized as debt for U.S. federal income tax purposes, holders of the Class B Notes would be treated as partners in the Issuer. A partnership would annually file Form 1065, Return of Partnership Income, and comply with the requirements of subchapter K and the other provisions of the Code that apply to U.S. federal tax partnerships and the partners of such partnerships. In general, a partnership is not subject to U.S. federal income tax, rather, the partners are required separately to take into account their allocable share of the income, gains, losses, deductions and credits of the partnership. The allocation of these items could result in the holders of the Class B Notes receiving income in timing and amounts different than expected and could result in the imposition of U.S. withholding tax on amounts allocated to Non-U.S. Holders of Class B Notes or cause such Non-U.S. Holders to be deemed to be engaged in a U.S. trade or business. Further, a tax-exempt U.S. Holder of a recharacterized Class B Note could be treated as receiving unrelated business taxable income from the Issuer. Additionally, if the IRS successfully asserted that the Issuer should have been withholding tax on amounts allocated to Non-U.S. Holders of Class B Notes, the Issuer would be liable for such tax,

and may additionally owe penalties and interest, which could adversely affect the Issuer, the Issuer's ability to perform its obligations under the Transaction Documents and holders of the Series 2017-A Notes.

If the Issuer were recharacterized as a "publicly traded partnership" taxable as a corporation, the Issuer could be subject to U.S. federal income tax at corporate rates on its taxable income. This characterization of the Issuer could cause the amount of cash flow available to Note Owners to be substantially reduced, and also result in the Note Owners of the reclassified Notes recognizing income and other tax items with respect to their Notes that differ significantly, in amount, timing and character, from that recognized were such Notes treated as debt for U.S. federal income tax purposes. In addition, amounts distributed to Non-U.S. Holders of Class B Notes could be subject to U.S. withholding tax.

Investors in the Class B Notes are advised to consult their tax advisors with respect to an investment in such Notes.

CERTAIN CONSIDERATIONS FOR ERISA AND OTHER U.S. EMPLOYEE BENEFIT PLANS

Subject to the following discussion, the Series 2017-A Notes may be acquired by pension, profit-sharing or other employee benefit plans, as well as individual retirement accounts, Keogh plans and other plans that are subject to the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), Section 4975 of the Code or any entity deemed to hold plan assets of any of the foregoing (each a "**Benefit Plan Investor**") , as well as by governmental plans (as defined in Section 3(32) of ERISA) and church plans (as defined in Section 3(33) of ERISA) (collectively, with Benefit Plan Investors, referred to as "**Plans**"). Section 406 of ERISA and Section 4975 of the Code prohibit a Benefit Plan Investor from engaging in certain transactions with Persons that are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to such Benefit Plan Investor. A violation of these "prohibited transaction" rules may result in an excise tax or other penalties and liabilities under ERISA and the Code for such Persons or the fiduciaries of the Benefit Plan Investor. In addition, Title I of ERISA also requires fiduciaries of a Benefit Plan Investor subject to ERISA to make investments that are prudent, diversified and in accordance with the governing plan documents. The prudence of a particular investment must be determined by the responsible fiduciary by taking into account the particular circumstances of the Benefit Plan Investor and all of the facts and circumstances of the investment, including, but not limited to, the matters discussed under "*Risk Factors*" and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of the Series 2017-A Notes should it purchase them. Employee benefit plans that are governmental plans (as defined in Section 3(3) of ERISA) are not subject to the fiduciary and prohibited transaction provisions of ERISA or Section 4975 of the Code. However, such plans may be subject to similar restrictions under applicable state, local or other law ("**Similar Law**").

Certain transactions involving the Issuer might be deemed to constitute prohibited transactions under ERISA and the Code with respect to a Benefit Plan Investor that purchased the Series 2017-A Notes if assets of the Issuer were deemed to be assets of the Benefit Plan Investor. Under a regulation issued by the United States Department of Labor, as modified by Section 3(42) of ERISA (the "**Regulation**"), the assets of the Issuer would be treated as plan assets of a Benefit Plan Investor for the purposes of ERISA and the Code only if the Benefit Plan Investor acquired an "equity interest" in the Issuer and none of the exceptions to plan assets contained in the Regulation were applicable. An equity interest is defined under the Regulation as an interest other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is little guidance on the subject, assuming the Series 2017-A Notes constitute debt for local law purposes, the Issuer believes that, at the time of their issuance, the Series 2017-A Notes should not be treated as an equity interest in the Issuer for purposes of the Regulation. This determination is based in part upon the traditional debt features of the Series 2017-A Notes, including the reasonable expectation of purchasers of the Series 2017-A Notes that the Series 2017-A Notes will be repaid when due, as well as the absence of conversion rights, warrants and

other typical equity features. The debt treatment of the Series 2017-A Notes for ERISA purposes could change if the Issuer incurs losses. This risk of recharacterization is enhanced for the Series 2017-A Notes that are subordinated to other classes of securities. In the event of a withdrawal or downgrade to below investment grade of the rating of the Series 2017-A Notes or characterization of the Series 2017-A Notes as other than indebtedness under applicable local law, the subsequent acquisition of the Series 2017-A Notes by Benefit Plan Investors or Plans subject to Similar Law is prohibited.

However, without regard to whether the Series 2017-A Notes are treated as an equity interest in the Issuer for purposes of the Regulation, the acquisition or holding of the Series 2017-A Notes by or on behalf of a Benefit Plan Investor could be considered to give rise to a prohibited transaction if the Issuer, the Seller, the Servicer, the Back-Up Servicer, the Trustee, the Initial Purchasers or any of their affiliates is or becomes a party in interest or a disqualified person with respect to such Benefit Plan Investor. Furthermore, because the Series 2017-A Notes are secured by the Receivables, the holding of the Receivables by or on behalf of a Benefit Plan Investor in the event the Trustee exercises its rights as a secured party with respect to the Receivables could be considered to give rise to a prohibited transaction if any Obligor or its affiliates is or becomes a party in interest or disqualified person with respect to such Benefit Plan Investor. In either of these events, certain exemptions from the prohibited transaction rules could be applicable to the purchase and holding of the Series 2017-A Notes by a Benefit Plan Investor depending on the type and circumstances of the plan fiduciary making the decision to acquire such Series 2017-A Notes and the relationship of the party in interest to the Benefit Plan Investor. Included among these exemptions are: Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code for certain transactions between a Benefit Plan Investor and persons who are parties in interest solely by reason of providing services to the Benefit Plan Investor or being affiliated with such service providers; Prohibited Transaction Class Exemption ("**PTCE**") 96-23, regarding transactions effected by "in-house asset managers;" PTCE 95-60, regarding investments by insurance company general accounts; PTCE 91-38, regarding investments by bank collective investment funds; PTCE 90-1, regarding investments by insurance company pooled separate accounts; and PTCE 84-14, regarding transactions effected by "qualified professional asset managers." Even if the conditions specified in one or more of these exemptions are met, the scope of the relief provided by these exemptions might or might not cover all acts which might be construed as prohibited transactions. There can be no assurance that any of these, or any other exemption, will be available with respect to any particular transaction involving the Series 2017-A Notes, and prospective purchasers that are Benefit Plan Investors should consult with their legal advisors regarding the applicability of any such exemption.

By acquiring a Series 2017-A Note, each purchaser and transferee (and if the purchaser or transferee is a Plan, its fiduciary) will be deemed to represent and warrant that either (i) it is not acquiring the Series 2017-A Note with the assets of a Benefit Plan Investor or a governmental or other plan subject to Similar Law or (ii) (a) its purchase and holding of the Series 2017-A Notes (or any interest therein) will not result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of Similar Law, and (b) it acknowledges and agrees that the Series 2017-A Notes are not eligible for acquisition by Benefit Plan Investors at any time that the Series 2017-A Notes have been characterized as other than indebtedness for applicable local law purposes.

