IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS MEETING THE QUALIFICATIONS DESCRIBED IN THE ATTACHED PRIVATE PLACEMENT MEMORANDUM.

IMPORTANT: You must read the following before continuing. The following applies to the private placement memorandum following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the private placement memorandum. In accessing the private placement memorandum, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION AND THE NOTES MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THE ACQUISITION AND TRANSFER OF THE NOTES ARE SUBJECT TO ANY ADDITIONAL RESTRICTIONS DESCRIBED IN THE PRIVATE PLACEMENT MEMORANDUM.

EXCEPT AS SET FORTH IN THE PRIVATE PLACEMENT MEMORANDUM, THE PRIVATE PLACEMENT MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OF 1933, AS AMENDED, OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this private placement memorandum, investors must be (i) qualified institutional buyers (within the meaning of Rule 144A under the Securities Act of 1933, as amended) or (ii) in the case of the Notes other than the Class C Notes and the Class D Notes, non-"U.S. Persons" (as defined in Regulation S under the Securities Act of 1933, as amended) in compliance with Regulation S under the Securities Act of 1933, as amended. This private placement memorandum is being sent at your request and by accepting this e-mail and accessing this private placement memorandum, you will be deemed to have represented to us that you are a qualified institutional buyer (within the meaning of Rule 144A under the Securities Act of 1933, as amended) or, in the case of the Notes other than the Class C and Class D Notes, not a "U.S. Person" (as defined in Regulation S under the Securities Act of 1933, as amended) and that you consent to delivery of this private placement memorandum by electronic transmission.

You are reminded that this private placement memorandum has been delivered to you on the basis that you are a person into whose possession this private placement memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this private placement memorandum to any other person.

This private placement memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, RBS Securities Inc. or any person who controls such persons, or any director, officer, employee or agent of such persons or affiliate of such persons accepts any liability or responsibility whatsoever in respect of any difference between the private placement memorandum distributed to you in electronic format and the hard copy version available to you on request from Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated or RBS Securities Inc.

Springleaf Funding Trust 2013-A
Issuer

Tenth Street Funding LLC
Depositor

Springleaf Finance Corporation
Servicer

$604,300,000

Asset-Backed Notes
Principal and interest payable monthly, commencing in March 2013

You should carefully consider the risk factors beginning on page 29 of this private placement memorandum.

None of the Notes or the personal loans are insured or guaranteed by any governmental agency or instrumentality.

The Notes represent non-recourse debt obligations of the Issuer only and will not be obligations of, or represent interests in, any other entity.

The Issuer Will Issue—

- One class of senior asset-backed notes.
- Three classes of subordinate asset-backed notes.
- A single class of trust certificates.

The Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes are offered by this private placement memorandum (collectively, the "**Notes**"). The size, ratings and basic payment characteristics of the Notes are described in the notes table on page 10 of this private placement memorandum.

The Assets to be Pledged by the Issuer Consist of—

- A pool of non-revolving, secured and unsecured, fixed-rate personal loans.

Credit Enhancement Will Consist of—

- Subordination of certain classes of Notes to other classes of Notes higher in order of payment priority for payments of interest and principal.
- Overcollateralization. As of the initial cut-off date, the aggregate unpaid principal balance of the personal loans will exceed the aggregate principal balance of the Notes, resulting in overcollateralization.
- Excess spread available to absorb losses on the personal loans and to make payments of principal on the Notes.
- A reserve account available to pay interest and principal on the Notes as well as servicing fees and certain other fees and amounts.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THE NOTES ARE BEING OFFERED ONLY (I) IN THE UNITED STATES TO "QUALIFIED INSTITUTIONAL BUYERS" IN RELIANCE ON RULE 144A ("RULE 144A") OF THE SECURITIES ACT AND (II) EXCEPT IN THE CASE OF THE CLASS C NOTES AND THE CLASS D NOTES, IN OFFSHORE TRANSACTIONS TO PERSONS WHO ARE NOT "U.S. PERSONS" (AS DEFINED IN REGULATION S ("REGULATION S") UNDER THE SECURITIES ACT) IN RELIANCE ON REGULATION S.

 Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc. (the "**Initial Purchasers**") (i) have agreed to purchase the Class A Notes and (ii) may purchase all, a portion of or none of the Class B Notes, the Class C Notes and the Class D Notes (such Notes, the "**Purchased Notes**") from the Depositor and have advised the Depositor that they propose to place the Purchased Notes privately from time to time in negotiated transactions at varying prices to be determined in each case at the time of sale. Transfer of the Notes will be subject to certain restrictions as described herein. It is expected that delivery of the Purchased Notes will be made on or about February 19, 2013 (the "**Closing Date**").

The date of this private placement memorandum is February 14, 2013.

Citigroup **BofA Merrill Lynch** **Credit Suisse**

Deutsche Bank Securities **Goldman, Sachs & Co.** **RBS**

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This private placement memorandum contains substantial information concerning the Issuer, the Depositor, the Servicer, the Notes, the personal loans and the obligations of the Sellers, the Performance Support Provider, the Servicer, the Subservicers, the Back-up Servicer, the Indenture Trustee and others with respect to them. Potential investors are urged to review this private placement memorandum in its entirety. The obligations of the parties with respect to the transactions contemplated in this private placement memorandum are set forth in and will be governed by certain documents described in this private placement memorandum, and all of the statements and information in this private placement memorandum are qualified in their entirety by reference to such documents.

PROSPECTIVE PURCHASERS ARE NOT TO CONSTRUE THE CONTENTS OF THIS PRIVATE PLACEMENT MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE SELLERS, THE PERFORMANCE SUPPORT PROVIDER, THE DEPOSITOR, THE ISSUER, THE SERVICER, THE SUBSERVICERS, THE BACK-UP SERVICER, THE NOTE REGISTRAR, THE INITIAL PURCHASERS, THE INDENTURE TRUSTEE OR THE OWNER TRUSTEE OR ANY OF THEIR RESPECTIVE OFFICERS, EMPLOYEES OR AGENTS AS INVESTMENT, LEGAL, ACCOUNTING OR TAX ADVICE. PRIOR TO INVESTING IN THE NOTES A PROSPECTIVE PURCHASER SHOULD CONSULT WITH ITS ATTORNEY AND ITS INVESTMENT, ACCOUNTING, REGULATORY AND TAX ADVISORS TO DETERMINE THE CONSEQUENCES OF AN INVESTMENT IN THE NOTES AND ARRIVE AT AN INDEPENDENT EVALUATION OF SUCH INVESTMENT.

INTERNAL REVENUE SERVICE CIRCULAR 230 DISCLOSURE

TO ENSURE COMPLIANCE WITH REQUIREMENTS IMPOSED BY THE INTERNAL REVENUE SERVICE, WE INFORM YOU THAT (A) ANY UNITED STATES FEDERAL TAX ADVICE CONTAINED HEREIN (INCLUDING ANY ATTACHMENTS OR ENCLOSURES) WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING UNITED STATES FEDERAL TAX PENALTIES, (B) ANY SUCH ADVICE WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN AND (C) ANY TAXPAYER TO WHOM THE TRANSACTIONS OR MATTERS ARE BEING PROMOTED, MARKETED OR RECOMMENDED SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

THE NOTES HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OR UNDER THE SECURITIES LAWS OF ANY OTHER JURISDICTION AND THE ISSUER IS NOT AND WILL NOT BE REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED. THE RESALE OR TRANSFER OF THE NOTES IS RESTRICTED BY THE TERMS THEREOF AND BY THE TERMS OF THE INDENTURE. SEE "NOTICE TO INVESTORS" IN THIS PRIVATE PLACEMENT MEMORANDUM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THE NOTES WILL BE OFFERED (1) IN THE UNITED STATES TO QUALIFIED INSTITUTIONAL BUYERS IN RELIANCE ON RULE 144A OF THE SECURITIES ACT AND (2) EXCEPT IN THE CASE OF THE CLASS C NOTES AND THE CLASS D NOTES, OUTSIDE THE UNITED STATES TO ENTITIES WHICH ARE NOT "U.S. PERSONS" IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT, EACH TO WHOM THIS PRIVATE PLACEMENT MEMORANDUM HAS BEEN FURNISHED. THE NOTES WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR ANY STATE SECURITIES OR "BLUE SKY" LAWS AND ARE BEING OFFERED AND SOLD IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. THE TRANSFER OF THE NOTES IS SUBJECT TO CERTAIN ADDITIONAL RESTRICTIONS AND CONDITIONS. SEE "NOTICE TO INVESTORS." THERE IS NO MARKET FOR THE NOTES AND THERE IS NO ASSURANCE THAT ONE WILL DEVELOP. RESALES OF THE NOTES MAY BE MADE ONLY (I) (A) PURSUANT TO RULE 144A OR (B) EXCEPT IN THE CASE OF THE CLASS C NOTES AND THE CLASS D NOTES, PURSUANT TO REGULATION S UNDER THE SECURITIES ACT, (II) PURSUANT TO THE REQUIREMENTS OF, OR AN EXEMPTION UNDER, APPLICABLE STATE SECURITIES LAWS AND (III) IN ACCORDANCE WITH THE OTHER RESTRICTIONS ON TRANSFER SET FORTH IN THE INDENTURE AND DESCRIBED BELOW.

THE NOTES HAVE NOT BEEN REGISTERED WITH OR APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE OR FOREIGN SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE OR FOREIGN SECURITIES COMMISSION REVIEWED OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE NOTES REPRESENT NON-RECOURSE OBLIGATIONS OF THE ISSUER. NEITHER THE NOTES NOR THE LOANS WILL REPRESENT INTERESTS IN OR OBLIGATIONS OF THE SELLERS, THE PERFORMANCE SUPPORT PROVIDER, THE DEPOSITOR, THE SERVICER, THE SUBSERVICERS, THE BACK-UP SERVICER, THE NOTE REGISTRAR, THE INITIAL PURCHASERS, THE INDENTURE TRUSTEE, THE OWNER TRUSTEE OR ANY OF THEIR RESPECTIVE AFFILIATES. NEITHER THE NOTES NOR THE LOANS WILL BE GUARANTEED OR INSURED BY ANY GOVERNMENTAL AGENCY OR INSTRUMENTALITY OR ANY OTHER ENTITY. THE LOANS AND ANY FUNDS ON DEPOSIT IN THE NOTE ACCOUNTS WILL BE THE SOLE SOURCE OF PAYMENT ON THE NOTES, AND THERE WILL BE NO RECOURSE TO THE SELLERS, THE PERFORMANCE SUPPORT PROVIDER, THE DEPOSITOR, THE SERVICER, THE SUBSERVICERS, THE BACK-UP SERVICER, THE NOTE REGISTRAR, THE INITIAL PURCHASERS, THE INDENTURE TRUSTEE, THE OWNER TRUSTEE OR ANY OTHER ENTITY IN THE EVENT THAT PAYMENTS ON THE LOANS OR AMOUNTS IN THE NOTE ACCOUNTS ARE INSUFFICIENT OR OTHERWISE UNAVAILABLE TO MAKE ALL PAYMENTS PROVIDED FOR UNDER THE NOTES.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PRIVATE PLACEMENT MEMORANDUM AND ANY TERM SHEET PROVIDED TO YOU BY THE DEPOSITOR PRIOR TO THE DELIVERY OF THIS PRIVATE PLACEMENT MEMORANDUM AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON. THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES OTHER THAN THE NOTES. THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR WILL THERE BE ANY SALE OF THE NOTES, IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF SUCH STATE OR OTHER JURISDICTION. THE DELIVERY OF THIS PRIVATE PLACEMENT MEMORANDUM AT ANY TIME DOES NOT IMPLY THAT INFORMATION HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE. THE DEPOSITOR AND THE INITIAL PURCHASERS EACH RESERVE THE RIGHT TO REJECT ANY OFFER TO PURCHASE THE NOTES IN WHOLE OR IN PART, FOR ANY REASON, OR TO SELL LESS THAN THE FULL PRINCIPAL BALANCE OF THE NOTES OFFERED HEREBY.

A PROSPECTIVE TRANSFEREE OF THE NOTES OR ANY INTEREST THEREIN MUST REPRESENT (AND SHALL BE DEEMED TO REPRESENT) THAT EITHER (I) IT IS NOT A PLAN SUBJECT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**INTERNAL REVENUE CODE**") OR A PLAN SUBJECT TO ANY NON-U.S., FEDERAL, STATE OR LOCAL LAW MATERIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE ("**SIMILAR LAW**") OR USING PLAN ASSETS TO EFFECT SUCH TRANSFER OR (II) (A) THE TRANSFEREE IS ACQUIRING CLASS A NOTES OR CLASS B NOTES AND (B) ITS ACQUISITION, CONTINUED HOLDING AND DISPOSITION OF SUCH NOTES (OR BENEFICIAL INTEREST THEREIN) WILL NOT GIVE RISE TO A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE (OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SIMILAR LAW). ALTERNATIVELY, A PROSPECTIVE TRANSFEREE OF THE NOTES MAY PROVIDE THE OPINION OF COUNSEL REQUIRED BY THE INDENTURE.

EACH DIRECT OR INDIRECT HOLDER OF A CLASS C NOTE, BY ACCEPTANCE OF A CLASS C NOTE, AND EACH BENEFICIAL OWNER OF A CLASS C NOTE OR INTEREST THEREIN, BY ACCEPTANCE OF BENEFICIAL OWNERSHIP IN A CLASS C NOTE OR INTEREST THEREIN, WILL BE

DEEMED TO REPRESENT AND WARRANT THAT: (A) EITHER (I) IT IS NOT AND WILL NOT BECOME FOR U.S. FEDERAL INCOME TAX PURPOSES A PARTNERSHIP, SUBCHAPTER S CORPORATION OR GRANTOR TRUST (EACH SUCH ENTITY A "**FLOW-THROUGH ENTITY**") OR (II) IF IT IS OR BECOMES A FLOW-THROUGH ENTITY, THEN (X) NONE OF THE DIRECT OR INDIRECT BENEFICIAL OWNERS OF ANY OF THE INTERESTS IN SUCH FLOW-THROUGH ENTITY HAS OR EVER WILL HAVE MORE THAN 50% OF THE VALUE OF ITS INTEREST IN SUCH FLOW-THROUGH ENTITY ATTRIBUTABLE TO THE INTEREST OF SUCH FLOW-THROUGH ENTITY IN THE NOTES OR INTERESTS THEREIN, OTHER INTEREST (DIRECT OR INDIRECT) IN THE ISSUER, OR ANY INTEREST CREATED UNDER THE INDENTURE AND (Y) IT IS NOT AND WILL NOT BE A PRINCIPAL PURPOSE OF THE ARRANGEMENT INVOLVING THE INVESTMENT OF SUCH FLOW-THROUGH ENTITY IN ANY NOTE TO PERMIT ANY PARTNERSHIP TO SATISFY THE 100 PARTNER LIMITATION OF SECTION 1.7704-1(h)(1)(ii) OF THE TREASURY REGULATIONS NECESSARY FOR SUCH PARTNERSHIP NOT TO BE CLASSIFIED AS A PUBLICLY TRADED PARTNERSHIP UNDER THE INTERNAL REVENUE CODE, (B) IT WILL NOT SELL, ASSIGN, TRANSFER, PLEDGE OR OTHERWISE CONVEY ANY PARTICIPATING INTEREST IN ANY NOTE OR ANY FINANCIAL INSTRUMENT OR CONTRACT THE VALUE OF WHICH IS DETERMINED BY REFERENCE IN WHOLE OR IN PART TO ANY NOTE, (C) IT IS NOT ACQUIRING AND WILL NOT SELL, TRANSFER, ASSIGN, PARTICIPATE, PLEDGE OR OTHERWISE DISPOSE OF ANY NOTE(S) (OR INTEREST THEREIN) OR CAUSE ANY NOTE(S) (OR INTEREST THEREIN) TO BE MARKETED ON OR THROUGH AN "ESTABLISHED SECURITIES MARKET" WITHIN THE MEANING OF SECTION 7704(b) OF THE INTERNAL REVENUE CODE, INCLUDING, WITHOUT LIMITATION, AN INTERDEALER QUOTATION SYSTEM THAT REGULARLY DISSEMINATES FIRM BUY OR SELL QUOTATIONS, (D) IT DOES NOT AND WILL NOT BENEFICIALLY OWN A CLASS C NOTE (OR ANY BENEFICIAL INTEREST THEREIN) IN AN AMOUNT THAT IS LESS THAN THE MINIMUM DENOMINATION FOR SUCH CLASS C NOTE, AND (E) IT WILL NOT TRANSFER A CLASS C NOTE (OR ANY BENEFICIAL INTEREST THEREIN) UNLESS IT FIRST OBTAINS WRITTEN REPRESENTATIONS AND WARRANTIES FROM THE TRANSFEREE TO THE EFFECT OF THOSE SET FORTH IN CLAUSES (A) THROUGH (E) HEREOF. ANY TRANSFER OF A CLASS C NOTE (OR ANY BENEFICIAL INTEREST THEREIN) THAT DOES NOT COMPLY WITH THE FOREGOING REQUIREMENTS WILL BE DEEMED NULL AND VOID *AB INITIO*.