A Plan fiduciary considering the purchase of the Series 2017-A Notes should consult its legal advisors regarding whether the assets of the Issuer would be considered plan assets, the possibility of exemptive relief from the prohibited transaction rules and other issues and their potential consequences. None of the Sponsor, the Issuer, the Trustee, the Seller, the Servicer, the Back-Up Servicer, or the Initial Purchasers, nor any of their respective affiliates, will act as a fiduciary to any employee benefit plan with respect to such employee benefit plan's decision to invest in the Series 2017-A Notes. The sale of the Series 2017-A Notes to a Plan is in no respect a representation by the Sponsor, the Issuer, the Trustee, the Seller, the Servicer, the Back-Up Servicer, or the Initial Purchasers, nor any of their respective affiliates, or any other person that such an investment meets all relevant legal requirements for investments by Plans

generally or by any particular Plan, or that such an investment is appropriate for Plans generally or for any Plan.

CERTAIN INVESTMENT CONSIDERATIONS

The Issuer is not registered or required to be registered as an "investment company" under the Investment Company Act of 1940, as amended. In determining that the Issuer is not required to be registered as an investment company, the Issuer is relying on the exception from the definition of "investment company" set forth in Rule 3a-7 under the Investment Company Act of 1940, as amended, although other exceptions or exclusions may be available to the Issuer. The Issuer is not a "covered fund" as defined in the final regulations issued December 10, 2013 implementing the "Volcker Rule" (Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act).

LEGAL INVESTMENT CONSIDERATIONS

The appropriate characterization of the Series 2017-A Notes under various legal investment restrictions, and thus the ability of investors subject to legal restrictions to purchase any Series 2017-A Notes, is subject to significant interpretive uncertainties. Accordingly, investors whose investment authority is subject to legal restrictions should consult their own legal advisors to determine whether and to what extent the Series 2017-A Notes constitute legal investments for them. No representations are made as to the proper characterization of any Series 2017-A Notes for legal investment or other purposes, or as to the ability of particular investors to purchase any Series 2017-A Notes under applicable legal investment restrictions.

REQUIREMENTS FOR CERTAIN EUROPEAN REGULATED INVESTORS AND AFFILIATES

Articles 404-410 of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of June 26, 2013, known as the Capital Requirements Regulation ("**CRR**"), place certain conditions on investments in asset-backed securities by credit institutions and investment firms (together referred to as "institutions") regulated in European Union (EU) member states and in other countries in the European Economic Area ("**EEA**") and by certain affiliates of those institutions. Articles 404-410 of CRR are supplemented by regulatory technical standards contained in Commission Delegated Regulation (EU) No. 625/2014 of March 13, 2014 and by implementing technical standards contained in Commission Implementing Regulation (EU) No 602/2014 of June 4, 2014, which provide greater detail on the interpretation and implementation of those Articles. CRR has direct effect in EU member states and is implemented by national legislation or rulemaking in the other EEA countries.

CRR Article 405 requires an institution not to invest in any securitization position (as defined in CRR) unless the sponsor, originator or original lender has disclosed to investors that it will retain a material net economic interest of not less than 5 percent in the securitization transaction. Prior to investing in a securitization position, and on an ongoing basis thereafter, the regulated institution must also be able to demonstrate that it has a comprehensive and thorough understanding of the securitization transaction and its structural features by satisfying the due diligence requirements and ongoing monitoring obligations of CRR Article 406. Under CRR Article 407, an institution that fails to comply with the requirements of CRR Article 405 or 406 will be subject to an additional regulatory capital charge.

Risk retention and due diligence requirements similar to those in CRR Articles 405 and 406 apply to alternative investment fund managers that are required to become authorized under EU Directive 2011/61/EU on Alternative Investment Fund Managers (the "**AIFMD**"), pursuant to Article 17 of the AIFMD and Chapter III, Section 5 of Regulation 231/2013 supplementing the AIFMD, and to insurance

and reinsurance companies subject to regulation under EU Directive 2009/138/EC, as amended ("**Solvency II**"), pursuant to Article 135(2) of Solvency II and Articles 254-257 of Commission Delegated Regulation (EU) 2015/35 supplementing Solvency II. Similar requirements are expected to apply in the future to other types of EEA-regulated institutional investors such as undertakings for collective investments in transferrable securities (UCITS) funds. All such existing and similar requirements together are referred to in this Memorandum as "**EU Retention Rules**." The EU Retention Rules, when implemented, may apply to investments in securities already issued, including the Series 2017-A Notes offered by this Memorandum. The EU Retention Rules for different types of regulated investors are not identical to those in CRR Articles 405 and 406, and, in particular, additional due diligence obligations apply to alternative investment fund managers and to insurance and reinsurance companies.

On September 30, 2015, the European Commission published a legislative proposal for an EU regulatory framework for securitization that, if finalized and adopted as proposed, would repeal the current EU Retention Rules and replace them with a single regime that would apply to the same types and additional types of regulated institutional investors, and may also include material changes from the existing EU Retention Rules. At this time, the proposed regulatory framework is in draft form and is subject to negotiation between, and later adoption by, the European Parliament and the Council of the European Union Until the proposed regulatory framework is finalized and adopted by the European Parliament and Council, it is not possible to tell what effect it might have in relation to investments in the Series 2017-A Notes offered by this Memorandum. Prospective investors are themselves responsible for monitoring and assessing any changes to the EU Retention Rules.

Although the Sponsor or an affiliate is required to retain an economic interest in the transaction in accordance with Regulation RR (as described in "*Credit Risk Retention*" in this Memorandum), none of the Seller, the Issuer, the Sponsor, the initial Servicer nor any of their respective affiliates is obligated to retain a material net economic interest in the securitization described in this Memorandum for purposes of any EU Retention Rules or to provide any additional information that may be required to enable a credit institution, investment firm, alternative investment fund manager or other investor to satisfy the due diligence and monitoring requirements of any EU Retention Rules.

Failure by an investor or investment manager to comply with any applicable EU Retention Rules with respect to an investment in the Series 2017-A Notes offered by this Memorandum may result in the imposition of a penalty regulatory capital charge on that investment or of other regulatory sanctions. EU Retention Rules and any other changes to the regulation or regulatory treatment of the Series 2017-A Notes for some or all investors may negatively impact the regulatory position of affected investors and investment managers and have an adverse impact on the value and liquidity of the Series 2017-A Notes offered by this Memorandum. Prospective investors should analyze their own regulatory position, and are encouraged to consult with their own investment and legal advisors, regarding application of and compliance with any applicable EU Retention Rules or other applicable regulations and the suitability of the Series 2017-A Notes for investment.

PLAN OF DISTRIBUTION

The Seller, the Issuer and the Initial Purchasers will enter into a Note Purchase Agreement (the "**Note Purchase Agreement**") which will provide for the Initial Purchasers' purchase of the Series 2017-A Notes.

The Note Purchase Agreement also provides that all the Series 2017-A Notes offered hereby may be resold by the Initial Purchasers only to QIBs in transactions meeting the requirements of Rule 144A.

The Initial Purchasers have the sole right to reject orders, in whole or in part, and to withdraw, cancel or modify the offer without notice. On the Closing Date, payment of the purchase price of the Series 2017-A Notes will be required to be made in immediately available funds. Under the terms of the Note Purchase Agreement, the Initial Purchasers will receive underwriting discounts and compensation and be reimbursed for certain costs of issuance incurred by it in connection with this offering. In addition, the Seller and the Issuer have agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act and Exchange Act, or to contribute to payments that the Initial Purchasers may be required to make in respect thereof.

The Series 2017-A Notes are not deposits, are not insured by the Federal Deposit Insurance Corporation, are not guaranteed by the Initial Purchasers or any of their affiliates, and are not otherwise an obligation or responsibility of the Initial Purchasers or any of their affiliates.

The Initial Purchasers and their affiliates have business relationships with the Issuer, the Sponsor, the Seller, the initial Servicer and their affiliates. In the ordinary course of business, the Initial Purchasers and their affiliates have engaged and may in the future engage, in financial advisory, lending, investing and investment banking transactions with the Issuer, the Sponsor, the Seller, the initial Servicer and their affiliates.

One or more of the Initial Purchasers have entered into an understanding with the Seller pursuant to which one or more of the Initial Purchasers may, in the future, purchase or place additional series of notes representing interests in pools of receivables on behalf of the Seller or its affiliates. However, the Initial Purchasers are not obligated to participate in any such future note issuances. Additionally, as of the Closing Date, a special purpose subsidiary of the Seller is being provided with warehouse financing, with respect to other receivables originated by the Seller under the VFN Facility that is being provided by the Initial Purchasers or affiliates thereof. As discussed under "*Use of Proceeds*," the Seller will apply all or a portion of the net proceeds from the sale of the Series 2017-A Notes that are used by the Issuer to purchase the Contracts and Related Rights from the Seller to permit the special purpose subsidiary that participates in the VFN Facility to pay down the warehouse financing being provided under the VFN Facility by the Initial Purchasers or affiliates thereof.

The Series 2017-A Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the Securities Act.

The Issuer expects that delivery of the Series 2017-A Notes will be made to investors more than three business days after the expected pricing date. Pursuant to Rule 15c6-1 under the Exchange Act, trades in the secondary market are generally required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Series 2017-A Notes prior to the third business day preceding the settlement date will be required, by virtue of the fact that the Series 2017-A Notes are expected to initially settle more than three business days after the pricing date, to specify an alternate settlement arrangement at the time of any such trade to prevent a failed settlement. Purchasers of the Series 2017-A Notes who wish to trade the Series 2017-A Notes prior to the third business day preceding the settlement date should consult their advisors.

The Series 2017-A Notes will constitute a new series with no established trading market. The Issuer does not intend to list the Series 2017-A Notes on any national securities exchange. The Initial Purchasers have advised the Issuer that they currently intend to make a market in the Series 2017-A Notes. However, the Initial Purchasers are not obligated to do so, and any market-making activities with respect to the Series 2017-A Notes may be discontinued at any time without notice. In addition, such market making activity will be subject to the limits imposed by the Securities Act and the Exchange Act.

Accordingly, no assurance can be given as to the liquidity of or the trading market for the Series 2017-A Notes. Please refer to the section in this Memorandum entitled "*Risk Factors—Restrictions on Transfer; Lack of Liquidity*."

In connection with the offering, the Initial Purchasers may over-allot or engage in covering transactions, stabilizing transactions and penalty bids. Over-allotment involves sales of the Series 2017-A Notes in excess of the principal amount of Series 2017-A Notes to be purchased by the Initial Purchasers in this offering, which creates a short position for the Initial Purchasers. Covering transactions involve purchases of the Series 2017-A Notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions consist of certain bids or purchases of Series 2017-A Notes made for the purpose of preventing or retarding a decline in the market price of the Series 2017-A Notes while the offering is in progress. Penalty bids permit an Initial Purchaser to reclaim a selling concession from a dealer when such Initial Purchaser, in covering syndicate short positions or making stabilizing purchases, repurchases Series 2017-A Notes originally sold by the dealer. These activities may cause the price of the Class A Notes to be higher than the price that would otherwise exist in the open market in the absence of such transactions.

For so long as any of the Series 2017-A Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, the Issuer and the Trustee agree to reasonably cooperate with each other to provide to any Series 2017-A Noteholders and to any prospective purchaser of Series 2017-A Notes designated by such Series 2017-A Noteholder upon the request of such Series 2017-A Noteholder or prospective purchaser, any information required to be provided to such holder or prospective purchaser to satisfy the condition set forth in Rule 144A(d)(4) under the Securities Act if at the time of the request the Issuer is not subject to Section 13 or Section 15(d) of the Exchange Act.

By accepting delivery of this Memorandum, prospective investors will be deemed to have acknowledged the need to conduct their own thorough investigations and to exercise their own due diligence before considering an investment in the Series 2017-A Notes.

United Kingdom

Each Initial Purchaser has represented and agreed that: (a) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Series 2017-A Notes in, from or otherwise involving the United Kingdom and (b) it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Series 2017-A Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Sponsor, the Seller, the Servicer or the Issuer.

European Economic Area

In relation to each Relevant Member State, each Initial Purchaser has represented and agreed that, with effect from and including the date on which the Prospectus Directive was implemented in that Relevant Member State, it has not made and will not make an offer of Series 2017-A Notes which are the subject of the offering contemplated by this Memorandum to the public in that Relevant Member State other than:

(i) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Initial Purchaser or Initial Purchasers nominated by the Issuer for any such offer; or

(iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Series 2017-A Notes shall require the Issuer, the Sponsor, the Seller, the Servicer or any of the Initial Purchasers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Series 2017-A Notes" in relation to any Series 2017-A Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Series 2017-A Notes to be offered so as to enable an investor to decide to purchase or subscribe the Series 2017-A Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State. The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

TRANSFER RESTRICTIONS

Any purchaser of the Series 2017-A Notes must be able to bear the economic risk of the investment for an indefinite period of time because the Series 2017-A Notes have not been registered under the Securities Act. The Issuer is not required to register the Series 2017-A Notes under the Securities Act hereafter and any Series 2017-A Note or any interest or participation therein cannot be reoffered, resold, pledged or otherwise transferred unless it is sold to a QIB in a transaction meeting the requirements of Rule 144A and whom the transferor has notified that it may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A in compliance with the Indenture and all applicable securities laws of any State of the United States or any other applicable jurisdiction, subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investment account or accounts be at all times within the seller's or account's control, and unless the Issuer and the transfer agent and registrar receive the certifications of the transferor set forth in the Indenture and any requested opinions of counsel to which the Issuer or the Trustee may be entitled under the Indenture.

Each purchaser of an interest in the Series 2017-A Notes will be deemed to have represented and agreed to the representations and agreements set forth under the section entitled "*Notice to Investors*." The holder, and each subsequent holder, of any Series 2017-A Note will be required to notify any transferee from it of the resale restrictions set forth above. Set forth herein under "*Notice to Investors*" are the restrictive legends which will appear on each Series 2017-A Note. The form of the legends may be used to notify transferees of the foregoing restrictions on transfer.

NOTICE TO INVESTORS

The Series 2017-A Notes have not been registered under the Securities Act and may not be offered for resale or resold except pursuant to exemptions discussed above in "*Transfer Restrictions*." Accordingly, the Initial Purchasers are offering the Series 2017-A Notes only to QIBs in transactions meeting the requirements of Rule 144A.

In addition, as discussed in "*Transfer Restrictions*" above, the Series 2017-A Notes may not be reoffered, resold, pledged or otherwise transferred by any purchaser or holder except pursuant to the exemptions from registration and other requirements outlined in that section.

By accepting delivery of this Memorandum, each prospective purchaser of Series 2017-A Notes (and any fiduciary acting on behalf of a prospective purchaser) will be deemed to have represented and agreed as follows:

(1) Such offeree acknowledges that this Memorandum is personal to such offeree and does not constitute an offer to any other Person or to the public generally to subscribe for or otherwise acquire the Series 2017-A Notes other than pursuant to Rule 144A. Distribution of this Memorandum, or disclosure of any of its contents, to any Person other than such offeree and those Persons, if any, retained to advise such offeree with respect thereto and other Persons meeting the requirements of Rule 144A, is unauthorized, and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

(2) Such offeree agrees to make no photocopies of this Memorandum or any documents referred to herein and, if such offeree does not purchase any Series 2017-A Notes or the offering is terminated, to return this Memorandum and all documents referred to herein to the Initial Purchasers.