NO CLASS D NOTE MAY BE TRANSFERRED AND NO TRANSFER (OR PURPORTED TRANSFER) OF ALL OR ANY PART OF ANY CLASS D NOTE (OR ANY BENEFICIAL INTEREST THEREIN) SHALL BE EFFECTIVE, UNLESS (i) NO FEWER THAN FIVE (5) BUSINESS DAYS PRIOR TO THE PROPOSED TRANSFER DATE, THE PURCHASER PROVIDES THE INDENTURE TRUSTEE AND THE NOTE REGISTRAR A CERTIFICATE CONTAINING ITS REPRESENTATIONS AND WARRANTIES MADE FOR THE BENEFIT OF THE ISSUER THAT: (I) INCLUDES THE REPRESENTATIONS AND WARRANTIES LISTED IN CLAUSES (A) THROUGH (C) IN THE IMMEDIATELY PRECEDING PARAGRAPH, AND (II) IT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE INTERNAL REVENUE CODE, AND (ii) THE NOTE REGISTRAR DETERMINES THAT, AFTER SUCH TRANSFER, THERE WOULD BE NO MORE THAN 20 HOLDERS OF THE CLASS D NOTES. THE PROPOSED TRANSFER SHALL BECOME EFFECTIVE UNLESS, WITHIN THREE (3) BUSINESS DAYS OF RECEIVING THE PURCHASER'S CERTIFICATE WITH ITS REPRESENTATIONS AND WARRANTIES, THE NOTE REGISTRAR INFORMS THE APPROPRIATE PARTY THAT ONE OR BOTH OF THE CONDITIONS DESCRIBED IN CLAUSES (i) AND (ii) OF THE PRECEDING SENTENCE ARE NOT SATISFIED. ANY TRANSFER OF A CLASS D NOTE (OR ANY BENEFICIAL INTEREST THEREIN) THAT DOES NOT COMPLY WITH THE FOREGOING REQUIREMENTS WILL BE DEEMED NULL AND VOID *AB INITIO*.

THE NOTES MAY NOT BE SOLD IN THIS INITIAL OFFERING WITHOUT DELIVERY OF A FINAL PRIVATE PLACEMENT MEMORANDUM.

FOR NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER NEW HAMPSHIRE REVISED STATUTES ANNOTATED CHAPTER 421-B ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A

SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

THIS PRIVATE PLACEMENT MEMORANDUM IS PERSONAL TO EACH OFFEREE AND DOES NOT CONSTITUTE AN OFFER TO ANY OTHER PERSON OR TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE THE NOTES. DISTRIBUTION OF THIS PRIVATE PLACEMENT MEMORANDUM OR ANY OF THE DOCUMENTS REFERRED TO HEREIN TO ANY PERSON OTHER THAN THE OFFEREE AND THOSE PERSONS, IF ANY, RETAINED TO ADVISE SUCH OFFEREE WITH RESPECT THERETO IS UNAUTHORIZED, AND ANY DISCLOSURE OF ANY OF THE CONTENTS THEREOF OR HEREOF WITHOUT THE PRIOR WRITTEN CONSENT OF THE DEPOSITOR IS PROHIBITED. EACH PROSPECTIVE PURCHASER, BY ACCEPTING DELIVERY OF THIS PRIVATE PLACEMENT MEMORANDUM, AGREES TO THE FOREGOING AND THAT IT WILL NOT MAKE ANY COPIES OF, NOR FORWARD, THIS PRIVATE PLACEMENT MEMORANDUM OR ANY DOCUMENTS REFERRED TO HEREIN AND, IF THE OFFEREE DOES NOT PURCHASE ANY NOTES OR THIS OFFERING IS TERMINATED, TO RETURN TO THE DEPOSITOR THIS PRIVATE PLACEMENT MEMORANDUM, AND ALL DOCUMENTS DELIVERED HEREWITH.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS PRIVATE PLACEMENT MEMORANDUM, THE OFFEREE (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF THE OFFEREE) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE TAX TREATMENT AND TAX STRUCTURE OF THE TRANSACTIONS DESCRIBED IN THIS PRIVATE PLACEMENT MEMORANDUM AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER TAX ANALYSES) THAT ARE PROVIDED TO THE OFFEREE RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE. THIS AUTHORIZATION OF TAX DISCLOSURE IS RETROACTIVELY EFFECTIVE TO THE COMMENCEMENT OF DISCUSSIONS BETWEEN THE DEPOSITOR AND ITS REPRESENTATIVES AND THE OFFEREE REGARDING THE TRANSACTIONS CONTEMPLATED HEREIN.

THIS PRIVATE PLACEMENT MEMORANDUM HAS BEEN PREPARED BY THE DEPOSITOR SOLELY FOR USE IN CONNECTION WITH THE SALE OF THE NOTES. NONE OF THE ISSUER, THE SELLERS, THE DEPOSITOR, THE PERFORMANCE SUPPORT PROVIDER, THE SERVICER, THE SUBSERVICERS, THE BACK-UP SERVICER, THE NOTE REGISTRAR, THE INDENTURE TRUSTEE, THE OWNER TRUSTEE, THE INITIAL PURCHASERS OR ANY OF THEIR RESPECTIVE AFFILIATES MAKES ANY REPRESENTATIONS OR WARRANTIES AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED HEREIN AND NOTHING HEREIN SHALL BE DEEMED TO CONSTITUTE SUCH A REPRESENTATION OR WARRANTY BY ANY SUCH PERSON OR ANY PROMISE OR REPRESENTATION AS TO THE FUTURE PERFORMANCE OF THE ISSUER, THE SERVICER, THE SELLERS, THE SUBSERVICERS, THE PERFORMANCE SUPPORT PROVIDER OR THE LOANS.

INVESTORS INTERESTED IN PARTICIPATING IN THIS OFFERING SHOULD CONDUCT AN INDEPENDENT INVESTIGATION OF THE RISKS POSED BY AN INVESTMENT IN THE NOTES. REPRESENTATIVES OF THE DEPOSITOR WILL BE AVAILABLE TO ANSWER QUESTIONS CONCERNING THE LOANS AND WILL, UPON REQUEST, MAKE AVAILABLE SUCH OTHER INFORMATION AS INVESTORS MAY REASONABLY REQUEST.

THE APPROPRIATE CHARACTERIZATION OF THE NOTES UNDER VARIOUS LEGAL INVESTMENT RESTRICTIONS, AND THUS THE ABILITY OF INVESTORS SUBJECT TO THESE

RESTRICTIONS TO PURCHASE SUCH 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 OFFERED NOTES CONSTITUTE LEGAL INVESTMENTS FOR THEM.

FORWARD-LOOKING STATEMENTS

THIS PRIVATE PLACEMENT MEMORANDUM CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT. IN ADDITION, CERTAIN STATEMENTS MADE IN PRESS RELEASES AND IN ORAL AND WRITTEN STATEMENTS BY OR WITH THE DEPOSITOR'S APPROVAL MAY CONSTITUTE FORWARD-LOOKING STATEMENTS. SPECIFICALLY, FORWARD-LOOKING STATEMENTS, TOGETHER WITH RELATED QUALIFYING LANGUAGE AND ASSUMPTIONS, ARE FOUND IN THE MATERIAL (INCLUDING TABLES) UNDER THE HEADINGS "RISK FACTORS," AND "PREPAYMENT AND YIELD CONSIDERATIONS." FORWARD-LOOKING STATEMENTS ARE ALSO FOUND IN OTHER PLACES THROUGHOUT THIS PRIVATE PLACEMENT MEMORANDUM, AND MAY BE IDENTIFIED BY, AMONG OTHER THINGS, ACCOMPANYING LANGUAGE SUCH AS "EXPECTS," "INTENDS," "ANTICIPATES," "ESTIMATES" OR ANALOGOUS EXPRESSIONS, OR BY QUALIFYING LANGUAGE OR ASSUMPTIONS. THESE STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS THAT COULD CAUSE THE ACTUAL RESULTS OR PERFORMANCE TO DIFFER MATERIALLY FROM THE FORWARD-LOOKING STATEMENTS. THESE RISKS, UNCERTAINTIES AND OTHER FACTORS INCLUDE, AMONG OTHERS, GENERAL ECONOMIC AND BUSINESS CONDITIONS, AN INCREASE IN DELINQUENCIES (INCLUDING INCREASES DUE TO WORSENING OF ECONOMIC CONDITIONS), CHANGES IN POLITICAL, SOCIAL AND ECONOMIC CONDITIONS, REGULATORY INITIATIVES AND COMPLIANCE WITH GOVERNMENTAL REGULATIONS, CUSTOMER PREFERENCE AND VARIOUS OTHER MATTERS, MANY OF WHICH ARE BEYOND THE CONTROL OF THE ISSUER, THE DEPOSITOR, THE SELLERS, THE SUBSERVICERS, THE PERFORMANCE SUPPORT PROVIDER, THE SERVICER AND THEIR RESPECTIVE AFFILIATES.

SUCH FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS PRIVATE PLACEMENT MEMORANDUM. NONE OF THE ISSUER, THE DEPOSITOR, THE SERVICER OR ANY OTHER PARTY TO THE TRANSACTION HAS, AND EACH SUCH PARTY EXPRESSLY DISCLAIMS, ANY OBLIGATION OR UNDERTAKING TO DISSEMINATE ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENTS TO REFLECT CHANGES IN SUCH PARTY'S EXPECTATIONS WITH REGARD TO THOSE STATEMENTS OR ANY CHANGE IN EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH ANY FORWARD-LOOKING STATEMENT IS BASED.

IMPORTANT INFORMATION REGARDING OFFERS AND SALES OF THE NOTES

The Notes offered hereby are subject to modification or revision and are offered on a "when, as and if issued" basis. You understand that, when you are considering the purchase of Notes, a binding contract of sale will not exist prior to the time that the relevant class of Notes has been priced and the Initial Purchasers have confirmed the allocation of such Notes to be made to you; prior to that time any "indications of interest" expressed by you, and any "soft circles" generated by any Initial Purchaser will not create binding contractual obligations for you or any Initial Purchaser and may be withdrawn at any time. You may commit to purchase one or more classes of Notes that have characteristics that may change, and you are advised that all or a portion of the Notes may not be issued with the characteristics described in this private placement memorandum. The obligation of the Initial Purchasers to sell such Notes to you is conditioned on the Notes having the characteristics described in this private placement memorandum. If any Initial Purchaser or the Issuer determine that condition is not satisfied in any material respect, you will be notified, and none of the Issuer or the Initial Purchasers will have any obligation to you to deliver any portion of the Notes that you have committed to purchase, and there will be no liability among the Issuer or the Initial Purchasers and you as a consequence of the non-delivery. Your payment for the Notes will confirm your agreement to the terms and conditions described in this private placement memorandum.

AVAILABLE INFORMATION

To permit compliance with Rule 144A under the Securities Act in connection with sales of the Notes, the Indenture Trustee will be required to furnish, upon the request of any holder of the Notes, to such holder and a prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) under the Securities Act provided such information has been furnished to it by the Depositor. Any such request should be directed to the Indenture Trustee at its Corporate Trust Office.

NOTICE TO INVESTORS

Because of the following restrictions, prospective investors in the Notes are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the Notes.

Each prospective purchaser of Notes, by accepting delivery of this private placement memorandum, will be deemed to have represented and agreed as follows:

(i) It acknowledges that this private placement memorandum is personal to it and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes other than pursuant to Rule 144A or, except in the case of the Class C Notes and Class D Notes, Regulation S. Distribution of this private placement memorandum, or disclosure of any of its contents to any person other than those persons, if any, retained to advise it with respect thereto and other persons meeting the requirements of Rule 144A or, except in the case of the Class C Notes and Class D Notes, Regulation S, and any disclosure of any of its contents, without the prior written consent of the Issuer or the Depositor, except as expressly permitted in this private placement memorandum with respect to the U.S. federal income tax treatment of the Notes, is prohibited.

(ii) It agrees to make no photocopies of, nor forward, this private placement memorandum or any documents referred to herein and, if it does not purchase any Notes or the offering is terminated, to return this private placement memorandum and all documents referred to herein to the Depositor.

(iii) The Notes are being offered only (i) in the United States to persons that are QIBs, purchasing for their own account or one or more accounts with respect to which they exercise sole investment discretion, each of which is a QIB, in transactions exempt from the registration requirements of the Securities Act or (ii) in the case of the Class A Notes and the Class B Notes only, outside the United States to non-"U.S. Persons" in compliance with Regulation S. The Class D Notes are being offered only to "United States persons" within the meaning of Section 7701(a)(30) of the Internal Revenue Code. The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except (i) as permitted under the Securities Act in accordance with Rule 144A or, except in the case of the Class C Notes and Class D Notes, Regulation S, (ii) pursuant to the requirements of, or an exemption under, applicable state securities laws and (iii) in accordance with the other restrictions on transfer set forth in the Indenture and described below, including, without limitation, (a) in the case of the Class C Notes, that the transferee meet certain conditions as specified under the heading *"Restrictions on Transfer"* in this private placement memorandum, including that it obtains certain written representations and warranties from a subsequent transferee, and (b) the requirement that Class D Notes and interests therein may only be resold, transferred or otherwise conveyed to transferees that are "United States persons" within the meaning of Section 7701(a)(30) of the Internal Revenue Code. The Indenture will provide that no transfer of any Note will be registered by the Note Registrar unless certain required certifications are provided to the Note Registrar, at the expense of the transferor and transferee, with respect to their compliance with the foregoing restrictions, among others. Investors transferring interests in the Notes will be deemed to have made such certifications. The Indenture provides that transfers to any investor that does not meet the foregoing requirements will be void *ab initio*.

(iv) Pursuant to the Indenture, no sale, pledge or other transfer of any Note or any beneficial interest therein may be made by any person unless such sale, pledge or other transfer is exempt from the registration and/or qualification requirements of the Securities Act or is otherwise made in accordance with the Securities Act and state securities laws. Any holder of an Note desiring to effect a transfer of such Note or any beneficial interest therein will, by acceptance thereof, be deemed to have agreed to indemnify the Issuer, the Depositor, the Note Registrar and the Indenture Trustee against any liability that may result if the transfer is not exempt from the registration requirements of the Securities Act or is not made in accordance with such applicable federal and state laws and the Indenture. None of the Sellers, the Performance Support Provider, the Depositor, the Issuer, the Servicer, the Subservicers, the Back-up Servicer, the Note Registrar, the Initial Purchasers, the Indenture Trustee, the Owner Trustee or any of their respective affiliates will be required to register the Notes under the Securities Act, qualify the Notes under the securities laws of any state, or provide registration rights to any purchaser.