(3) Such offeree (i) is a QIB, (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such Series 2017-A Notes for its own account or for the account of a QIB.

(4) The Series 2017-A Notes are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, the Series 2017-A Notes have not been and will not be registered under the Securities Act, and that, if in the future the purchaser decides to offer, resell, pledge or otherwise transfer such Series 2017-A Notes, such Series 2017-A Notes may be offered, sold, pledged or otherwise transferred only to a person that is a QIB in a transaction meeting the requirements of Rule 144A, in compliance with the Indenture and all applicable securities laws of any State of the United States or any other applicable jurisdiction, subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investment account or accounts be at all times within the seller's or account's control. The holder will, and each subsequent holder is required to, notify any transferee from it of the resale restrictions set forth above.

(5) All Series 2017-A Notes will bear a legend to the following effect unless the Issuer determines otherwise in compliance with applicable law:

> THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THIS NOTE MAY BE OFFERED, SOLD, PLEDGED OR TRANSFERRED ONLY TO A PERSON THAT IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A")) IN TRANSACTIONS MEETING THE REQUIREMENTS OF RULE 144A, IN COMPLIANCE WITH THE INDENTURE AND ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION, SUBJECT TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF THE SELLER'S PROPERTY OR THE PROPERTY OF AN INVESTMENT ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN THE SELLER'S OR ACCOUNT'S CONTROL. THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY TRANSFEREE FROM IT OF THE RESALE RESTRICTIONS SET FORTH ABOVE.

BY ACQUIRING THIS NOTE (OR ANY INTEREST HEREIN), EACH PURCHASER OR TRANSFEREE (AND ANY FIDUCIARY ACTING ON BEHALF OF A PURCHASER OR TRANSFEREE) SHALL BE DEEMED TO REPRESENT AND WARRANT THAT EITHER (I) IT IS NOT AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), WHICH IS SUBJECT TO TITLE I OF ERISA, A "PLAN" AS DESCRIBED IN SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), WHICH IS SUBJECT TO SECTION 4975 OF THE CODE, AN ENTITY DEEMED TO HOLD PLAN ASSETS OF ANY OF THE FOREGOING (EACH OF THE FOREGOING, A "BENEFIT PLAN INVESTOR"), OR A GOVERNMENTAL OR OTHER PLAN SUBJECT TO APPLICABLE LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") OR (II) (A) ITS PURCHASE AND HOLDING OF THIS NOTE (OR ANY INTEREST HEREIN) WILL NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR A VIOLATION OF SIMILAR LAW, AND (B) IT ACKNOWLEDGES AND AGREES THAT THIS NOTE IS NOT ELIGIBLE FOR ACQUISITION BY BENEFIT PLAN INVESTORS AT ANY TIME THAT THE NOTES HAVE BEEN CHARACTERIZED AS OTHER THAN INDEBTEDNESS FOR APPLICABLE LOCAL LAW PURPOSES.

(6) Such offeree has received a copy of this Memorandum and:

(a) it has been afforded an opportunity to request from the Issuer and to receive, and it has received, all additional information it considers necessary to verify the accuracy and completeness of the information contained herein;

(b) it has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information of its investment decision;

(c) neither the Issuer nor the Initial Purchasers nor any person representing the Issuer or the Initial Purchasers has made any representation to such offeree with respect to the offering or sale of any Series 2017-A Notes, other than as contained in this Memorandum; and

(d) it has read and agreed to the matters stated in this section of this Memorandum.

(7) The Series 2017-A Notes will be evidenced by Global Notes, and that the transfer of any beneficial interest in such a Global Note will be subject to the restrictions and certification requirements set forth in the Indenture and described in this Memorandum under "*Description of the Notes—General*," "*Description of the Notes—Book-Entry Registration*," "*Transfer Restrictions*" and "*Notice to Investors*."

(8) The Issuer, the Initial Purchasers and others will rely on the representations and agreements set forth herein, and such offeree agrees that if any of such representations and agreements herein cease to be accurate and complete, such offeree will notify the Issuer and the Initial Purchasers promptly in writing.

(9) If such offeree is acquiring any Series 2017-A Notes as a fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account, and it has full power to make the foregoing representations and agreements with respect to each such account.

(10) Either (i) it is not a Benefit Plan Investor or a governmental or other plan subject to Similar Law, or (ii) (a) the purchase and holding of the Note (or any interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of Similar Law and (b) it acknowledges and agrees that the Class A Notes are not eligible for acquisition by Benefit Plan Investors at any time that the Class A Notes have been characterized as other than indebtedness for applicable local law purposes.

Because of the foregoing restrictions, prospective purchasers are advised to consult legal counsel prior to making an investment in the Series 2017-A Notes or making any offer, resale, pledge or transfer of the Series 2017-A Notes.

LEGAL MATTERS

Certain legal matters relating to the issuance of the Series 2017-A Notes will be passed upon by Orrick, Herrington & Sutcliffe LLP. The federal income tax matters described under "*Certain U.S. Federal Income Tax Consequences*" will be passed upon for the Issuer by Orrick, Herrington & Sutcliffe LLP. Mayer Brown LLP will act as counsel for the Initial Purchasers.

RATINGS

The Seller expects that the Class A Notes and Class B Notes will receive the ratings set forth under *"Notes – Summary Information"* on page ii from Kroll Bond Rating Agency, Inc. ("**KBRA**"), a nationally recognized statistical rating organization hired by the Seller to assign ratings on the Class A Notes and Class B Notes.

The ratings of the Class A Notes and Class B Notes will address the likelihood of the timely payment of interest and the ultimate payment of principal on the Class A Notes and the Class B Notes by the Legal Final Payment Date. The ratings of the Class A Notes and Class B Notes should be evaluated independently from similar ratings on other types of securities. A credit rating is not a recommendation to buy, sell or hold securities, does not address market value or investor suitability, and may be subject to revision or withdrawal at any time by the assigning rating organization.

Other nationally recognized statistical rating organizations not hired by the Seller may rate the Class A Notes or Class B Notes at any time. A rating on the Class A Notes or Class B Notes by a non-hired nationally recognized statistical rating organization could be different than the rating assigned to the Class A Notes or Class B Notes by KBRA.

See "*Risk Factors—Reduction, Withdrawal or Qualification of the Ratings on the Notes; Unsolicited Ratings.*"

GLOSSARY

"**ADS Score**" means the credit score for an Obligor referred to as the "Alternative Data Score" determined by the Seller in accordance with its proprietary scoring method.

"**Adverse Claim**" means a Lien on any Person's assets or properties in favor of any other Person (including any UCC financing statement or any similar instrument filed against such Person's assets or properties), other than a Permitted Encumbrance.

"**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. A Person shall be deemed to control another Person if the controlling Person possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of voting stock, by contract or otherwise.

"**Business Day**" means any day that DTC is open for business at its office in New York City and any day other than a Saturday, Sunday or other day on which banking institutions or trust companies in the States of California, Florida, Illinois, Missouri, New York or Texas are authorized or obligated by law, executive order or governmental decree to be closed.

"**Change in Control**" means any of the following:

(a) the failure of Oportun Financial to, directly or indirectly through its Subsidiaries, own 100% of the equity interest of the Seller; or

(b) the failure of the Seller to, directly or indirectly through its Subsidiaries, own 100% of the equity interest of the initial Servicer, Oportun, LLC and the Issuer.

"**Collateral Trustee**" means Deutsche Bank Trust Company Americas, as collateral trustee under the Intercreditor Agreement.

"**Collections**" means, with respect to any Receivable, all cash collections and other cash proceeds of such Receivable made by or on behalf of Obligors, including, without limitation, all principal, Finance Charges and cash proceeds of Related Security with respect to such Receivable and any deemed Collections in each case, received after the Cut-Off Date; *provided*, *however*, that, if not otherwise specified, the term "Collections" shall refer to the Collections on all the Receivables collectively together with any Investment Earnings and any other funds received with respect to the Trust Estate.

"**Concentration Limits**" shall be deemed exceeded if any of the following is true on any date of determination:

(i) the aggregate Outstanding Receivables Balance of all Re-Written Receivables and Re-Aged Receivables that are Eligible Receivables exceeds 5.0% of the aggregate Outstanding Receivables Balance of all Eligible Receivables;

(ii) the weighted average fixed interest rate of all Eligible Receivables is less than 28.0%;

(iii) the weighted average life of all Eligible Receivables exceeds thirty (30) months;

(iv) the average Outstanding Receivables Balance of all Eligible Receivables exceeds $3,500;

(v) the aggregate Outstanding Receivables Balance of all Eligible Receivables with an original term or remaining term to maturity greater than forty-one (41) months exceeds 10.0% of the aggregate Outstanding Receivables Balance of all Eligible Receivables;

(vi) the aggregate Outstanding Receivables Balance of all Eligible Receivables with a fixed interest rate less than 24.0% exceeds 5.0% of the Outstanding Receivables Balance of all Eligible Receivables;

(vii) the weighted average credit score of the related Obligors of all Eligible Receivables (excluding any Eligible Receivables the Obligor of which has no (or a zero) credit score) is less than: (x) ADS Score: 700, (y) PF Score: 650 and (z) VantageScore: 625;

(viii) the aggregate Outstanding Receivables Balance of all Eligible Receivables the Obligors of which have credit scores within the following respective credit score buckets: (x) ADS Score: less than or equal to 560, (y) PF Score: less than or equal to 520 and (z) VantageScore: less than or equal to 560 exceeds 5.0% of the aggregate Outstanding Receivables Balance of all Eligible Receivables; or

(ix) the aggregate Outstanding Receivables Balance of all Eligible Receivables with an Outstanding Receivables Balance in excess of (a) $6,200 exceeds 27.0% of the aggregate Outstanding Receivables Balance of all Eligible Receivables or (b) $7,200 exceeds 15.0% of the aggregate Outstanding Receivables Balance of all Eligible Receivables.

"**Contract**" means any promissory note or other loan documentation originally entered into (i) between the Seller and an Obligor in connection with consumer loans made by the Seller to such Obligor in the ordinary course of its business or (ii) between Oportun, LLC and an Obligor in connection with consumer loans made by Oportun, LLC to such Obligor in the ordinary course of its business and subsequently acquired by the Seller.

"**Control Agreement**" means the deposit account control agreement, among the initial Servicer, the Collateral Trustee, the Seller and Bank of America, N.A., relating to the Servicer Account.

"**Credit and Collection Policies**" means the Seller's and the Servicer's credit and collection policy or policies relating to Contracts and Receivables and referred to in the Servicing Agreement, as the same is amended, supplemented or otherwise modified and in effect from time to time in accordance with the Servicing Agreement; *provided*, *however*, if the Servicer is any Person other than the initial Servicer, "Credit and Collection Policies" shall refer to the collection policies of such Servicer as they relate to receivables of a similar nature to the Receivables.

"**Cut-Off Date**" means (i) with respect to the Receivables purchased by the Issuer on the Closing Date, the close of business on June 5, 2017, and (ii) with respect to Subsequently Purchased Receivables, the related purchase date.

"**Default**" means any occurrence that is, or with notice or lapse of time or both would become, an Event of Default, a Servicer Default or a Rapid Amortization Event.

"**Defaulted Receivable**" means a Receivable (i) as to which any scheduled payment, or part thereof, remains unpaid for 120 days or more past the due date for such payment determined by reference

to the contractual payment terms, as amended, of such Receivable, (ii) the Obligor thereon has died or is suffering or has suffered an event of bankruptcy or (iii) which, consistent with the Credit and Collection Policies, would be written off the Issuer's, the Seller's or the Servicer's books as uncollectible.

"**Delinquent Receivable**" means a Receivable (other than a Defaulted Receivable) as to which all or any part of a scheduled payment remains unpaid for thirty (30) days or more from the due date for such payment.

"**Determination Date**" means the third Business Day prior to each Series Transfer Date.

"**Dollars**" and the symbol "**$**" mean the lawful currency of the United States.

"**Eligible Receivable**" means each Receivable:

(a) that was originated in compliance with all applicable requirements of law (including without limitation all laws, rules and regulations relating to truth in lending, fair credit billing, fair credit reporting, fair debt collection practices and privacy) and which complies with all applicable requirements of law (other than non-compliance that has no adverse effect on the obligations of the Obligor and creates no financial liability or other loss, cost or expense for the Issuer and does not have any other Material Adverse Effect);

(b) with respect to which all consents, licenses, approvals or authorizations of, or registrations or declarations with, any governmental authority required to be obtained, effected or given by the Seller or Oportun, LLC in connection with the creation or the execution, delivery and performance of such Receivable or by the Issuer in connection with its ownership of, or the administration or servicing of, such Receivable, have been duly obtained, effected or given and are in full force and effect (including with respect to the Issuer, without limitation, the Texas License if applicable to such Receivable) (other than non-compliance that has no adverse effect on the obligations of the Obligor and creates no financial liability or other loss, cost or expense for the Issuer and does not have any other Material Adverse Effect);

(c) as to which, at the time of the sale of such Receivable (x) to the Issuer, the Seller was the sole owner thereof and had good and marketable title thereto free and clear of all Liens and (y) if applicable, to the Seller by Oportun, LLC, Oportun, LLC was the sole owner thereof and had good and marketable title thereto free and clear of all Liens;

(d) that is the legal, valid and binding payment obligation of the Obligor thereof enforceable against such Obligor in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, receivership, conservatorship or other laws, regulations and administrative orders now or hereafter in effect, affecting the rights of creditors generally and except as such enforcement may be limited by general principles of equity (whether considered in a proceeding at law or in equity), and is not subject to any right of rescission, setoff, counterclaim or defense (including the defense of usury) or to any repurchase obligation or return right;

(e) the related Contract of which constitutes a "general intangible", "instrument" or "account", in each case under and as defined in Article 9 of the UCC of all applicable jurisdictions;

(f) that was established in accordance with the Credit and Collection Policies in the regular and ordinary course of the business of the Seller or Oportun, LLC, as applicable;

(g) that is denominated and payable in Dollars, is only payable in the United States of America and each Obligor in respect of which are residents of, and have provided a billing address in, the United States of America;

(h) that is not, at the time of the sale of such Receivable to the Issuer, a Delinquent Receivable;

(i) that has an original and remaining term to maturity of no more than forty-three (43) months;

(j) that has an Outstanding Receivables Balance equal to or less than $8,200;

(k) that has a fixed interest rate that is greater than or equal to 15.0%;

(l) that is not evidenced by a judgment or has been reduced to judgment;

(m) that is not a Defaulted Receivable;

(n) that is not a revolving line of credit;

(o) the terms of which have not been modified or waived except as permitted under the Credit and Collection Policies or the Transaction Documents;

(p) that has no Obligor thereon that is either (x) a governmental authority or (y) a Person subject to Sanctions;

(q) that has no Obligor thereon that is the Obligor of a Defaulted Receivable;

(r) the assignment of which (x) to the Issuer does not contravene or conflict with any law, rule or regulation or any contractual or other restriction, limitation or encumbrance, and the sale or assignment of which does not require the consent of the Obligor thereof and (y) if applicable, to the Seller from Oportun, LLC does not contravene or conflict with any law, rule or regulation or any contractual or other restriction, limitation or encumbrance, and the sale or assignment of which does not require the consent of the Obligor thereof;

(s) the related Contract provides for repayment in full of the principal balance thereof in equal installments not less frequently than monthly;

(t) the proceeds of the related Contract are fully disbursed, there is no requirement for future advances under such Contract and neither the Seller nor Oportun, LLC has any further obligations under such Contract;

(u) as to which the Servicer (as custodian) is in possession of a full and complete Receivable File in physical or electronic format; with respect to Receivable Files in electronic format, such possession may be through use of an electronic document repository provided by a third-party vendor;

(v) that represents the undisputed, bona fide transaction created by the lending of money by the Seller or Oportun, LLC, as applicable, in the ordinary course of business and completed in accordance with the terms and provision contained in the related Contract; and

(w) as to which a Concentration Limit would not be exceeded at the time of the sale, transfer or assignment of such Receivable to the Issuer or, in connection with Re-Written Receivables involving the modification of a Receivable, at the time of such modification.