(v) Pursuant to the Indenture, the transferee or owner of a beneficial interest in an Note will be deemed to have made certain representations regarding ERISA. See "*ERISA Considerations*" in this private placement memorandum. In addition, pursuant to the Indenture, each transferee or owner of a beneficial interest in

the Notes will be required to provide the appropriate IRS Form W-9 or IRS Form W-8 (or applicable successor form), as applicable, as required by the Indenture.

NOTICE TO RESIDENTS OF MEMBERS STATES OF EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made and will not make an offer of the Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in that Relevant Member State at any time:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(c) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the Notes to the public" in relation to any 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU, if implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated in the United Kingdom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

NOTICE TO UNITED KINGDOM INVESTORS

THE DISTRIBUTION OF THIS PRIVATE PLACEMENT MEMORANDUM IF MADE BY A PERSON WHO IS NOT AN AUTHORIZED PERSON UNDER THE FSMA, IS BEING MADE ONLY TO, OR DIRECTED ONLY AT PERSONS WHO (1) ARE OUTSIDE THE UNITED KINGDOM, OR (2) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS, OR (3) ARE PERSONS FALLING WITHIN ARTICLES 49(2)(A) THROUGH (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.") OR 19 (INVESTMENT PROFESSIONALS) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS THE "**RELEVANT PERSONS**"). THIS PRIVATE PLACEMENT MEMORANDUM MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS PRIVATE PLACEMENT MEMORANDUM RELATES, INCLUDING THE NOTES, IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

RELEVANT PERSONS ARE ADVISED THAT ALL, OR MOST, OF THE PROTECTIONS AFFORDED BY THE UNITED KINGDOM REGULATORY SYSTEM WILL NOT APPLY TO AN INVESTMENT IN THE NOTES AND THAT COMPENSATION WILL NOT BE AVAILABLE UNDER THE UNITED KINGDOM FINANCIAL SERVICES COMPENSATION SCHEME.

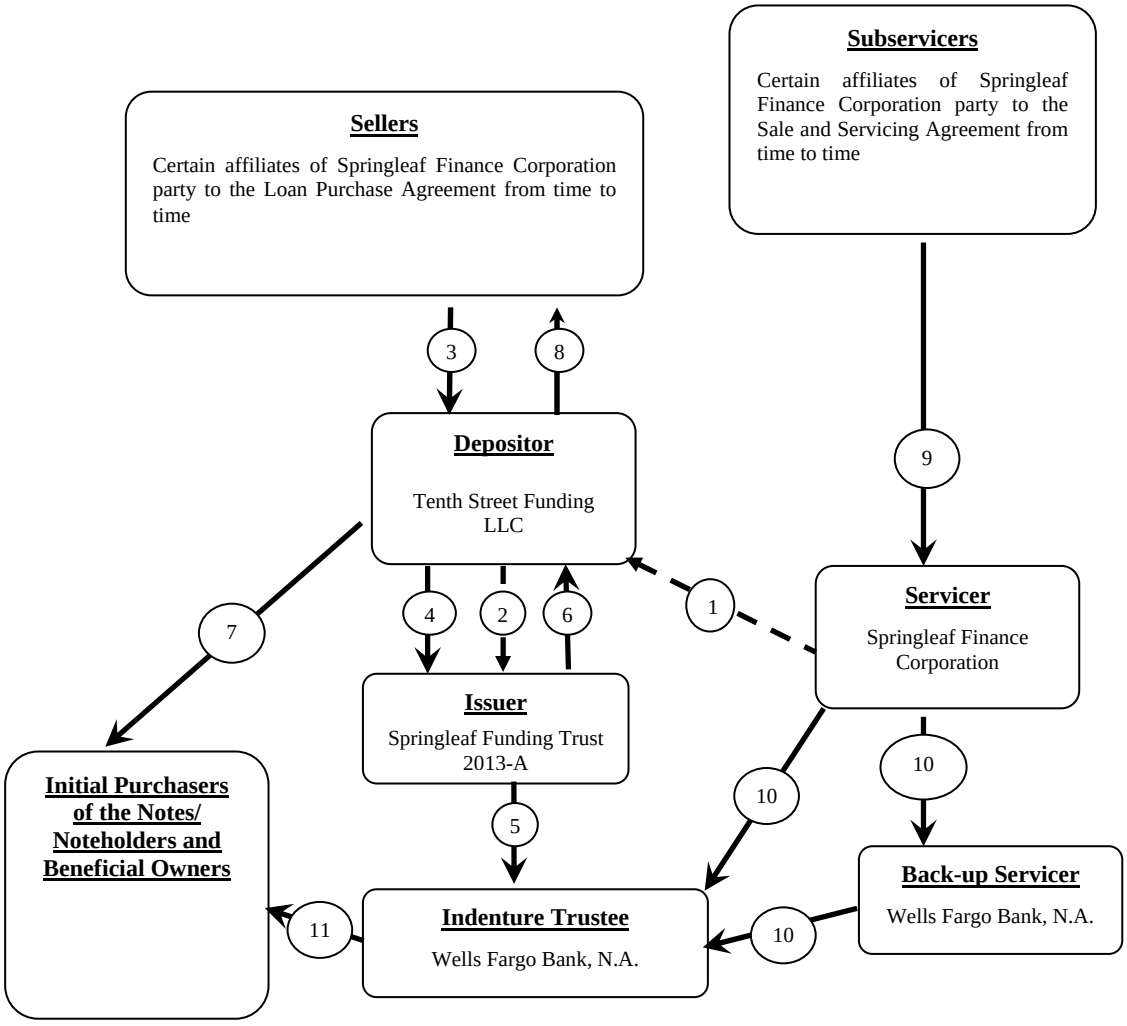
NOTES TABLE

SPRINGLEAF FUNDING TRUST 2013-A,
ASSET-BACKED NOTES

Class of Notes	Initial Note Principal Balance	Interest Rate	Minimum Denomination	Incremental Denominations	Stated Maturity Date	S&P Rating[(1)]
Class A	500,000,000	2.58%	$100,000	$1,000	September 15, 2021	Asf
Class B	46,350,000	3.57%	$100,000	$1,000	September 15, 2021	BBBsf
Class C	21,530,000	5.00%	$350,000	$1,000	September 15, 2021	BBsf
Class D	36,420,000	5.00%	$100,000	$1,000	September 15, 2021	Bsf

(1) The Notes will not be issued unless they receive at least the rating set forth in this table. See "*Ratings*" in this private placement memorandum.

TRANSACTION DIAGRAM



1. Springleaf Finance Corporation forms the Depositor.
2. The Depositor forms the Issuer.
3. The Sellers sell the Initial Loans to the Depositor on the Closing Date and, from time to time thereafter during the Revolving Period, may sell additional personal loans to the Depositor. For further detail, see "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases*" in this private placement memorandum.
4. The Depositor conveys the Initial Loans to the Issuer on the Closing Date and from time to time thereafter during the Revolving Period, may convey additional personal loans to the Issuer. For further detail, see "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases*" in this private placement memorandum.
5. The Issuer pledges the Initial Loans, any additional Loans acquired after the Closing Date and certain other assets to the Indenture Trustee to secure the Notes. For further detail, see "*Description of the Notes*" in this private placement memorandum.
6. On the Closing Date, the Issuer transfers the Notes and the trust certificate to the Depositor in consideration for the Initial Loans. Notes that are not sold to the Initial Purchasers are retained by the Depositor or conveyed to an affiliate. The trust certificate will be retained by the Depositor. From time to time after the Closing Date, the Issuer may sell or otherwise convey Loans to the Depositor. For further detail, see "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases*" in this private placement memorandum.
7. The Depositor sells the Purchased Notes to the Initial Purchasers in return for cash.
8. The Depositor transfers to the Sellers the cash from the sale of the Purchased Notes as partial consideration for the Initial Loans. The Depositor draws a cash amount under an intercompany revolving credit agreement between the Depositor, as borrower, and Springleaf Finance Corporation, as lender, and uses such cash amount to pay the remainder of the consideration to the Sellers for the initial Loans. In the event that the Depositor purchases additional Loans from the Sellers after the Closing Date, it will use a combination of cash proceeds

received from the sale of such additional Loans to the Issuer, cash amounts drawn under such intercompany revolving credit agreement and Loans otherwise acquired from the Issuer in order to pay consideration for such additional Loans. For further detail, see "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases*" in this private placement memorandum.

9. The Subservicers subservice the Loans and remit any principal and interest collections on the Loans to the Servicer for deposit into the Collection Account as described under "*The Sale and Servicing Agreement and the Back-up Servicing Agreement —Payments on Loans; Collection Account*" in this private placement memorandum.

10. The Servicer services the Loans and receives principal and interest collections from the Subservicers and remits them to the Indenture Trustee. In the event that the Servicer is terminated after a Servicer Default or resigns (other than in connection with an assignment permitted under the terms of the Sale and Servicing Agreement), the Back-up Servicer will service the Loans, including collecting payments on the Loans and remitting them to the Collection Account. For further detail, see "*The Sale and Servicing Agreement and the Back-up Servicing Agreement —Servicing of Loans*" and "*The Sale and Servicing Agreement and the Back-up Servicing Agreement —Payments on Loans; Collection Account*" in this private placement memorandum.

11. On each payment date, the Indenture Trustee, uses the remittance from the Servicer (or the Back-up Servicer, if applicable) to make payments on the Notes pursuant to the payment priorities described under "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

SUMMARY INFORMATION

This summary highlights selected information from this private placement memorandum, but does not contain all of the information that you should consider in making your investment decision. Please read this entire private placement memorandum carefully for additional detailed information about the Notes.

THE NOTES

Springleaf Funding Trust 2013-A, Asset-Backed Notes.

Classes

Class A Notes, Class B Notes, Class C Notes and Class D Notes (the "**Notes**").

RELEVANT PARTIES

Issuer

Springleaf Funding Trust 2013-A, a Delaware statutory trust (the "**Issuer**").

Servicer and Performance Support Provider

Springleaf Finance Corporation ("**SLFC**"), an Indiana corporation, in its capacity as Servicer, will be responsible for servicing the Loans pursuant to the Sale and Servicing Agreement.

SLFC, in its capacity as performance support provider, will guarantee certain performance obligations of the Sellers, the Subservicers, at any time the Administrator is an Affiliate of SLFC, the Administrator and, at any time an Affiliate of SLFC is the Servicer, the Servicer. See "*The Servicer and Performance Support Provider*" and "*The Performance Support Agreement*" in this private placement memorandum.

Sellers

As of the Closing Date, Springleaf Financial Services of Alabama, Inc., a Delaware corporation, Springleaf Financial Services of America, Inc., a Delaware corporation, Springleaf Financial Services of America, Inc., an Iowa corporation, Springleaf Financial Services of America, Inc., a North Carolina corporation, Springleaf Financial Services of Arizona, Inc., an Arizona corporation, Springleaf Financial Services of Florida, Inc., a Florida corporation, Springleaf Financial Services of Hawaii, Inc., a Hawaii corporation, Springleaf Financial Services of Illinois, Inc., an Illinois corporation, Springleaf Financial Services of Indiana, Inc., an Indiana corporation, Springleaf Financial Services of Louisiana, Inc., a Louisiana corporation, Springleaf Financial Services of New Hampshire, Inc., a Delaware corporation, Springleaf Financial Services of New York, Inc., a New York corporation, Springleaf Financial Services of North Carolina, Inc., a North Carolina corporation, Springleaf Financial Services of Ohio, Inc., an Ohio corporation, Springleaf Financial Services of Pennsylvania, Inc., a Pennsylvania corporation, Springleaf Financial Services of South Carolina, Inc., a South Carolina corporation, Springleaf Financial Services of Washington, Inc., a Washington corporation, Springleaf Financial Services of Wisconsin, Inc., a Wisconsin corporation, Springleaf Financial Services of Wyoming, Inc., a Wyoming corporation, Springleaf Financial Services, Inc., a Delaware corporation, Springleaf Home Equity, Inc., a Delaware corporation, Springleaf Home Equity, Inc., a West Virginia corporation and State Financial Services - Springleaf, Inc., d/b/a/ Springleaf Financial Services of Texas, Inc., a Texas corporation.

From time to time after the Closing Date, prior to the end of the Revolving Period, additional entities may become "Sellers". See "*The Sellers and Subservicers*" in this private placement memorandum.

Administrator

SLFC will be the administrator of the Issuer and, in such capacity, will provide administrative and ministerial services for the Issuer as provided in the Administration Agreement. See "*The Indenture–The Administration Agreement*" in this private placement memorandum.

Subservicers

The Sellers will act as subservicers with respect to the Loans. Generally a Seller will act as subservicer with respect to the Loans it has sold to the Depositor, but it may act in such capacity with respect to other Loans as well. In addition, the Servicer may delegate its servicing duties to other Springleaf entities and certain third-parties. See "*The Sellers and Subservicers*," "*The Servicer and Performance Support Provider*" and "*The Sale and Servicing Agreement and the Back-up Servicing Agreement–Servicing of Loans*" in this private placement memorandum.

Back-up Servicer

Wells Fargo Bank, National Association, a national banking association, will act as back-up servicer under the Back-up Servicing Agreement. The Back-up Servicer will become successor servicer if SLFC is terminated by the Indenture Trustee as servicer for any reason, or SLFC resigns as servicer (other than in connection with an assignment permitted under the

terms of the Sale and Servicing Agreement), in either case, in accordance with the Sale and Servicing Agreement. See "*The Back-up Servicer*," "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicer Defaults*," "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Rights Upon Servicer Default*," "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Resignation of the Servicer*" and "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Assumption of Servicing by the Back-up Servicer*" in this private placement memorandum.

Depositor

Tenth Street Funding LLC, a Delaware limited liability company, and a wholly-owned special purpose subsidiary of SLFC, is the depositor (the "**Depositor**"). The Depositor will acquire the Loans from the Sellers pursuant to the Loan Purchase Agreement and sell or otherwise convey the Loans to the Issuer pursuant to the Sale and Servicing Agreement. The Depositor will be the holder of the Issuer's trust certificate. See "*The Depositor*" in this private placement memorandum.

Indenture Trustee and Note Registrar

Wells Fargo Bank, National Association, a national banking association, will act as indenture trustee and note registrar. See "*The Indenture Trustee*" and "*The Indenture—Compensation of the Indenture Trustee; Indemnification*" and "*The Indenture—Resignation and Removal of the Indenture Trustee*" in this private placement memorandum.

Owner Trustee

Wilmington Trust, National Association, a national banking association, will act as owner trustee for the Issuer.

THE LOANS

The personal loans (each, a "**Loan**" and, collectively, "**Loans**") transferred to the Issuer on the Closing Date, and any Loans subsequently transferred to the Issuer, will be fixed-rate, non-revolving personal loans, extended to borrowers directly by the Sellers, acquired by the Sellers from other Springleaf entities or acquired by the Sellers from unaffiliated originators, typically as part of a portfolio purchase.

Each Seller will represent that the Loans transferred by such Seller to the Depositor on the Closing Date, and the Loans transferred by such Seller to the Depositor after the Closing Date, to the extent originated by such Seller or one of its Affiliates, were originated in accordance with the Credit and Collection Policy as in effect at the time such Loan was originated. Such representation will not be made with respect to Loans that were acquired from unaffiliated originators. However, the Loans (including Loans acquired from originators that are not affiliated with Springleaf) generally will have been assigned a Springleaf Risk Level. See "*Description of the Loans–Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases*" in this private placement memorandum.

CUT-OFF DATE

The initial cut-off date for the transaction (and each Initial Loan) will be the close of business on January 31, 2013. The cut-off date with respect to any (i) New Loans added as Loans in connection with Renewed Loan Replacements will be the applicable addition date and (ii) other additional Loans added as Loans during the Revolving Period will be the end of the Collection Period most recently ended prior to the applicable addition date. All payments received in respect of the Loans after the applicable cut-off date will be assets of the Issuer.

STATISTICAL CUT-OFF DATE

The date used in preparing the statistical information regarding the statistical pool of Loans presented in this private placement memorandum (the "**Statistical Pool Loans**") is close of business on December 31, 2012 (the "**Statistical Cut-Off Date**"). As of the Statistical Cut-Off Date, the aggregate outstanding principal balance of the Statistical Pool Loans was $662,247,048.95. The statistical characteristics of the Loans on the Initial Cut-Off Date may vary from the characteristics of the Statistical Pool Loans as described herein. The actual pool of Loans (the "**Loan Pool**") transferred to the Issuer will have an aggregate outstanding principal balance of not less than $662,247,048.95 as of the Initial Cut-Off Date. It is not expected that the Loans in the Loan Pool will have a balance that is significantly more than $662,247,048.95 as of the Initial Cut-Off Date. In addition, the Statistical Pool Loans and the Initial Loans were selected from Springleaf's portfolio of personal loans in order to create a Statistical Loan Pool and the Loan Pool, respectively, which, as of the Statistical Cut-Off Date and Initial Cut-Off Date,

respectively, was consistent with the parameters that must be maintained in order to avoid the occurrence of a Reinvestment Criteria Event. See "*—Collateral—Loan Pool Characteristics*" in this private placement memorandum.

CLOSING DATE

On or about February 19, 2013.

PAYMENT DATES

The 15th day of each month, or the immediately following Business Day if the 15th day is not a Business Day, commencing in March, 2013.

COLLECTION PERIOD

The collection period for the initial Payment Date is the period from but excluding the initial cut-off date through and including the last day of the calendar month immediately preceding such initial Payment Date. The collection period for any subsequent Payment Date is the calendar month immediately preceding such Payment Date.

REVOLVING PERIOD TERMINATION DATE

The Revolving Period is scheduled to end on but include January 31, 2015 (the "**Revolving Period Termination Date**").

STATED MATURITY DATE

For all Classes of Notes, September 15, 2021.

RECORD DATE

The record date for each Payment Date (other than the first Payment Date) will be the last Business Day of the month preceding the month of such Payment Date. The record date for the first Payment Date will be the Closing Date.

AFFILIATIONS

The Sellers, the Performance Support Provider, the Servicer, the Subservicers, the Administrator, the Depositor and the Issuer are affiliates. In addition, the Indenture Trustee and the Back-up Servicer are affiliates. Notes may be held by the Depositor or affiliates of the Depositor and any such Notes held by affiliates of the Depositor (other than certain parties to the Transaction Documents) will be considered "Outstanding" and have the same voting rights as Notes held by unaffiliated investors. There are no additional relationships, agreements or arrangements outside of this transaction among the transaction parties that are material to an understanding of the Notes.

DESCRIPTION OF NOTES

A summary chart of the initial principal balance, the interest rate, denominations, stated final maturity date and rating of the Notes is set forth in the Notes Table on page 10 of this private placement memorandum. The Class A Notes, the Class B Notes and the Class C Notes will be issued and offered in book-entry form. The Class D Notes will be issued and offered only as definitive notes.

The Issuer will also issue a non-interest bearing "certificate" which represents an equity interest in the Issuer and is not being offered by this private placement memorandum. Such certificate is referred to herein as the "trust certificate." The holder of the trust certificate will be entitled on each Payment Date only to amounts remaining after payments on the Notes, payments of Issuer expenses and other required allocations or distributions on such Payment Date pursuant to the Priority of Payments. The Depositor will be the holder of the trust certificate.

Form of Notes; Denominations

Beneficial interests in the Class A Notes, the Class B Notes and the Class C Notes will be represented by one or more permanent global Notes in fully registered form without coupons, each deposited with the Indenture Trustee as custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"). Beneficial interests in each such global Note will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants.

The Class A Notes and the Class B Notes may be sold outside the United States in reliance on Regulation S, and will initially be represented by one or more temporary global Notes in registered form without coupons, each of which will be deposited with the Indenture Trustee as custodian for, and registered in the name of a nominee of, DTC, for the account of Euroclear Bank S.A./N.V. as operator of the Euroclear System ("**Euroclear**") or Clearstream Banking, *société anonyme* ("**Clearstream**"). Interests in each such temporary global Note will be exchangeable, in whole or in part, for interests in one or more permanent global notes of the same class, each in fully registered form without coupons; and

each such permanent global Note will be deposited with a custodian for, and registered in the name of a nominee of, DTC, on or after the 40th day after the Closing Date and upon certification of non-U.S. beneficial ownership, as set forth in the Indenture.

Except as described herein and in the Indenture, the global Notes described above will not be exchanged for definitive notes in registered form. See "*Restrictions on Transfer*" in this private placement memorandum.

The Class D Notes will be issued solely in the form of definitive notes in fully-registered form without coupons. No Class C Note or Class D Note may be sold outside the United States in reliance on Regulation S.

The secondary market for the Notes (other than those sold outside the United States in reliance on Regulation S) is limited to qualified institutional buyers pursuant to Rule 144A under the Securities Act and there can be no assurance that a secondary market will develop or, if it does develop, that it will offer sufficient liquidity of investment or will continue.

The Notes will be issued in the minimum denominations and the incremental denominations set forth in the Notes Table. The Notes are not intended to be directly or indirectly held or beneficially owned by anyone in amounts lower than such minimum denomination.

Payments—General

As more fully described herein, (i) payments of interest on the Notes will be made on each Payment Date in accordance with the Priority of Payments from collections from, and other amounts obtained in respect of, the Loans received during the applicable Collection Period, together with any funds on deposit in the Reserve Account and, during the Revolving Period, the Principal Distribution Account, in each case as of the commencement of such Payment Date (collectively, the "**Available Funds**" for such Payment Date) and (ii) after the termination or expiration of the Revolving Period, payments of the principal of the Notes will be made on each Payment Date from amounts on deposit in the Principal Distribution Account (as on deposit as of the end of the Revolving Period or deposited therein on such Payment Date in accordance with the Priority of Payments from Available Funds). See "*Description of the Notes—Priority of Payments*" and "*-Interest Payments and Principal Payments–Principal Payments*" in this private placement memorandum.

Interest Payments

On each Payment Date, interest will be paid to the Notes from Available Funds as described below under "*—Priority of Payments*" and under "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

Interest will accrue on each class of Notes during the period beginning on and including the immediately preceding Payment Date and ending on but excluding the current Payment Date or, with respect to the first Payment Date, the period from and including the Closing Date, to but excluding such first Payment Date (each such period, an "**Interest Period**"). Interest will be calculated on each class of Notes on the basis of a 360-day year comprised of twelve 30-day months, or in the case of the period from the Closing Date to the first Payment Date, on the basis of the actual days elapsed during such period and a 360-day year comprised of twelve 30-day months. Accrued and unpaid interest on the Notes will be paid in accordance with the Priority of Payments.

See "*Description of the Notes—Priority of Payments*" and "*-Interest Payments and Principal Payments–Interest Payments*" in this private placement memorandum.

Interest Rates

The "**Interest Rate**" for the Notes and each Payment Date will be a per annum rate equal to the related fixed rate as set forth in the Notes Table.

See "*Description of the Notes—Interest Payments and Principal Payments"* in this private placement memorandum.

Reserve Account

The Notes will have the benefit of a reserve account (the "**Reserve Account**") to be established by the Servicer, for the benefit of the Noteholders, with the Indenture Trustee on or before the Closing Date. On the Closing Date, the Depositor will remit an amount equal to $6,622,470.49 (the "**Required Reserve Account Amount**") to the Indenture Trustee for deposit to the Reserve Account. On each Payment Date, amounts on deposit in the Reserve Account as of the commencement of such Payment Date will be applied as Available Funds in accordance with the

Priority of Payments. On each Payment Date funds in an amount up to the Required Reserve Account Amount will be remitted to the Indenture Trustee for deposit to the Reserve Account to the extent available in accordance with the Priority of Payments. See "*The Indenture—Reserve Account*" in this private placement memorandum.

Principal Distribution Account

The Servicer, for the benefit of the Noteholders, will establish the Principal Distribution Account with the Indenture Trustee on or before the Closing Date. On each Payment Date during the Revolving Period, amounts on deposit in the Principal Distribution Account as of the commencement of such Payment Date will be applied as Available Funds in accordance with the Priority of Payments. On each Payment Date, funds will be remitted to the Indenture Trustee for deposit to the Principal Distribution Account to the extent available in accordance with the Priority of Payments. See "*The Indenture—Collection Account; Principal Distribution Account*" in this private placement memorandum. On any Payment Date during the Revolving Period, any funds so remitted may be reinvested in Additional Loans so long as, after giving effect to such reinvestment and any other Payment Date Loan Actions to be taken on such Payment Date, no Reinvestment Criteria Event is outstanding and certain other conditions are satisfied. See "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases—Payment Date Loan Actions*" in this private placement memorandum. Any amounts remaining on deposit in the Principal Distribution Account on any Payment Date during the Revolving Period after giving effect to all Payment Date Loan Actions to be taken on such Payment Date shall remain on deposit therein until the next succeeding Payment Date.

On each Payment Date during the amortization period, amounts on deposit in the Principal Distribution Account will be distributed by the Indenture Trustee in as follows:

- *first*, to the Class A Noteholders in reduction of the Class A Note Balance, until the Class A Note Balance has been reduced to zero;

- *second*, to the Class B Noteholders in reduction of the Class B Note Balance, until the Class B Note Balance has been reduced to zero;

- *third*, to the Class C Noteholders in reduction of the Class C Note Balance, until the Class C Note Balance has been reduced to zero; and

- *fourth*, to the Class D Noteholders in reduction of the Class D Note Balance, until the Class D Note Balance has been reduced to zero.

Principal Payments

Revolving Period. No payments of principal of the Notes will be made during the Revolving Period. The Revolving Period will begin on the Closing Date and will end on the earlier of the Revolving Period Termination Date, and the date on which an Early Amortization Event or an Event of Default is deemed to have occurred. If the Revolving Period ends as a result of the occurrence of certain Early Amortization Events it may, in certain circumstances, be reinstated if the applicable Early Amortization Event is cured, as further described in the definition of "Revolving Period" set forth in the "*Glossary of Terms*" in this private placement memorandum.

Amortization Period. The period of time in which the Revolving Period is not continuing is referred to herein as the "amortization period." On each Payment Date during the amortization period, (i) principal will be paid to the Notes from amounts on deposit in the Principal Distribution Account as described above under "*—Principal Distribution Account*" and (ii) amounts will be allocated to the Principal Distribution Account as described below under "*—Priority of Payments*" and under "*Description of the Notes—Interest Payments and Principal Payments*" and under "*Indenture—Collection Account; Principal Distribution Account*" in this private placement memorandum.

Priority of Payments

On each Payment Date, Available Funds will be applied as follows:

- *first*, (1) first, pro rata (based on amounts owing), (A) to the Indenture Trustee and the Note Registrar for fees and expenses due to the Indenture Trustee or the Note Registrar pursuant to the Indenture, (B) to the Owner Trustee for fees and expenses due to the Owner Trustee pursuant to the Trust Agreement and (C) to the Back-up Servicer, any expenses of the Back-up Servicer (other than Servicing Transition Costs) reimbursable pursuant to the Back-up Servicing Agreement, if any, that have not been paid by the Servicer; and (2) second, to the

Owner Trustee, the Indenture Trustee and any other Person entitled thereto, on a pro rata basis (based on amounts owing), any indemnified amounts due and owing from the Issuer pursuant to any Transaction Document, in an aggregate amount for (1) and (2) above, not to exceed $200,000 during any calendar year;

- *second*, to the Back-up Servicer, (x) an amount equal to the Back-up Servicing Fee for such Payment Date, plus the amount of any Back-up Servicing Fee previously due but not previously paid to the Back-up Servicer; and (y) in the event that a Servicing Transition Period has commenced under the Back-up Servicing Agreement, an amount equal to the Servicing Transition Costs, if any, that have not been paid by the Servicer pursuant to the Back-up Servicing Agreement; provided, that the aggregate amount paid pursuant to this clause (y) on all Payment Dates shall not exceed $250,000;

- *third*, to the Servicer, an amount equal to the Servicing Fee for such Payment Date (to the extent not retained by the Servicer pursuant to the Indenture), plus the amount of any Servicing Fee previously due but not previously paid to the Servicer;

- *fourth*, to the Class A Noteholders, an amount equal to the Class A Monthly Interest Amount for such Payment Date, plus the amount of any Class A Monthly Interest previously due but not previously paid to the Class A Noteholders with interest thereon at the Class A Interest Rate;

- *fifth*, an amount equal to the lesser of (x) the First Priority Principal Payment for such Payment Date and (y) all funds remaining after giving effect to the distributions in clauses *first* through *fourth* above, to be deposited into the Principal Distribution Account;

- *sixth*, to the Class B Noteholders, an amount equal to the Class B Monthly Interest Amount for such Payment Date, plus the amount of any Class B Monthly Interest previously due but not previously paid to the Class B Noteholders with interest thereon at the Class B Interest Rate;

- *seventh*, an amount equal to the lesser of (x) the Second Priority Principal Payment for such Payment Date and (y) all funds remaining after giving effect to the distributions in clauses *first* through *sixth* above, to be deposited into the Principal Distribution Account;

- *eighth*, to the Class C Noteholders, an amount equal to the Class C Monthly Interest Amount for such Payment Date, plus the amount of any Class C Monthly Interest previously due but not previously paid to the Class C Noteholders with interest thereon at the Class C Interest Rate;

- *ninth*, an amount equal to the lesser of (x) the Third Priority Principal Payment for such Payment Date and (y) all funds remaining after giving effect to the distributions in clauses *first* through *eighth* above, to be deposited into the Principal Distribution Account;

- *tenth*, to the Class D Noteholders, an amount equal to the Class D Monthly Interest Amount for such Payment Date, plus the amount of any Class D Monthly Interest previously due but not previously paid to the Class D Noteholders with interest thereon at the Class D Interest Rate;

- *eleventh*, an amount equal to the lesser of (x) the Fourth Priority Principal Payment for such Payment Date and (y) all funds remaining after giving effect to the distributions in clauses *first* through *tenth* above, to be deposited into the Principal Distribution Account;

- *twelfth*, to the Reserve Account, an amount equal to the lesser of (x) the Required Reserve Account Amount and (y) all funds remaining after giving effect to the distributions in clauses *first* through *eleventh* above;

- *thirteenth*, an amount equal to the lesser of (x) the Regular Principal Payment Amount and (y) all funds remaining after giving effect to the distributions in clauses *first* through *twelfth* above, to be deposited into the Principal Distribution Account;

- *fourteenth*, to the Owner Trustee, the Indenture Trustee, the Note Registrar and the Back-up Servicer, pro rata (based on amounts owing), an amount equal to the lesser of (x) (A) any fees and expenses due to the Indenture Trustee or the Note Registrar pursuant to the Indenture, (B) to the Owner Trustee for fees and expenses due to the Owner Trustee pursuant to the Trust Agreement and (C) to the Back-up Servicer, any expenses of the Back-up Servicer (other than Servicing Transition Costs) reimbursable pursuant to the Back-up Servicing Agreement, if any, that have not been paid by the Servicer, in each case, to the extent not paid in full pursuant to clause (1) of clause *first* above and (y) all

funds remaining after giving effect to the distributions in clauses *first* through *thirteenth* above;

- *fifteenth*, to the Owner Trustee, the Indenture Trustee, the Back-up Servicer and any other Person entitled thereto, on a pro rata basis (based on amounts owing), an amount equal to the lesser of (x) any indemnified amounts due and owing from the Issuer pursuant to any Transaction Document to the extent not paid in full pursuant to subclause (2) of clause *first* above and (y) all funds remaining after giving effect to the distributions in clauses *first* through *fourteenth* above; and

- *sixteenth*, at the option of the Issuer, (x) to be deposited into the Principal Distribution Account or (y) for application in accordance with the Trust Agreement.