"**Finance Charges**" means any finance, interest, late, servicing or similar charges or fees owing by an Obligor pursuant to the Contracts plus all Recoveries.

"**GAAP**" means those principles of accounting set forth in pronouncements of the Financial Accounting Standards Board, the American Institute of Certified Public Accountants or which have other substantial authoritative support and are applicable in the circumstances as of the date of a report, as such principles are from time to time supplemented and amended, and with respect to determinations or calculations to be made by a Person other than a successor Servicer, applied on a basis consistent with the most recent audited financial statements of Consolidated Parent before the Closing Date.

"**Indebtedness**" means, with respect to any Person, such Person's (i) obligations for borrowed money, (ii) obligations representing the deferred purchase price of property other than accounts payable arising in the ordinary course of such Person's business on terms customary in the trade, (iii) obligations, whether or not assumed, secured by Liens on or payable out of the proceeds or production from, property now or hereafter owned or acquired by such Person, (iv) obligations which are evidenced by notes, acceptances, or other instruments, (v) capitalized lease obligations and (vi) obligations of another Person of a type described in clauses (i) through (v) above, for which such Person is obligated pursuant to a guaranty, put or similar arrangement.

"**Lien**" means any mortgage or deed of trust, pledge, hypothecation, assignment, deposit arrangement, lien, charge, claim, security interest, easement or encumbrance, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any lease or title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of, or agreement to give, any financing statement perfecting a security interest under the UCC or comparable law of any jurisdiction).

"**Material Adverse Effect**" means any event or condition which would have a material adverse effect on (i) the collectability of any material portion of the Receivables, (ii) the condition (financial or otherwise), businesses or properties of the Issuer, the Servicer, Oportun, LLC or the Seller, (iii) the ability of the Issuer, Oportun, LLC or the Seller to perform its respective obligations under the Transaction Documents or the ability of the Servicer to perform its obligations under the Servicer Transaction Documents or (iv) the interests of the Trustee or any Secured Party in the Trust Estate or under the Transaction Documents.

"**Minimum Collection Account Balance**" means, on and as of any date of determination, the excess, if any, of (i) the sum of the outstanding principal amount of the Series 2017-A Notes plus the Required Overcollateralization Amount, over (ii) the Outstanding Receivables Balance of all Eligible Receivables; *provided, however,* that once an amount has been transferred to the Payment Account which is sufficient to pay the Noteholders in full (including all interest accrued, or to accrue to the next Payment Date, and the outstanding principal balance of the Series 2017-A Notes), the "Minimum Collection Account Balance" shall be zero.

"**Monthly Loss Percentage**" means the fraction, expressed as a percentage, equal to (i) twelve (12) times the aggregate Outstanding Receivables Balance of all Receivables that became Defaulted Receivables during the previous Monthly Period, over (ii) the aggregate Outstanding Receivables Balance of all Eligible Receivables at the beginning of such Monthly Period.

"**Monthly Period**" means the period from and including the first day of a calendar month to and including the last day of a calendar month; *provided, however,* that the first Monthly Period shall be the period from and including the Closing Date to and including June 30, 2017; *provided further, however,*

that, solely for purposes of allocating Collections received on the Receivables, the first Monthly Period shall be deemed to commence on the Cut-Off Date.

"**Note Register**" means the register maintained pursuant to the Indenture, providing for the registration of the Series 2017-A Notes and transfers and exchanges thereof.

"**Obligor**" means, with respect to any Receivable, the Person or Persons obligated to make payments with respect to such Receivable, including any guarantor thereof.

"**OFAC**" means, the U.S. Department of the Treasury's Office of Foreign Assets Control.

"**Outstanding Receivables Balance**" means, as of any date with respect to any Receivable, an amount equal to the outstanding principal balance for such Receivable; *provided, however*, that if not otherwise specified, the term "Outstanding Receivables Balance" shall refer to the Outstanding Receivables Balance of all Receivables collectively.

"**Permitted Encumbrance**" means (a) with respect to the Issuer, any item described in clause (i), (iv) or (vi) of the following, and (b) with respect to the Seller, any item described in clauses (i) through (vi) of the following:

(i) Liens for taxes and assessments that are not yet due and payable or that are being contested in good faith and for which reserves have been established, if required in accordance with GAAP;

(ii) Liens of or resulting from any judgment or award, the time for the appeal or petition for rehearing of which shall not have expired, or in respect of which the Seller shall at any time in good faith be prosecuting an appeal or proceeding for a review and with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with GAAP;

(iii) Liens incidental to the conduct of business or the ownership of properties and assets (including mechanics', carriers', repairers', warehousemen's and statutory landlords' liens and liens to secure the performance of leases) and Liens to secure statutory obligations, surety or appeal bonds or other Liens of like general nature incurred in the ordinary course of business and not in connection with the borrowing of money, *provided* in each case, the obligation secured is not overdue, or, if overdue, is being contested in good faith by appropriate actions or proceedings and with respect to which adequate reserves or other appropriate provisions are being maintained in accordance with GAAP;

(iv) Liens in favor of the Trustee, or otherwise created by the Issuer, the Seller or the Trustee pursuant to the Transaction Documents, and the interests of mortgagees and loss payees under the terms of any Contract;

(v) Liens that, in the aggregate do not exceed $250,000 (such amount not to include Permitted Encumbrances under clauses (i) through (iv) or (vi)) and which, individually or in the aggregate, do not materially interfere with the rights under the Transaction Documents of the Trustee or any Series 2017-A Noteholder in any of the Receivables; and

(vi) any Lien created in favor of the Issuer or the Seller in connection with the purchase of any Receivables by the Issuer or the Seller and covering such Receivables, the related Contracts with respect to which are sold by the Seller to the Issuer pursuant to the Purchase Agreement.

"**Person**" means any corporation, limited liability company, natural person, firm, joint venture, partnership, trust, unincorporated organization, enterprise, government or any department or agency of any government.

"**PF Score**" means the credit score for an Obligor referred to as the "PF Score" determined by the Seller in accordance with its proprietary scoring method.

"**Purchase Price**" means the amount payable by the Issuer to the Seller for the Contracts and Related Rights sold pursuant to the Purchase Agreement.

"**Re-Aged Receivable**" means any Receivable, the contractual delinquency of which has been modified by the Servicer in accordance with the Credit and Collection Policy without changing the original periodic payment amounts of such Receivable.

"**Re-Written Receivable**" means (i) any Receivable which replaces an existing Receivable due and (ii) any Receivable which is modified using criteria consistent with the re-write provisions of the Credit and Collection Policies, and in either case, which does not involve the receipt of any new funds by such Obligor.