As reflected in the definitions of First Priority Principal Payment, Second Priority Principal Payment, Third Priority Principal Payment and Fourth Priority Principal Payment, following the occurrence of an Event of Default, the priority of payments changes with the result that all principal and all accrued and unpaid interest on a Class of Notes is paid before any such amounts are paid in respect of any Class of Notes that is subordinate in payment priority to such Class.

Fees and Expenses

The servicing fee (the "**Servicing Fee**") payable to the Servicer on each Payment Date in respect of its servicing activities under the Sale and Servicing Agreement will accrue on the aggregate Loan Principal Balance of the Loans as of the first day of the related Collection Period (or, with respect to the first Payment Date, as of the Initial Cut-Off Date) at a per annum rate equal to 4.86%. See "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing and Other Compensation and Payment of Expenses*" in this private placement memorandum. The Servicing Fee is not subject to increase to the extent that the Back-up Servicer is appointed as successor servicer.

The Servicer will be solely responsible for any subservicing fees payable to the Subservicers in respect of their servicing activities with respect to the Loans and the Issuer will not be required to pay any such fees to any Subservicer.

The Back-up Servicer is entitled to receive, on each Payment Date, as compensation for its activities under the Back-up Servicing Agreement, a fee (the "**Back-up Servicing Fee**"). The Back-up Servicing Fee for any Payment Date is equal to the greater of (x) $10,000 and (y) an amount equal to a per annum rate of 0.04% multiplied by the aggregate Loan Principal Balance of the Loans as of the first day of the related Collection Period (or, with respect to the first Payment Date, as of the Initial Cut-Off Date). The Back-up Servicing Fee will no longer be payable to the extent that the Back-up Servicer has become the successor servicer. See "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing and Other Compensation and Payment of Expenses*" in this private placement memorandum.

The Indenture Trustee is entitled to receive on each Payment Date, a fee for acting as Indenture Trustee and, if applicable, Note Registrar in an amount equal to one-twelfth ($1/12^{th}$) of $12,000. See "*The Indenture—Compensation of the Indenture Trustee; Indemnification*" in this private placement memorandum.

The Owner Trustee is entitled to receive on the Payment Date occurring in March of each calendar year, beginning in 2014, a fee for acting as Owner Trustee in an amount equal to $4,000, payable annually in advance. The acceptance fee and the first year's annual fee payable to the Owner Trustee will be paid by the Depositor on the Closing Date. See "*The Trust Agreement—Compensation of the Owner Trustee; Indemnification of the Owner Trustee*" in this private placement memorandum.

See "*The Sale and Servicing Agreement and the Back-up Servicing Agreement*", "*The Indenture*" and "*The Trust Agreement*" in this private placement memorandum for a description of the fees, expenses and indemnification rights of the Servicer, the Back-up Servicer, the Indenture Trustee, the Note Registrar and the Owner Trustee.

COLLATERAL

General

The assets of the Issuer will consist primarily of the Loans. The secured Loans will consist of Hard Secured Loans and Other Secured Loans.

As of the Statistical Cut-Off Date, the Statistical Loan Pool consisted of approximately 190,627 Loans having an aggregate Loan Principal Balance of approximately $662,247,048.95. The Hard Secured Loans are generally secured by a perfected, first priority security interest in the applicable Titled

Assets and as of the Statistical Cut-Off Date constituted approximately 48.32% of the Statistical Loan Pool. The Other Secured Loans are secured by a generally unperfected security interest in household goods and other personal property, such as furniture, electronic equipment and jewelry (subject to limitations imposed by applicable law on the taking of non-purchase money security interests in such items), and as of the Statistical Cut-Off Date constituted approximately 41.25% of the Statistical Loan Pool. The remainder of the Statistical Loan Pool as of the Statistical Cut-Off Date consisted of Unsecured Loans. The categorization of a Loan as a Hard Secured Loan, an Other Secured Loan or an Unsecured Loan is established at the time the Loan is originated and is not subsequently changed, regardless of whether the applicable collateral is exhausted or, for any reason, ceases to secure such Loan or becomes unavailable. However, in the event of a Renewal, the New Loan will be categorized based upon the characteristics of such New Loan on the date of such Renewal.

The applicable Seller represents that each Loan it sells to the Depositor is an Eligible Loan as of the Cut-Off Date immediately preceding such sale and makes certain other representations with respect to such Loan. See "*Description of the Loans–Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases*" in this private placement memorandum.

A Loan is an "**Eligible Loan**" if, as if the applicable Cut-Off Date, (i) it is not categorized as a Bankruptcy Loan, (ii) it is either an interest-bearing loan or a Precompute Loan, in either case with a fixed rate of interest, (iii) it is not secured by real estate, (iv) it is denominated in U.S. dollars, (v) it is a Loan for which the maturity date had not occurred as of such Cut-Off Date, (vi) it is not more than thirty days past due as of such Cut-Off Date as reflected in the records of the Servicer or the applicable Subservicer in accordance with the Credit and Collection Policy, (vii) it does not constitute an Excluded Loan, (viii) it is not a Revolving Loan, (ix) it is an Unsecured Loan, a Hard Secured Loan or an Other Secured Loan; and (x) if originated by a Seller or an Affiliate thereof, it was originated in accordance with the Credit and Collection Policy in effect as of the date of origination of such Loan.

Loan Pool Characteristics

The characteristics of the Statistical Loan Pool as of the Statistical Cut-Off Date and the characteristics of the Loan Pool as of the Initial Cut-Off Date were consistent with the parameters which, if breached, would constitute a Reinvestment Criteria Event. See "*Description of the Notes—Interest Payments and Principal Payments*" in this private placement memorandum.

Reinvestments of Collections in new personal loans and certain other permitted additions of personal loans to, and removals of Loans from, the Loan Pool are permitted on any Payment Date during the Revolving Period only if, among other conditions, after giving effect to such reinvestments, additions and removals, the following reinvestment criteria are satisfied based on the characteristics of the Loans in the Loan Pool (i.e. the Loan Principal Balance, delinquency status, remaining term, coupon, etc.) as of the end of the applicable Collection Period (in each case, not including in the calculation thereof, any Loans that are Excluded Loans with respect to such Payment Date or Charged-Off Loans as of the end of such Collection Period):

1. the Loan Principal Balance of all Unsecured Loans in the Loan Pool does not exceed 20.0% of the aggregate Loan Principal Balance;

2. the sum of (x) the Loan Principal Balance of all Unsecured Loans in the Loan Pool and (y) the Loan Principal Balance of all Other Secured Loans in the Loan Pool does not exceed 60.0% of the aggregate Loan Principal Balance;

3. the Loan Principal Balance of all Loans in the Loan Pool the Loan Obligors of which are residents of the three (3) States which have the highest concentrations of Loan Obligors does not exceed 40.0% of the aggregate Loan Principal Balance;

4. the Loan Principal Balance of all Loans in the Loan Pool the Loan Obligors of which are residents of a single State does not exceed 15.0% of the aggregate Loan Principal Balance;

5. the Weighted Average Coupon for such Payment Date is equal to or greater than 19.0%;

6. the Weighted Average Loan Remaining Term for such Payment Date does not exceed 36 months;

7. the Loan Principal Balance of all Loans in the Loan Pool the Loan Obligors of which have a Springleaf Risk Level within any "Springleaf Risk Level Range" set forth in the table below does not exceed the percentage of the aggregate Loan Principal Balance set forth in the table below opposite such "Springleaf Risk Level Range";

Springleaf Risk Level Range	Percentage
E	6.0%
E or D	15.0%
E to (and including) C	50.0%
E to (and including) B	75.0%
E to (and including) A	90.0%
E to (and including) P	95.0%
No Risk Level Score	4.0%

8. the Loan Principal Balance of all Loans in the Loan Pool that have a coupon below 10.0% does not exceed 7.50% of the aggregate Loan Principal Balance;

9. the Loan Principal Balance of all Loans in the Loan Pool that had an original term of greater than 60 months does not exceed 4.0% of the aggregate Loan Principal Balance;

10. the Loan Principal Balance of all Loans in the Loan Pool that had an original principal balance in excess of $25,000 does not exceed 4.0% of the aggregate Loan Principal Balance; and

11. no Overcollateralization Event exists.

To the extent that any of the above reinvestment criteria is not satisfied as of the end of a Collection Period (as determined on the related Monthly Determination Date), and the Issuer will not effect one or more Payment Date Loan Actions on the related Payment Date in order to cure all breaches of the above reinvestment criteria, a Reinvestment Criteria Event will be outstanding as of such Payment Date. If a Reinvestment Criteria Event is outstanding as of three consecutive Payment Dates, then an Early Amortization Event shall be deemed to occur and such third Payment Date will be deemed to fall within the amortization period. See "*—Principal Payments—Amortization Period*" above.

Such reinvestments, additions and removals are also subject to certain other conditions. See "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases*" in this private placement memorandum.

"**Overcollateralization Event**" shall mean, for any Payment Date, after giving effect to all Payment Date Loan Actions to be taken on such Payment Date and all payments and distributions to be made in accordance with the Priority of Payments and all principal payments to be made on the Notes, in each case, on such Payment Date, (A) the Payment Date Aggregate Principal Balance minus the Required Overcollateralization Amount is less than (B) the Aggregate Note Principal Balance minus the amounts on deposit in the Principal Distribution Account.

Renewals

From time to time, a Seller may originate a new personal loan with an existing borrower, the proceeds of which refinance such borrower's existing loan. Any such refinancing is referred to as a "renewal" in this private placement memorandum. In many cases, such Seller provides some amount of additional financing to such borrower as part of the renewal, meaning that the outstanding principal balance of the newly originated personal loan is greater than the outstanding principal balance of the refinanced personal loan. In determining whether to grant a renewal of a personal loan, Springleaf employs the same credit risk underwriting process as it would for an application from a new customer.

If a Loan is renewed during the Revolving Period, the newly originated personal loan, so long as it is an Eligible Loan, will typically replace the existing refinanced Loan as part of the Trust Estate on the day such renewal occurs (whether or not such day is a Payment Date). Any such replacement is referred to as "renewed loan replacement" in this private placement memorandum. During the amortization period, no renewed loan replacements are permitted. If the newly originated personal loan will not replace the existing loan as part of the Trust Estate on the date such new personal loan is originated, whether because the Revolving Period has been terminated or expired or for any other reason (including because the applicable Seller, in its sole discretion, does not wish to sell the newly originated personal loan to the

Depositor), then, prior to effecting such renewal, the applicable Seller must repurchase the existing Loan from the Depositor pursuant to the Loan Purchase Agreement, and the Depositor must repurchase the existing Loan from the Issuer pursuant to the Sale and Servicing Agreement. These repurchases may occur on dates other than Payment Dates and any such repurchase is referred to herein as a "renewed loan repurchase." See "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases—Renewed Loan Replacements*" and "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases—Renewed Loan Repurchases*" in this private placement memorandum.

While it is not possible to predict with certainty the amount of Loans that will be renewed after the Closing Date, renewals historically have been, and Springleaf believes that they will continue to be, an important component of Springleaf's business plan with respect to personal loans and as such Springleaf expects that a substantial portion of the Loans will be renewed after the Closing Date.

Exchanges, Exclusions, and Optional Reassignments

On any Payment Date during the Revolving Period, the Issuer (at the direction of the Depositor) may exchange one or more existing Loans (other than any Loan that was a Charged-Off Loan or a Delinquent Loan as of the end of the related Collection Period) for one or more replacement loans so long as the replacement loans are Eligible Loans and not Charged-Off Loans (in each case, as of the end of the related Collection Period) and have an aggregate Loan Principal Balance equal to at least 95% of the aggregate Loan Principal Balance of the existing Loans to be exchanged (as measured as of the end of the related Collection Period). To the extent that the aggregate Loan Principal Balance of the replacement loans does not at least equal the aggregate Loan Principal Balance of the existing Loans to be exchanged (as measured as of the end of the related Collection Period), cash in the amount of such shortfall must be deposited in the Principal Distribution Account by the Depositor. After giving effect to any exchanges and all other Payment Date Loan Actions on the applicable Payment Date, (i) no Reinvestment Criteria Event may be outstanding and (ii) the aggregate Loan Principal Balance (determined for each Loan as of the end of the Collection Period relating to the Payment Date on which it was exchanged or reassigned) of all Loans removed from the Trust Estate (other than in connection with a renewal) pursuant to an exchange or (as described in the following paragraph) a reassignment on such Payment Date and the preceding eleven (11) Payment Dates, may not exceed an amount equal to $132,449,409.79. Any exchanges of Loans in connection with a renewed loan replacement will not be required to satisfy these conditions. See "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases—Payment Date Loan Actions*" in this private placement memorandum.

On any Payment Date during the Revolving Period, the Depositor may require that the Issuer assign Loans (other than any Loan that was a Charged-Off Loan or a Delinquent Loan as of the end of the related Collection Period) to the Depositor so long as (i) such Loans are selected in a manner that the Issuer and the Depositor reasonably believes is not materially adverse to the interests of any Class of Noteholders, (ii) such Loans are reassigned to the Depositor for a reassignment price equal to the aggregate Loan Principal Balance (as measured as of the end of the related Collection Period) of such Loans (such reassignment price to be paid by an adjustment to the value of the trust certificates and not by any cash payment to the Issuer) and (iii) after giving effect to any such reassignment and all other Payment Date Loan Actions on the applicable Payment Date, (A) no Reinvestment Criteria Event is outstanding and (B) the aggregate Loan Principal Balance (determined for each Loan as of the end of the Collection Period relating to Payment Date on which it was exchanged or reassigned) of all Loans removed from the Trust Estate (other than in connection with a renewal) pursuant to a reassignment or (as described in the preceding paragraph) an exchange on such Payment Date and the preceding eleven (11) Payment Dates, may not exceed an amount equal to $132,449,409.79. Any reassignments of Loans in connection with a renewed loan replacement or renewed loan repurchase will not be required to satisfy these conditions. See "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases—Payment Date Loan Actions*" in this private placement memorandum.

On any Payment Date during the Revolving Period, the Issuer may designate one or more Loans (other than any Loan that was a Charged-Off Loan or a

Delinquent Loan as of the end of the related Collection Period) as Excluded Loans so long as after giving effect to such exclusion and all other Payment Date Loan Actions on such Payment Date, no Reinvestment Criteria Event is outstanding. See "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases—Payment Date Loan Actions*" in this private placement memorandum.

CREDIT ENHANCEMENT

The credit enhancement is designed to provide protection for the Noteholders against losses and delays in payment on the Loans or other shortfalls in cash flow. This transaction employs the following forms of credit enhancement:

- *Excess Spread.* The Loans are expected to generate more interest than is needed to pay interest on the Notes because the weighted average interest rates of the Loans is expected to be higher than the weighted average Interest Rate on the Notes. In addition, excess spread will be generated on the portion of the Loans representing overcollateralization, as further described below under " –*Overcollateralization*". On each Payment Date, excess spread received during the related Collection Period will be included in Available Funds for application pursuant to the Priority of Payments.

- *Overcollateralization.* If the aggregate Loan Principal Balance of the Loans exceeds the Aggregate Note Principal Balance of the Notes, there is overcollateralization to absorb losses on the Loans before such losses affect the Notes. The Required Overcollateralization Amount is $57,946,616.78. On the Closing Date, the aggregate Loan Principal Balance of the Loans as of the initial Cut-Off Date is expected to be approximately $662,247,048.95, which will exceed the initial Aggregate Note Principal Balance of the Notes by approximately $57,947,048.95. On each Payment Date during the Revolving Period, Available Funds will be allocated in accordance with the Priority of Payments to the Principal Distribution Account (to be retained therein as cash collateral or applied to acquire additional personal loans), to the extent necessary to maintain the Required Overcollateralization Amount. See "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

- *Subordination.* On each Payment Date prior to the occurrence of an Event of Default, classes of Notes that are lower in order of payment priority (i) will not receive payments of interest until the classes of Notes that are higher in order of payment priority have been paid their interest payment amount and (ii) will not receive payments of principal until the principal balance of the classes of Notes that are higher in order of payment priority have been reduced to zero. Additionally, on each Payment Date after the occurrence of an Event of Default, classes of Notes that are lower in order of payment priority will not receive any payments of interest or principal until each class of Notes that is higher in order of payment priority has received all payments of interest and the principal balance of such class has been reduced to zero.

- *Reserve Account.* The Notes will have the benefit of amounts on deposit in the Reserve Account. On each Payment Date, amounts on deposit in the Reserve Account will be distributed as Available Funds, and the Reserve Account will be replenished, in accordance with the Priority of Payments. After the occurrence of an Event of Default, no amounts will be allocated pursuant to the Priority of Payments to replenish the Reserve Account until all Notes have been repaid in full. See "*Description of the Notes—Priority of Payments*" and "*The Indenture—Reserve Account*" in this private placement memorandum.

EARLY AMORTIZATION EVENTS

An "**Early Amortization Event**" means any one of the following events:

(a) as of any Monthly Determination Date occurring after the Monthly Determination Date in May, 2013, the average of the Monthly Net Loss Percentages for such Monthly Determination Date and the two immediately preceding Monthly Determination Dates exceeds 17.00%;

(b) any Reinvestment Criteria Event exists with respect to two consecutive Payment Dates (in each case, after giving effect to all Payment Date Loan Actions, if any, on such Payment Dates) and the Monthly Servicer Report for the immediately following third Payment Date demonstrated that any Reinvestment Criteria Event will exist as of such Payment Date (in the event that no Payment Date Loan Actions are to be taken on such Payment Date that will cure each such Reinvestment Criteria Event); or

(c) a Servicer Default occurs.

SERVICER DEFAULTS

"**Servicer Defaults**" under the Sale and Servicing Agreement will consist of:

(a) any failure by the Servicer to make any payment, transfer or deposit or to give instructions or to give notice to the Indenture Trustee to make such payment, transfer or deposit on or before 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 Sale and Servicing Agreement or the Indenture, and which continues unremedied for a period of five (5) Business Days after the earlier of (i) 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 Servicer by the Issuer or the Indenture Trustee, or to the Servicer, the Issuer and the Indenture Trustee by the Required Noteholders and (ii) the actual knowledge of the Servicer thereof; or

(b) failure on the part of the Servicer duly to observe or perform any other covenants or agreements of the Servicer set forth in the Sale and Servicing Agreement or the Indenture, which failure has a material adverse effect on the interests of the Noteholders (as determined by the Required Noteholders) and which continues unremedied for a period of sixty (60) days after the earlier of (i) 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 Servicer by the Issuer or the Indenture Trustee, or to the Servicer, the Issuer and the Indenture Trustee by the Required Noteholders and (ii) the actual knowledge of the Servicer thereof; or

(c) any representation, warranty or certification made by the Servicer in this Agreement or the Indenture or in any certificate delivered pursuant to the Sale and Servicing Agreement or the Indenture shall prove to have been incorrect when made or deemed made and such failure has a material adverse effect on the Noteholders (as determined by the Required Noteholders) and which continues unremedied for a period of sixty (60) days after the earlier of (i) 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 Servicer by the Issuer or the Indenture Trustee, or to the Servicer, the Issuer and the Indenture Trustee by the Required Noteholders and (ii) the actual knowledge of the Servicer thereof; or

(d) insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, and certain actions by or on behalf of the Servicer indicating its insolvency or inability to pay its obligations.

EVENTS OF DEFAULT

An "**Event of Default**" under the Indenture is the occurrence of any one of the following events:

(a) insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, and certain actions by or on behalf of the Issuer or the Depositor indicating its insolvency or inability to pay its obligations; or

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

(c) the Issuer or the Depositor shall have become subject to regulation by the SEC as an "investment company" under the Investment Company Act; or

(d) the Depositor or the Issuer shall become taxable as an association or a publicly traded partnership taxable as a corporation under the Internal Revenue Code; or

(e) a default in the payment of any interest on any Class A Note on any Payment Date and such default shall continue for a period of five (5) Business Days; or

(f) a failure to pay the principal balance of all Outstanding Notes of any Class, together with all accrued and unpaid interest thereon, in full on the Stated Maturity Date for such Class; or

(g) 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, or (y) a failure on the part of the Depositor duly to observe or perform any other covenants or agreements of the Depositor set forth in the Sale and Servicing Agreement, which failure, in either case, has a material adverse effect on the interests of the Noteholders (as determined by the Required Noteholders) and which continues unremedied for a period of sixty (60) 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 Depositor, as

applicable, by the Indenture Trustee, or to the Issuer or the Depositor, as applicable, and the Indenture Trustee by the Required Noteholders; or

(h) 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 Depositor in the Sale and Servicing Agreement or in any certificate delivered pursuant to the Sale and Servicing 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 Noteholders (as 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 Depositor, as applicable, by the Indenture Trustee, or to the Issuer or the Depositor, as applicable, and the Indenture Trustee by the Required Noteholders; or

(i) the Internal Revenue Service shall file notice of a lien pursuant to Section 430 or Section 6321 of the Internal Revenue Code with regard to the Issuer or the Depositor and such lien shall not have been released within thirty (30) days;

provided, however, that a failure of performance under any of clauses (e), (f) or (g) above for a period of fifteen (15) days (beyond any cure periods provided for therein) shall not constitute an Event of Default if such failure could not be prevented by the exercise of reasonable diligence by the Issuer or the Indenture Trustee and such failure was caused by a Force Majeure Event. For the avoidance of doubt, an Event of Default shall occur in the event that such failure of performance has not been cured as of the expiration of such fifteen (15) day period.

PREPAYMENTS/YIELD

The yield to investors in the Notes will be sensitive to the rate and timing of principal payments thereon and the ability of the Issuer to apply Collections in order to purchase new Loans. A significant number of the Loans may be prepaid, in whole or in part, at any time without penalty. The rate and timing of prepayment on the Loans may be influenced by a variety of economic, social and other factors. The rate of prepayment on the Loans may be influenced by the nature of the Loan Obligors and servicing decisions. In addition, the Sellers are obligated to repurchase Loans as a result of certain breaches of representations and warranties as to the characteristics of the Loans as of the applicable Cut-Off Date, and under certain circumstances the initial Servicer is obligated to purchase Loans pursuant to the Sale and Servicing Agreement as a result of breaches of certain of its representations and warranties and covenants as Servicer. The Loans may also be renewed, repurchased by the Depositor, reassigned to the Depositor and the Depositor may exchange Loans for other Loans with longer or shorter terms to maturity. See "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases*" in this private placement memorandum. See "*Risk Factors—Yield Considerations/Prepayment*" and "*Prepayment and Yield Considerations*" in this private placement memorandum for further information, including prepayment scenario projections based on various assumptions.

OPTIONAL REDEMPTION

The holder of the trust certificate may, at its option, purchase all of the Loans from the Issuer, the proceeds of which will be used to retire the Notes. This optional purchase may occur on any Payment Date on or after the Payment Date occurring in February, 2015. In addition, the Servicer may, at its option, purchase all of the Loans from the Issuer, the proceeds of which will be used to retire the Notes, at any time on or after the Payment Date on which the aggregate principal balance of the Notes is less than or equal to 20% of the aggregate principal balance of the Notes on the Closing Date. In either case, the purchase price will equal the sum of (i) the Loan Principal Balance of each Loan plus accrued and unpaid interest thereon, (ii) any amounts on deposit in the Principal Distribution Account and (iii) any expenses, indemnification amounts or other reimbursements owed to the Indenture Trustee, the Owner Trustee or the Back-up Servicer, and in any event must be at least equal to the amount necessary to redeem the Notes in full on the final Payment Date in accordance with the Priority of Payments. If either option described above is exercised, the Notes will be retired earlier than they would be otherwise. See "*Description of the Notes—Optional Redemption*" in this private placement memorandum.

ERISA CONSIDERATIONS

The Class A Notes and the Class B Notes are expected to be eligible for purchase by pension,

profit-sharing or other employee benefit plans as well as individual retirement accounts and Keogh plans (each, a "**Plan**") or any plan subject to any non-U.S., federal, state or local law materially similar to Section 406 of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") or Section 4975 of the Internal Revenue Code ("**Similar Law**") if certain conditions are met. However, any fiduciary or other investor of assets of a plan that proposes to acquire or hold such Notes on behalf of or with assets of any Plan or plan subject to Similar Law is encouraged to consult with its counsel with respect to the potential applicability of the fiduciary responsibility provisions of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Internal Revenue Code, to the proposed investment. Neither the Class C Notes nor the Class D Notes may be purchased or held by a Plan or by a plan subject to Similar Law.

For further information regarding the ERISA considerations involved in investing in the Notes, see "*ERISA Considerations*" in this private placement memorandum.

U.S. FEDERAL INCOME TAX TREATMENT

Sidley Austin LLP, as special tax counsel to the Issuer, will issue an opinion as of the closing date that:

1. when issued, the Class A Notes and Class B Notes will be characterized as indebtedness for U.S. federal income tax purposes, in each case except to the extent such notes are retained by the Issuer or conveyed to an affiliate of the Issuer,

2. when issued, the Class C Notes should be characterized as indebtedness for U.S. federal income tax purposes, except to the extent such Notes are retained by the Issuer or conveyed to an affiliate of the Issuer, and

3. 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 "**Closing Date Tax Opinions**"). No opinion will be issued as to the proper characterization of the Class D Notes for U.S. federal income tax purposes.

By accepting a Note, each Noteholder or beneficial owner will agree to treat the Notes as indebtedness. The Issuer suggests that each Noteholder and beneficial owner consult its own tax advisor regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes or interests therein, and the tax consequences under the laws of any state or other taxing jurisdiction.

The U.S. federal income tax characterization of any Note retained by the Issuer or conveyed to an affiliate of the Issuer will not be determined until the time, if any, that the Note is sold to an unrelated purchaser, based on the law and circumstances existing at that time. Therefore, no opinion is expressed, and no assurances can be given, with respect to the characterization for U.S. federal income tax purposes of such a Note. However, prior to any subsequent sale of such a Note, the Issuer must receive an opinion from counsel that, among other things, such sale will not cause the Issuer to be classified as an association (or a publicly traded partnership) taxable as a corporation for U.S. federal income tax purposes.

For more information on the material tax consequences of the purchase, ownership and disposition of the Notes, see "*Certain U.S. Federal Income Tax Consequences*" and "*State and Other Tax Consequences"* in this private placement memorandum.

LEGAL INVESTMENT

You should consult with counsel to see if you are permitted to buy the Notes, since legal investment rules will vary depending on the type of entity purchasing the Notes, whether that entity is subject to regulatory authority, and if so, by whom.

See "*Legal Investment*" in this private placement memorandum.

RATINGS

It is a condition of the issuance of the Notes that they receive at least the ratings set forth in the Notes Table by Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("**S&P**" or the "**Rating Agency**"). The ratings of the Notes by the Rating Agency address the likelihood of the ultimate payment of principal of, and the timely payment of interest on, the Notes. The ratings of the Notes should be evaluated independently from similar ratings on other types of securities.

A security rating is not a recommendation to buy, sell or hold securities, in as much as that rating does not comment on market price or suitability for an

investor. A security rating may be subject to revision or withdrawal at any time by the assigning rating organization.

None of the Initial Purchasers, the Issuer, the Owner Trustee, the Indenture Trustee, the Performance Support Provider, the Servicer, the Sellers, the Depositor, the Administrator or any of their affiliates have any obligation to monitor any changes on the ratings on the Notes. A rating agency not hired by SLFC or the Depositor to rate the transaction may provide an unsolicited rating that differs from (or is lower than) the ratings provided by the rating agency or agencies hired by SLFC or the Depositor to rate the transaction. A rating of the Notes is based on each rating agency's independent evaluation of the Loans, the credit enhancement and other features of this transaction. A rating, or a change or withdrawal of a rating, by one rating agency will not necessarily correspond to a rating, or a change or a withdrawal of a rating, from any other rating agency.

See "*Ratings*" in this private placement memorandum.

RISK FACTORS

The following information, which you should carefully consider, identifies certain significant sources of risk associated with an investment in the Notes.

Restrictions Relating to the Transfer of the Notes Reduces Their Liquidity and May Make Resale Difficult or Impossible

The Notes are being offered in a private placement to (i) QIBs in reliance on Rule 144A under the Securities Act and (ii) other than in the case of the Class C Notes and the Class D Notes, non-U.S. Persons pursuant to offers and sales that occur outside of the United States in compliance with Regulation S under the Securities Act. 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 "*Restrictions on Transfer*" and "*Notice to Investors*" in this private placement memorandum.

There is currently no secondary market for the Notes. The Initial Purchasers may, 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.

Recent and continuing events in the global financial markets, including the failure, acquisition or government seizure of several major financial institutions, the establishment of government initiatives such as the government bailout programs for financial institutions and assistance programs designed to increase credit availability, support economic activity and facilitate renewed consumer lending, problems related to subprime mortgages and other financial assets, the devaluation of various assets in secondary markets, the forced sale of asset-backed and other securities as a result of the deleveraging of structured investment vehicles, hedge funds, financial institutions and other entities, the lowering of ratings on certain asset-backed securities, the European Union sovereign debt crisis and the downgrade of U.S. Treasury bonds and other debt instruments backed by the full faith and credit of the U.S. to AA+ on August 5, 2011 and Aaa/AAA rating on assignment of a negative outlook by Moody's and Fitch Ratings, together with similar downgrades of European Union sovereign debt, have caused, or may cause, a significant reduction in liquidity in the secondary market for asset-backed securities, which could adversely affect the market value of the Notes and/or limit the ability of a Noteholder to resell its Notes.

There can be no assurance that the uncertainty relating to the sovereign debt of various countries will not lead to further disruption of the credit markets in the U.S. and/or deterioration in general economic conditions. If U.S. Treasury bonds and other debt instruments backed by the full faith and credit of the U.S. are further downgraded, the ratings of the Notes could be adversely affected, as could the market price and/or the marketability of the Notes.

In the European Union ("**EU**"), investors should be aware of Article 122a ("**Article 122a**") of the Banking Consolidation Directive (Directive 2006/48/EC (the "**CRD**")) which member states are in the process of implementing and which applies to new securitizations issued on or after December 31, 2010 and, in relation to existing securitizations, from December 31, 2014 to the extent that new underlying exposures are added or substituted after that date. Article 122a requires an EU regulated credit institution to only invest in asset-backed securities in respect of which the originator, sponsor or original lender of the securitization has explicitly disclosed to the EU regulated credit institution that it will retain, on an ongoing basis, a material net economic interest of not less than 5% in respect of certain specified credit risk tranches or asset exposures. Article 122a will also require an EU regulated credit institution to be able to demonstrate that it has undertaken certain due diligence in respect of its securitization position and the underlying exposures, and that procedures are established for such activities to be monitored on an on-going basis. Failure to comply with one or more of the requirements set out in Article 122a may result in the imposition of a punitive capital charge on the securitization position acquired by the relevant investor.

None of the Depositor or any other party to the transaction, as an "originator" or "sponsor" with respect to the Notes for the purposes of Article 122a, will retain a 5% net economic interest with respect to the Notes in one of the forms prescribed by Article 122a. Therefore, investors subject to the CRD may wish to make themselves aware of the potential application of Article 122a, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Article 122a and other changes to the regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market.