"**Receivable**" means the indebtedness of any Obligor under a Contract that is listed on the "Receivables Schedule" to the Purchase Agreement or identified on a "Purchase Report" delivered under the Purchase Agreement, whether constituting an account, chattel paper, an instrument, a general intangible, payment intangible, promissory note or otherwise, and shall include (i) the right to payment of such indebtedness and any interest or finance charges and other obligations of such Obligor with respect thereto (including, without limitation, the principal amount of such indebtedness, periodic finance charges, late fees and returned check fees), and (ii) all proceeds of, and payments or Collections on, under or in respect of any of the foregoing. Notwithstanding the foregoing, upon release from the Trust Estate pursuant to the Indenture, a removed Receivable shall no longer constitute a Receivable. If a Contract is refinanced, the original Receivable shall be deemed collected and cease to be a Receivable for purposes of the Transaction Documents upon payment in accordance with the Purchase Agreement with respect thereto.

"**Receivable File**" means, with respect to a Receivable, the Contracts or other records and the note related to such Receivable; *provided* that such Receivable File may be created in electronic format, or converted to microfilm or other electronic media.

"**Record Date**" means, with respect to any Payment Date, the last Business Day of the preceding Monthly Period.

"**Recoveries**" means, with respect to any period, all Collections (net of expenses) received during such period in respect of a Receivable after it became a Defaulted Receivable.

"**Related Security**" means, with respect to any Receivable, all guaranties, indemnities, insurance and other agreements (including the related Receivable File) or arrangement and other collateral of whatever character from time to time supporting or securing payment of such Receivable or otherwise relating to such Receivable.

"**Required Noteholders**" means the holders of the most senior class of Series 2017-A Notes outstanding, voting together, representing in excess of 50% of the aggregate principal balance of such class of Series 2017-A Notes outstanding.

"**Sanctioned Country**" means a country or territory that is the subject or the target of Sanctions, currently including, without limitation, Iran, North Korea, Sudan and Syria.

"**Sanctions**" any sanctions administered or enforced by the U.S. Government (including, without limitation, OFAC, the U.S. Department of the Treasury or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority.

"**Secured Obligations**" means (i) all principal and interest, at any time and from time to time, owing by the Issuer on the Series 2017-A Notes (including any Series 2017-A Note held by the Seller, the Servicer, the Parent or any Affiliate of any of the foregoing) and (ii) all costs, fees, expenses, indemnity and other amounts owing or payable by, or obligations of, the Issuer to any Person (other than any Affiliate of the Issuer) under the Indenture or the other Transaction Documents.

"**Series 2017-A Termination Date**" means the earliest to occur of (a) the Payment Date on which the Series 2017-A Notes, plus all other amounts due and owing to the Series 2017-A Noteholders, are paid in full, (b) the Legal Final Payment Date and (c) the Indenture termination date.

"**Series Transfer Date**" means the Business Day immediately prior to each Payment Date.

"**Servicer Account**" means the deposit account in the name of the initial Servicer, maintained at Bank of America and set forth in the Servicing Agreement.

"**Subsequently Purchased Receivables**" means additional Eligible Receivables that are identified on written reports prepared by the Seller and sold to the Issuer from time to time after the Closing Date.

"**Texas License**" means a license issued by the OCCC to own consumer loans with an interest rate in excess of 10% made to Texas residents.

"**Transaction Documents**" means, collectively, the Base Indenture, any series supplement, the Series 2017-A Notes, the Servicing Agreement, the Back-Up Servicing Agreement, the Purchase Agreement, the Oportun, LLC Sale Agreement, the Note Purchase Agreement, the Performance Guaranty, the Intercreditor Agreement, the Control Agreement and any agreements of the Issuer relating to the issuance or the purchase of any of the Series 2017-A Notes.

"**Transfer Agent and Registrar**" means the transfer agent and registrar set forth in the Indenture.

"**Transition Costs**" means all reasonable costs and expenses incurred by the Back-Up Servicer in connection with a transfer of servicing.

"**Trustee, Back-Up Servicer and Successor Servicer Fees and Expenses**" means, for any Series Transfer Date, (i) the amount of accrued and unpaid fees (including, without limitation, the Servicing Fee of any successor Servicer), expenses and indemnity amounts (but, as to expenses and indemnity amounts prior to an Event of Default, not in excess of the limit specified in the Indenture) of each of the Trustee (including in its capacity as agent), the Securities Intermediary, the Depositary Bank, the Collateral Trustee, the Back-Up Servicer and any successor Servicer (including, without limitation, SST as successor Servicer), and (ii) the Transition Costs (but not in excess of the limit specified in the Indenture), if applicable.

"**UCC**" means, with respect to any jurisdiction, the Uniform Commercial Code as the same may, from time to time be enacted and in effect in such jurisdiction.

"**VantageScore**" means the credit score for an Obligor referred to as a "VantageScore" calculated and reported by Experian plc.

INDEX OF TERMS

Set forth below is a list of the defined terms used in this Memorandum and the pages on which the definitions of such terms may be found.

ANNEX I

Global Clearance, Settlement and Tax Documentation Procedures

Except in certain limited circumstances, the Series 2017-A Notes will be available only in book-entry form. Investors in the Global Notes may hold those Global Notes through any of DTC, Clearstream, or Euroclear. The Global Notes will be tradable as home market instruments in both the European and U.S. domestic markets. Initial settlement and all secondary trades will settle in same-day funds.

Secondary market trading between investors holding Global Notes through Clearstream and Euroclear will be conducted in the ordinary way in accordance with their normal rules and operating procedures and in accordance with conventional eurobond practice – i.e., seven calendar day settlement.

Secondary market trading between investors holding Global Notes through DTC will be conducted according to the rules and procedures applicable to U.S. corporate debt obligations.

Secondary cross-market trading between Clearstream or Euroclear and DTC participants holding notes will be effected on a delivery-against-payment basis through the respective depositories of Clearstream and Euroclear (in such capacity) and as DTC participants.

Non-U.S. holders (as described below) of Global Notes will be subject to U.S. withholding taxes unless such holders meet certain requirements and deliver appropriate U.S. tax documents to the securities clearing organizations or their participants.

Initial Settlement

All Global Notes will be held in book-entry form by DTC in the name of Cede & Co. as nominee of DTC. Investors' interests in the Global Notes will be represented through financial institutions acting on their behalf as direct and indirect participants in DTC. As a result, Clearstream and Euroclear will hold positions on behalf of their participants through their respective depositories, which in turn will hold such positions in accounts as DTC participants.

Investors electing to hold their Global Notes through DTC (other than through accounts at Clearstream or Euroclear) will follow the settlement practices applicable to U.S. corporate debt obligations. Investor securities custody accounts will be credited with their holdings against payment in same-day funds on the settlement date.

Investors electing to hold their Global Notes through Clearstream or Euroclear accounts will follow the settlement procedures applicable to conventional eurobonds in registered form. Global Notes will be credited to the securities custody accounts on the settlement date against payment for value on the settlement date.

Secondary Market Trading

Because the purchaser determines the place of delivery, it is important to establish at the time of the trade where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Trading between DTC Participants. Secondary market trading between DTC participants (other than the depositories for Clearstream and Euroclear) will be settled using the procedures applicable to U.S. corporate debt obligations in same-day funds.

Trading between Clearstream participants and/or Euroclear participants. Secondary market trading between Clearstream participants and/or Euroclear participants will be settled using the procedures applicable to conventional eurobonds in same-day funds.

Trading between DTC seller and Clearstream participants or Euroclear purchaser. When Global Notes are to be transferred from the account of a DTC participant (other than the depositories for Clearstream and Euroclear, respectively) to the account of a Clearstream participant or a Euroclear participant, the purchaser will send instructions to Clearstream at least one business day prior to the settlement date. Clearstream or Euroclear, as the case may be, will instruct their respective depositories, to receive the Global Notes against payment. Payment will then be made by the respective depositories, as the case may be, to the DTC participant's account against delivery of the Global Notes. After settlement has been completed, the Global Notes will be credited to the respective clearing system and by the clearing system, in accordance with its usual procedures, to the Clearstream participant's or Euroclear participant's account. Credit for the Global Notes will appear the next day (European time) and the cash debit will be back-valued to, and the interest on the Global Notes will accrue from, the value date (which would be the preceding day when settlement occurred in New York). If settlement is not completed on the intended value date (i.e., the trade fails), the Clearstream or Euroclear cash debit will be valued instead as of the actual settlement date.