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 or Regulation S must satisfy the applicable conditions of Rule 144A or Regulation S, respectively. Accordingly, no Note or any interest or participation therein can be reoffered, resold, pledged or otherwise transferred unless it is sold (i) to a QIB in a transaction meeting the requirements of Rule 144A or (ii) solely in the case of the Class A Notes and the Class B Notes, outside the United States to non-U.S. Persons in compliance with Regulation S under the Securities Act and, in each case, 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.

In addition, the Class D Notes may only be held by "United States persons" within the meaning of Section 7701(a)(30) of the Internal Revenue Code.

Each beneficial owner of a book-entry Note, by acceptance of such Note, will be deemed to represent and warrant that (A) it is either (i) a QIB, or (ii) solely in the case of the Class A Notes and the Class B Notes, a non-U.S. Person acquiring such Note in a transaction outside the United States, (B) either (i) it is not a Plan and is not acting on behalf of or investing the assets of a Plan or (ii) it is acquiring Class A Notes or Class B Notes and the purchase, continued holding and disposition of such Notes (or any interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code (or result in a non-exempt violation of any substantially similar applicable law) and (C) in the case of the Class C Notes, it meets certain conditions as specified under the heading "*Restrictions on Transfer*" in this private placement memorandum, including that it obtains certain representations and warranties from a subsequent transferee. Each holder of a Definitive Note will be required to make certain representations in writing as specified under the heading "Restrictions on Transfer" in this private placement memorandum. The Class A Notes, the Class B Notes and the Class C Notes will be issued as Definitive Notes only under the limited circumstances specified in the Indenture. The Class D Notes will be offered solely as Definitive Notes. See "*Description of the Notes—Book-Entry Notes and Definitive Notes*" and "*ERISA Considerations*" in this private placement memorandum.

Repayment of the Notes Is Limited to the Issuer's Assets

The Issuer does not have, nor is it expected in the future to have, any significant assets other than the Loans, amounts on deposit in the Note Accounts and any Notes retained by it. Generally, no Noteholder will have recourse for payment of its Notes to any assets of the Sellers, the Depositor, the Performance Support Provider, the Servicer, the Indenture Trustee or any of their respective Affiliates. The Notes represent obligations solely of the Issuer, and none of the Sellers, the Depositor, the Performance Support Provider, the Servicer, the Indenture Trustee or any of their respective Affiliates is obligated to make any payments on the Notes. Consequently, Noteholders must generally rely upon the Loans 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 any Seller, the Depositor, the Servicer, the Performance Support Provider, the Indenture Trustee or any of their respective Affiliates to satisfy their claims. See "*Description of the Indenture—General*" in this private placement memorandum.

Potential Inadequacy of Credit Enhancement

Credit enhancement for the Class A Notes will be provided by the subordination of the Class B Notes, Class C Notes and Class D Notes, excess spread, overcollateralization and funds on deposit in the Reserve Account. Credit enhancement for the Class B Notes will be provided by the subordination of the Class C Notes and Class D notes, excess spread, overcollateralization and funds on deposit in the Reserve Account. Credit enhancement for the Class C Notes will be provided by the subordination of the Class D Notes, excess spread, overcollateralization and funds on deposit in the Reserve Account. Credit enhancement for the Class D Notes will be provided by excess spread, overcollateralization and funds on deposit in the Reserve Account. Greater than expected losses on the Loans would have the effect of reducing, and could eliminate, the protection against loss afforded by this credit enhancement. Moreover, each time a Loan is prepaid by a Loan Obligor or a Loan is repurchased by or reassigned to the Depositor, such Loan will cease to generate interest Collections for the Trust Estate, thereby potentially reducing the protection against loss afforded by excess spread. See "*Summary Information—Credit Enhancement*" and "*—Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Securing Repayment of the Notes*" in this private placement memorandum.

Based on the priorities described under "*Description of the Notes—Priority of Payments*," a class of Notes that receives payments, particularly principal payments, before another class will be repaid more rapidly than the class or classes of Notes that are subordinated to such class of Notes. In addition, because principal of each class of Notes will be paid sequentially, classes of Notes that have lower sequential class designations (i.e., B being lower than A) will be outstanding longer and therefore will be exposed to the risk of losses on the Loans during periods after a more senior class of Notes has received most or all amounts payable on such class of Notes, and after which a disproportionate amount of credit enhancement may have been applied and not replenished. See "*—Payments on Subordinate Classes of Notes are more Sensitive to Losses on the Loans*" in this private placement memorandum.

Payments on Subordinate Classes of Notes are More Sensitive to Losses on the Loans

Certain classes of Notes are subordinated to other classes of Notes, and any notes having lower sequential class designations are more likely to suffer the consequences of delinquent payments and defaults on the Loans than the classes of Notes having a higher sequential class designations.

The Notes with a lower sequential class designation are subordinated with respect to interest and principal payments to the Notes with a higher sequential class designation (the Class D Notes are subordinated to the Class A Notes, the Class B Notes and the Class C Notes, the Class C Notes are subordinated to the Class A Notes and the Class B Notes and the Class B Notes are subordinated to the Class A Notes). Following the occurrence of an Event of Default, the priority of interest and principal distributions will change, with the effect that the most senior outstanding class of Notes will receive all payments of principal and interest before any subordinate class of Notes receives any payments of principal or interest. See "*Description of the Notes—Priority of Payments*" in this private placement memorandum. The subordination arrangements could result in delays or reductions in interest or principal payments on classes of Notes with lower sequential class designations even as payment is made in full on classes of Notes with higher sequential class designations.

Competition in the Consumer Finance Industry May Adversely Affect the Ability of Springleaf to Originate New Personal Loans or Fulfill Its Obligations in Respect of the Loans

The consumer finance industry is highly competitive, and the barriers to entry for new competitors are relatively low in the market segment in which Springleaf operates. Springleaf competes with other consumer finance companies as well as other types of financial institutions that offer products that are similar to the Loans. Some of these competitors may have considerably greater financial, technical and marketing resources than does Springleaf. Some competitors may also have a lower cost of funds than does Springleaf, greater access to funding sources than does Springleaf or other competitive advantages relative to Springleaf. These competitive pressures may adversely affect the ability of Springleaf to originate new personal loans and to fulfill its obligations in respect of the Loans, in which case payments on the Notes could be adversely affected.

Renewals May Change the Characteristics of the Loan Pool

The Sellers will be permitted to solicit, and may actively solicit, Loan Obligors to refinance their Loans into new personal loans. In the event that a Renewed Loan Repurchase occurs in respect of any such refinancing, the Depositor will be required to repurchase the refinanced Loan from the Issuer, and such repurchase may adversely affect the yields on the Notes. In the event that a Renewed Loan Replacement occurs in respect of such refinancing, the refinanced Loan will be exchanged for a New Loan which may have materially different characteristics than such refinanced Loan, including a different maturity date, interest rate or type of collateral securing such Loan. In the event that any New Loan were of worse quality than the refinanced Loan or the characteristics of the Loan Pool were to deteriorate as a result of Renewed Loan Replacements or the removal of Loans in connection with Renewed Loan Repurchases, it could adversely impact the Issuer's ability to make payments on the Notes. See "*—Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Securing Repayment of the Notes*" in this private placement memorandum.

Moreover, no Renewed Loan Replacement or Renewed Loan Repurchase will be subject to the satisfaction of the reinvestment criteria or any other limitation designed to maintain the credit profile of the Loan Pool at the time such Renewed Loan Replacement or Renewed Loan Repurchase occurs, though the Loan Pool (which would reflect such Renewed Loan Replacement or Renewed Loan Repurchase) will be tested for compliance with the reinvestment criteria in connection with the next succeeding Payment Date. Consequently, there can be no assurance that Renewals will not cause the credit of the Loan Pool to deteriorate. If such deterioration were to occur, it could adversely affect the Issuer's ability to make payments on the Notes.

Loans Acquired from Third Parties May Constitute an Increasing Percentage of the Loan Pool and May Change the Characteristics of the Loan Pool

The Loans include some personal loans that were not originated by Springleaf, but rather were acquired by Springleaf as part of one or more acquisitions of a portfolio of personal loans from a third party not affiliated with Springleaf (such personal loans, the "**Third-Party Originated Loans**"). As of the Statistical Cut-Off Date, Third-Party Originated Loans constituted less than 2.0% of the aggregate principal balance of all Statistical Pool Loans in the Statistical Loan Pool. Springleaf may from time to time in the future acquire additional Third-Party Originated Loans, and there is no specific limitation on the ability of any Seller to sell Third-Party Originated Loans to the Depositor, or the Depositor's ability to sell Third-Party Originated Loans to the Issuer (including in connection with an Issuer Loan Exchange) during the Revolving Period. Consequently, there can be no assurance that the percentage of the Loan Pool constituting Third-Party Originated Loans will not increase or increase materially over time.

As further described under "*Underwriting Standards*" in this private placement memorandum, Springleaf historically has not applied its underwriting criteria to "re-underwrite" the Third-Party Originated Loans when determining whether to acquire a portfolio of Third-Party Originated Loans. In the event that Loans constituting Third-Party Originated Loans were to be of worse quality than the Loans originated and underwritten by Springleaf or the characteristics of the Loan Pool otherwise were to deteriorate as a result of the inclusions of additional Third-Party Originated Loans, the Issuer's ability to make payments on the Notes could be adversely affected.

Losses on the Loans May Be Greater Than Expected as a Consequence of Risks Associated with the Sellers' Underwriting Process

In processing requests for personal loans, Springleaf relies on a combination of proprietary credit scoring models and subjective underwriting that is performed by individual personnel at the branch level. The credit scoring models are based on the loan applicant's payment history on prior accounts with Springleaf and other creditors, other data contained in credit bureau reports, and information provided in the loan application, such as income and current debt-service obligations. The subjective underwriting process considers the applicant's credit scoring, employment information and income, prior accounts with Springleaf and information contained in credit bureau reports. The subjective underwriting process is reliant on significant and ongoing training of underwriters to ensure the quality of the loan decision, making it important that Springleaf attract and retain qualified personnel to perform this underwriting process. There can be no assurance that Springleaf will be able to attract and retain qualified personnel to perform the subjective underwriting process. Moreover, if the training of personnel fails to be effective or if model performance deteriorates over time and is not corrected, delinquency and losses could be materially

affected. Additionally, if Springleaf makes errors in the development and validation of new credit scoring models and underwriting tools, the personal loans that are originated based upon such models and tools would experience higher delinquencies and losses. Also, if future performance differs from past experience (driven by factors, including but not limited to, the macro economic factors, policy actions by regulators, lending by other institutions, and reliability of data from information providers such as credit bureaus), which experience has informed the development of the underwriting processes employed by Springleaf, delinquency and losses on the personal loans could increase. See "*Underwriting Standards*" and "*—Modifications to the Credit and Collection Policy May Result in Changes to the Loan Pool and Servicing of the Loans*" in this private placement memorandum.

Additionally, Springleaf's personal loan origination system is decentralized and, subject, in certain cases, to approval by District Managers and/or Directors of Operations Springleaf branch offices have the authority to approve and structure personal loans within broadly written underwriting guidelines rather than having all personal loans approved centrally or uniformly. As a result, there may be variability in personal loan structure (e.g., whether or not collateral is taken for the personal loan) and personal loan quality among branches or regions, even when underwriting policies are followed. This decentralized underwriting process could adversely affect the performance of the Notes.

In deciding whether to make a personal loan to a customer, and in determining whether any collateral will be required to secure such personal loan, Springleaf relies heavily on information furnished by or on behalf of its applicants as well as the credit bureaus, and its ability to validate such information through third-party services and its other quality assurance processes. If a significant percentage of the credit customers were to intentionally or negligently misrepresent any of this information, and Springleaf's internal processes do not detect such misrepresentations, or any or all of the other components of the underwriting process described above were to fail, increased delinquencies and losses on the Loans could occur.

Delinquency and Loan Loss Experience

Although Springleaf has calculated and presented herein its delinquency and net loss experience with respect to the Statistical Loan Pool as of the Statistical Cut-Off Date, there can be no assurance that the information presented will reflect actual experience with respect to the Loans in the initial Loan Pool or any additional Loans that are acquired by the Issuer after the Closing Date. A portion of the Loans in the initial Loan Pool 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 loss experience of the Issuer with respect to the Loans will be better or worse than that set forth herein or that of similar personal loans that are not conveyed to the Issuer.

Also, the Loan Pool 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 private placement memorandum. See "*—Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Securing Repayment of the Notes*" in this private placement memorandum.

There Are Risks to Noteholders Because the Loan Agreements Will Not be Delivered to the Issuer.

Each Subservicer will maintain possession of any original Loan Agreements in tangible form for each of the Loans subserviced by such Subservicer, most of which such Subservicer (in its capacity as a Seller) sold to the Depositor. Each Subservicer will identify that the Loans for which it holds the original Loan Agreements in tangible form have been conveyed to the Depositor and the Issuer, but these original Loan Agreements will not be segregated or specifically marked as belonging to the Depositor or the Issuer. However, appropriate UCC-1 financing statements reflecting the transfer and assignment of the Loans (including those in electronic form, as described below) by the applicable Seller to the Depositor and by the Depositor to the Issuer, and the pledge thereof to the Indenture Trustee will be filed to perfect that interest and give notice of the Issuer's ownership interest in, and the Indenture Trustee's security interest in, the Loans. If, through inadvertence or otherwise, any of the Loans were sold or pledged to another party who purchased (including a pledgee) the Loans in the ordinary course of its business and took possession of the original contracts in tangible form giving rise to the Loans (any such event, a "tangible contract event"), the purchaser would acquire an interest in the Loans superior to the interests of the Issuer and the Indenture Trustee if the purchaser acquired the Loans for value and without knowledge that the purchase violates the rights of the Issuer or the Indenture Trustee, which could cause investors to suffer losses on their Notes.

While none of the Initial Loans were originated in electronic form, Springleaf plans to implement an electronic signature process in the second half of 2013, which will permit Springleaf to originate personal loans in electronic form. See "*Underwriting Standards—Loan Closings*" and "*Servicing Standards—Records Management and Storage*" in this private placement memorandum. There will be no specific limitations on the Sellers' ability to sell personal loans originated in electronic form to the Depositor, or on the Depositor's ability to convey such personal loans to the Issuer. Consequently, there can be no assurance that a significant percentage of Additional Loans will not be in electronic form. As described in "*Servicing Standards—Records Management and Storage*" in this private placement memorandum, Springleaf will originate and maintain custody of some Loan Agreements in electronic form through its own technology system. Springleaf's technology system is expected to enable it to identify a copy of each electronic contract as an "original" or "single authoritative copy" that is readily distinguishable from all other copies and that identifies Springleaf as the owner. All other copies of the electronic contract are expected to indicate that they are not the "authoritative copy" of the electronic contract. Moreover, it is expected that revisions to the authoritative copy of the electronic contract cannot be made without Springleaf's participation and that such revisions will be readily identifiable as either authorized or unauthorized revisions. Notwithstanding the expected capacities of the technology, Springleaf intends to perfect the transfer and assignment of Loans, including those evidenced by electronic contracts, solely by filing UCC-1 financing statements as described above. Moreover, there can be no assurance that Springleaf's technology system will perform as represented by it in maintaining the systems and controls required to provide assurance that Springleaf maintains control over an electronic contract as described above. In that event, through inadvertence, system failure or otherwise, another person could acquire an interest in an electronic contract that is superior to the interest of Springleaf (and accordingly the Issuer's interest) (any such event, an "electronic contract event"), which could result in losses on the Notes. Additionally, market practices regarding control of electronic chattel paper and other electronic contracts are still developing. For example, the Uniform Commercial Code concept of "control" by its terms applies only to electronic chattel paper and not to electronics contracts that might fall into other Uniform Commercial Code categories. The provisions of the Uniform Commercial Code governing control of electronic chattel paper are relatively new and SLFC is not aware of any court interpretations of such provisions.