Clearstream participants and Euroclear participants will need to make available to the respective clearing systems the funds necessary to process same-day funds settlement. The most direct means of doing so is to pre-position funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Clearstream or Euroclear. Under this approach, they may take on credit exposure to Clearstream or Euroclear until the Global Notes are credited to their accounts one day later.

As an alternative, if Clearstream or Euroclear has extended a line of credit to them, Clearstream participants or Euroclear participants can elect not to pre-position funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Clearstream participants or Euroclear participants purchasing Global Notes would incur overdraft charges for one day, assuming they cleared the overdraft when the Global Notes were credited to their accounts. However, interest on the Global Notes would accrue from the value date. Therefore, in many cases the investment income on the Global Notes earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each Clearstream participant's or Euroclear participant's particular cost of funds.

Since the settlement is taking place during New York business hours, DTC participants can employ their usual procedures for sending Global Notes to the respective European depository for the benefit of Clearstream participants or Euroclear participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participant a cross-market transaction will settle no differently from a trade between two DTC participants.

Trading between Clearstream or Euroclear seller and DTC purchaser. Due to time zone differences in their favor, Clearstream participants and Euroclear participants may employ their customary procedures for transactions in which Global Notes are to be transferred by the respective clearing system, through the respective European depository, to another DTC participant. The seller will send instructions to Clearstream or Euroclear at least one business day prior to the settlement date. In these cases, Clearstream or Euroclear will instruct the respective European depository, as appropriate, to credit the Global Notes to the DTC participant's account against payment. The payment will then be reflected in the account of the Clearstream participant or Euroclear participant the following day, and receipt of the cash proceeds in the Clearstream participant's or Euroclear participant's account would be back-valued to the value date (which would be the preceding day, when settlement occurred in New York). If the Clearstream participant or Euroclear participant has a line of credit with its respective clearing system and elects to draw

on such line of credit in anticipation of receipt of the sale proceeds in its account, the back-valuation may substantially reduce or offset any overdraft charges incurred over that one-day period. If settlement is not completed on the intended value date (i.e., the trade fails), receipt of the cash proceeds in the Clearstream participant's or Euroclear participant's account would instead be valued as of the actual settlement date.

Certain U.S. Federal Income Tax Documentation Requirements

A beneficial owner of Global Notes holding securities through Clearstream or Euroclear (or through DTC if the holder has an address outside the U.S.) will be subject to the 30% U.S. withholding tax that generally applies to payments of interest (including original issue discount) on registered debt issued by U.S. Persons, and may be subject to U.S. withholding tax under FATCA, unless (i) each clearing system, bank or other financial institution that holds participants' securities in the ordinary course of its trade or business in the chain of intermediaries between such beneficial owner and the U.S. entity required to withhold tax complies with applicable certification requirements and (ii) such beneficial owner takes appropriate steps to obtain an exemption or reduced tax rate. See "*Certain U.S. Federal Income Tax Consequences*" in this Memorandum.

EXHIBIT A

SYSTEMS & SERVICES TECHNOLOGIES, INC.

FEE SCHEDULE

I. FEES

1. One-Time Account Set-up Fee: $4,500

2. Monthly Back-Up Servicer Fee: $9,000 per Monthly Period

3. Back-Up Servicer Termination Fees:

Should the Back-Up Servicer be terminated without cause with respect to its obligations under the Back-Up Servicing Agreement, the Back-Up Servicer shall receive a termination fee based upon the following schedule of length of appointment calculated from the date of the Back-Up Servicing Agreement:

i. if terminated during the first 6 months, an amount equal to $27,000; or

ii. if terminated between 7 to 12 months, an amount equal to $18,000; or

iii. if terminated subsequent to 12 months, an amount equal to $9,000.

4. Successor Servicing Fee:[(1)]

One-Time Activation Fee:[(2)]	$4.00 per Serviced Receivable
Monthly Servicing Fee:[(2)]	$7.65 per Serviced Receivable per Monthly Period
Monthly Minimum Fee:	$7,500 per Monthly Period

5. Successor Servicer Termination Fees[(1)]

Should the Back-Up Servicer assume the role of successor Servicer and subsequently be terminated without cause with respect to its obligations (in whole or in material part), the Back-Up Servicer (in its role as successor Servicer) shall receive a termination fee based upon the following schedule of length of servicing calculated from the date of receipt of the servicing transfer:

i. if terminated during the first 6 months, an amount equal to 4 times the initial Monthly Servicing Fee; or

ii. if terminated between 7 to 12 months, an amount equal to 2 times the fourth Monthly Servicing Fee; or

iii. if terminated subsequent to 12 months, an amount equal to 1 times the most recent Monthly Servicing Fee;

iv. plus, in all cases, a termination fee of $2.00 per Serviced Receivable on the date such termination became effective.

II. EXPENSES

1. Back-Up Servicing Expenses

The Back-Up Servicer shall be reimbursed for all costs and expenses incurred in connection with the satisfaction of its back-up servicing duties, including, but not limited to, due diligence of the Servicer at its servicing facility.

2. Transfer

The Back-Up Servicer shall be reimbursed for all out-of-pocket expenses incurred in relation to its activation as successor Servicer and the related transfer of Receivables Files to the Back-Up Servicer. These expenses may include, but are not limited to, any mailing expenses associated with the servicing transfer notice to Obligors, freight and file shipping, and travel and lodging expenses to the extent required.

3. Successor Servicing[(1)]

The Back-Up Servicer shall be reimbursed for out-of-pocket expenses including, but not limited to, those associated with correspondence, statement and mailing costs (including set-up expenses assessed by any print vendor), bank charges (*e.g.* lockbox processing fees, wire transfers, ACH items originated, payment exceptions, return deposit items, stop files processed), credit card processing, travel, and legal proceedings related to obligor bankruptcies. The Back-Up Servicer shall also be reimbursed for any out-of-pocket expenses related to any applicable regulatory compliance audits or attestations undertaken for the Issuer.

III. ADMINISTRATIVE FEES / SERVICING CHARGES[(1)]

The Back-Up Servicer (in its role as successor Servicer) shall receive 50% of all administrative fees, including, but not limited to, extension processing fees, NSF fees, ACH/EFT fees, debit/credit card processing fees or other administrative fees or similar charges allowed by applicable law that are paid or payable by the obligor, and late charges collected by the Back-Up Servicer (in its role as successor Servicer) during any Monthly Period.

Additionally, the Back-Up Servicer (in its role as successor Servicer) shall receive an administrative fee equal to 3% of the funds advanced thereby to cover reimbursable expenses during any Monthly Period.

In the event the Back-Up Servicer (in its role as successor Servicer) files insurance claims in connection with any Contract, it shall receive $25.00 per filing.

NOTES

(1) These items shall only apply to the Back-Up Servicer's performance of successor Servicer duties.

(2) The Back-Up Servicer (in its role as successor Servicer) shall receive a Monthly Servicing Fee for each "Serviced Receivable" for any full or partial Monthly Period where it functions as the successor Servicer.

"Serviced Receivable" means, at any time, any Receivable other than: (i) fully satisfied Receivable; or (ii) a Defaulted Receivable; *provided, however*, that any Defaulted Receivable that is (A) subject to litigation (other than bankruptcy) or (B) less than 180 days past due and a payment has been received in 120 days, shall continue to accrue a Monthly Servicing Fee.