As a result of any of a tangible contract event or electronic contract event, (i) the Issuer may not have a perfected security interest in certain Loans (or such security interest may not be of first priority) and/or (ii) the Indenture Trustee may not have a perfected security interest in certain Loans (or such perfected security interest may not be of first priority). The possibility that the Issuer or the Indenture Trustee may not have a perfected security interest in the Loans (or that such perfected security interest may be junior to another party's interest) may affect its ability to obtain Collections on the Loans, seek judgments against Obligors for payments on the Loans and/or repossess collateral providing security for the related Loan. Therefore, Noteholders may be subject to delays in payment and may incur losses on their investment in the Notes.

Furthermore, if the Servicer or any Seller becomes the subject of an insolvency proceeding, competing claims to ownership or security interests in the Loans could arise. These claims, even if unsuccessful, could result in delays in payments on the Notes. If successful, the attempt could result in losses or delays in payments to you or an acceleration of the repayment of the Notes.

The Indenture Trustee May Not have a Perfected Interest in Collections Commingled by the Servicer or Any Subservicer with Other Funds

Each Subservicer is obligated to transfer Collections received by it to the Servicer not later than the second business day following receipt of those Collections. The Servicer is obligated to deposit Collections received by it into the Collection Account no later than the second business day after the date of processing by the Servicer for those Collections. In the event that certain conditions are met, however, the Servicer is permitted to hold all Collections received during a monthly period and to make only a single deposit of those Collections on the following Payment Date. See "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Payments on Loans; Collection Account*" in this private placement memorandum.

Moreover, unlike in many other asset backed securitizations, a significant percentage of Springleaf's personal loan borrowers, including in respect of the Loans, make payments in cash and/or in-person at Springleaf branches. While there has been an increasing trend on the part of personal loan borrowers to make payments via lockboxes and various electronic payment channels, branch payments remain a payment channel utilized by many

personal loan borrowers. See "*—Inability to Make In-Branch Payments May Result in Additional Risks to Noteholders*" in this private placement memorandum. For the three months ended September 30, 2012, approximately 40% (by dollar amount) of Springleaf's personal loan payments were made in-person at Springleaf branches by the personal loan customer by check, cash or money order. Of those payments made in person at a branch, approximately 41% (by dollar amount) were in cash, representing approximately 16% of all Springleaf personal loan payments during the three months ended September 30, 2012. Additionally, a portion of personal loan payments were made by check mailed to Springleaf branches. However, there can be no assurance that branch payments will not increase in the future.

Any in-person or other payments in respect of Loans made to a branch office location of any Subservicer must be processed at the branch office before being transferred to the Servicer for processing. Funds in respect of such branch payments are generally available in a Springleaf concentration account for processing by the Servicer by the second business day following receipt of such payments at the applicable Subservicer branch. See "*Servicing Standards—Billing and Payments*" in this private placement memorandum. To the extent that branch payments require decentralized manual processing, the possibility of delay or misdirection of payments is greater than with payments through lockboxes or electronic channels, which in turn could delay or reduce payments in respect of the Notes. See "*—Inability to Make In-Branch Payments May Result in Additional Risks to Noteholders*" in this private placement memorandum.

Additionally, all Collections that the Servicer or any Subservicer is permitted to hold are commingled with other funds. The Indenture Trustee may not have a perfected interest in these commingled amounts until such time as they have been deposited into the Collection Account, with the result that, in the event that the holder or owner of any such commingled funds (including the Servicer, any Subservicer or any other affiliate of SLFC) were to become a debtor in a proceeding under the U.S. Bankruptcy Code or any other Debtor Relief Law and there is a resulting delay in depositing Collections into the Collection Account due to the imposition of a bankruptcy stay or otherwise or the Servicer, the applicable Subservicer, any such affiliate or the bankruptcy trustee thereof is unable to specifically identify those funds constituting Collections and there are competing claims on the commingled funds by creditors of any holder or owner of any such commingled funds, payments on the Notes could be delayed or reduced.

Entities May be Added as Additional Sellers and Subservicers Without Noteholder Consent

Under the terms of the Loan Purchase Agreement, at any time during the Revolving Period, without the consent of the Noteholders, any Affiliate of SLFC may be added as an additional Seller upon notice to the Depositor under the Loan Purchase Agreement and the satisfaction of certain other conditions, including the execution and delivery of an accession agreement and the delivery of certain legal opinions, and any Affiliate of SLFC may be added as an additional Subservicer upon notice to the Depositor under the Sale and Servicing Agreement and the satisfaction of certain other conditions, including the execution and delivery of an accession agreement and the delivery of certain legal opinions. Any such Affiliate of SLFC will make the Loan Level Representations with respect to any personal loans sold to the Depositor by any such Affiliate as Seller under the Loan Purchase Agreement and would be required to repurchase such personal loans in the event of certain breaches of the Loan Level Representations, and such Affiliate generally will be required to service such personal loans, to the extent included in the Trust Estate, in accordance with the requirements of the Loan Purchase Agreement, the Sale and Servicing Agreement and the Indenture. The Servicer is responsible for the servicing of Loans by any such Affiliate of SLFC as Subservicer and the obligations of any Affiliate of SLFC as Seller or Subservicer is covered by the Performance Support Agreement to the same extent as existing Sellers and Subservicers, as applicable. Nevertheless, to the extent that any such additional Seller or additional Subservicer is less able than the existing Sellers and Subservicers to perform its obligations under the Transaction Documents or is otherwise differently situated than the existing Sellers and Subservicers and/or the Loans sold by such additional Seller to the Depositor are of worse quality than Loans sold to the Depositor by other Sellers, the inclusion of any such Affiliate of SLFC as a Seller or Subservicer could adversely affect the collectability of the Loans and the repayment of the Notes. See "*—Losses on the Loans May Be Greater than Expected as a Consequence of Risks Associated with the Sellers' Underwriting Process*" in this private placement memorandum.

Credit Insurance Products

Springleaf sells credit insurance products to its personal loan borrowers. These products are provided by a group of Springleaf-affiliated insurance companies and insure the personal loan borrower's payment obligations on the related personal loan in the event of such personal loan borrower's inability to make monthly payments due to death, disability or involuntary unemployment. Payment of the associated premiums can be made by the Borrower separately, but except in very rare instances, the personal loan borrower finances payment of the premium and it is included in the principal balance of the applicable personal loan. The financing of credit insurance products premiums generally represents approximately 5% of the aggregate principal balance of Springleaf's personal loan portfolio. The pool of Initial Loans may have a different percentage of aggregate principal balance attributable to credit insurance product premiums and such percentage may increase or decrease after the Initial Cut-Off Date. A credit insurance product in respect of a personal loan may be cancelled if, for example, (i) the owner or servicer of the personal loan requests cancellation due to the personal loan borrower's default on obligations under the related personal loan, (ii) the personal loan borrower prepays the principal balance of the personal loan in whole or (iii) the personal loan borrower elects to terminate the credit insurance prior to the expiration of the term thereof (which the personal loan borrower may do at any time). Generally, upon any cancellation of credit insurance, the related personal loan borrower will be entitled to a refund of the unearned premium for such credit insurance, which is typically effected by making a corresponding reduction in the principal balance of the personal loan. If, however, the borrower requests cancellation of the applicable credit insurance, the unearned premium, if any, is typically refunded to the borrower in cash and the personal loan balance is not reduced. The insurance companies providing such credit insurance have agreed to reimburse Springleaf for unearned premiums that are refunded to the personal loan borrower whether by reduction of the personal loan balance or in cash. Rights to any such reimbursements in respect of reductions in the principal balances of Loans will be conveyed to the Issuer and treated as Collections in respect of such Loans. Despite the foregoing, there can be no assurance that such insurance companies will have sufficient funds to make such payments, which could result in increased losses on the personal loans, including the Loans. A portion of recoveries reflected in the net loss and delinquency tables presented herein are attributable to reimbursement payments that insurance companies were obligated to make in respect of claims on such credit insurance, but personal loan borrowers, including the Loan Obligors, are not required to purchase credit insurance products, and there can be no assurance as to the amount of Loan Obligors with respect to Loans conveyed to the Issuer after the Closing Date that will purchase credit insurance. If the insurers are for any reason unable or unwilling to meet their claim payment obligations or if fewer Loan Obligors purchase credit insurance protection in respect of the Loans, losses on the Loans could increase and repayment of the Notes could be adversely affected. See "*—Springleaf's Financial Strength May Affect the Ability of the Servicer, the Sellers, the Subservicers and Their Affiliates to Perform Their Obligations and the Ability of the Sellers to Originate New Loans*" in this private placement memorandum.

Social and Economic Factors May Affect Repayment of the Loans

The ability of the Loan Obligors to make payments on the Loans, 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 monthly mortgage payments, 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 localized weather events and environmental disasters. See "*—Geographic Concentration May Increase Risk of Loss*" in this private placement memorandum. The Issuer is unable to determine and has no basis to predict whether or to what extent social or economic factors will affect the Loans.

Since 2007, the United States has been experiencing an extended period of economic weakness or recession that may adversely affect the performance and market value of the Notes. This period has been 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 loans and receivables, including those personal loans owned and serviced by Springleaf. 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 slightly improved, there can be no assurance that high levels of unemployment or underemployment will not persist or worsen or other factors relating to the uncertain economic climate will not result in increased delinquencies and defaults with respect

to consumer receivables in the future, or materially impair the ability of the Sellers, the Servicer and the Subservicers to meet their respective obligations under the Transaction Documents. Any increase in delinquencies or defaults with respect to the Loans or material impairment of the ability of Sellers, the Servicer and the Subservicers to meet their respective obligations under the Transaction Documents increases the likelihood that Noteholders will experience losses with respect to the Notes.

Additionally, unstable real estate values, resets of adjustable rate mortgages to higher interest rates, political gridlock on United States federal budget matters, the downgrade of the United States sovereign debt credit rating below AAA by Standard & Poor's, the sovereign debt crisis in the European Union and other factors have impaired consumer confidence and disposable income in the United States, and may affect delinquencies and defaults on the Loans, although the severity or duration of this effect is unknown.

Federal or State Bankruptcy or Debtor Laws may Impede Collection Efforts or Alter Timing and Amount of Collections.

If a Loan Obligor sought protection under federal or state bankruptcy or debtor relief laws, a court could reduce or discharge completely the Loan Obligor's obligations to repay amounts due on its Loan. As a result, all or a portion of the Loan would be written off as uncollectible. Noteholders could suffer a loss if no funds were available from credit enhancement or other sources to cover the applicable defaulted amount.

Geographic Concentration May Increase Risk of Loss

The geographic concentration of the Loans 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 disasters in specific geographic regions may result in higher rates of delinquency and loss in those areas. In the event that a significant portion of the Loan Pool is comprised of Loans originated in certain states, economic conditions, natural disasters or other factors affecting these states in particular could adversely impact the delinquency and default experience of the Loans and could result in reduced or delayed payments on the Notes.

Further, the concentration of the Loans in one or more states would have a disproportionate effect on Noteholders if governmental authorities in any of those states take action against the Sellers (such as actions described in "*—Consumer Protection Laws and Contractual Restrictions*" in this private placement memorandum, the Servicers or the Subservicers or take action affecting the Sellers', Servicer's or Subservicers' ability to service the Loans.

As of the Statistical Cut-Off Date, the aggregate Loan Principal Balance of the Statistical Pool Loans originated in the following States exceeded 5% of the aggregate Loan Principal Balance of the Statistical Pool Loans: North Carolina (11.85%), California (11.62%), Indiana (6.99%), Virginia (6.87%), Ohio (6.55%), South Carolina (5.57%), and Georgia (5.15%). The geographic concentration of the Loan Pool may change after the Closing Date as a result of repayments of the Loans, charge-offs, Payment Date Loan Actions or otherwise, including in a manner that adversely affects Noteholders. See "*—Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Securing Repayment of the Notes*" in this private placement memorandum.

Consumer Protection Laws and Contractual Restrictions

Federal and state consumer protection laws impose requirements, including licensing requirements, and place restrictions on creditors in connection with extensions of credit and collections on personal loans and protection of sensitive customer data obtained in the origination and servicing thereof and personal loans that do not comply with consumer protection laws may not be valid or enforceable under their terms against the obligors of those personal loans. Moreover, certain of these laws make an assignee of such personal loans (such as the Issuer) liable to the obligor thereon for any violation by the originating lender. Any violation of such laws or any litigation alleging such a violation with respect to a Loan could give rise to claims and/or defenses by a Loan Obligor, or a

group of similarly situated Loan Obligors, against the Issuer, one or more of the Sellers or Subservicers, the Indenture Trustee, the Depositor, the Servicer and certain other parties, or subject them to claims for damages and/or 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 personal loans, 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. An administrative proceeding or litigation relating to one or more allegations or findings of the violation of such laws by a Seller or Subservicer, the Depositor, the Servicer or the Issuer (whether by an administrative agency, a Loan Obligor or a group or class of Loan Obligors) could result in modifications in Springleaf's methods of doing business which could impair Springleaf's ability to originate or otherwise acquire new Loans or collect the Loans or result in the requirement that a Seller, a Subservicer, the Servicer, the Depositor and/or the Issuer pay damages and/or cancel the balance or other amounts owing under a Loan associated with such violations. The Loans are subject to generally standard documentation. Thus, many Loan Obligors may be similarly situated in so far as the provisions of their respective contractual obligations are concerned. 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 Sellers, the Subservicers, the Servicer, the Depositor and/or the Issuer. There is no assurance that such claims will not be asserted against the Sellers, the Subservicers, the Servicer, the Depositor and/or the Issuer in the future. To the extent it is determined that the Loans were not originated in accordance with all applicable laws, the relevant Sellers may be obligated to repurchase from the Issuer any Loan that fails to comply with such legal requirements. There can be no assurance, however, that any Seller or the Performance Support Provider will have adequate resources to make such repurchases. See "*—Springleaf's Financial Strength May Affect the Ability of the Servicer, the Sellers, the Subservicers and Their Affiliates to Perform Their Obligations and the Ability of the Sellers to Originate New Loans*" and "*Certain Legal Aspects of the Loans — Consumer Protection Laws*" in this private placement memorandum.

Additionally, Congress, the states and regulatory agencies could further regulate the consumer credit industry in ways that make it more difficult for Springleaf to originate or otherwise acquire additional loans or for the Servicer and/or the Subservicers to collect payments on the Loans. 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 robust, and following the financial crisis of 2008, supervisory efforts to apply relevant laws, regulations and policies have become more intense.

In the event that, as a result of any of the events described above, it became more difficult for the Sellers to originate or otherwise acquire personal loans, it could subject Noteholders to risks and losses of the nature described in "*—Yield Considerations/Prepayments*" in this private placement memorandum.

Litigation

Due to the consumer-oriented nature of Springleaf'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. A significant judgment against one or more of the Sellers or SLFC in connection with any such litigation could have a material adverse effect on any such Sellers' or SLFC's financial condition, results of operations or ability to perform its obligations under the Transaction Documents.

Obligations of Sellers, Subservicers and the Servicer

The Sellers, the Subservicers and the Servicer have obligations arising from representations and warranties, and certain other contractual obligations related to the sale or servicing of the Loans, including the obligation of the respective Sellers to repurchase Loans in certain limited circumstances, the obligation of the Servicer to service the Loans, the obligation of the initial Servicer to purchase Loans as a result of certain breaches by the initial Servicer of its covenants, representations and warranties and the obligation of the Sellers and the Servicer to provide indemnification under certain circumstances to the Issuer and Depositor. In the event of any financial or other inability of any of the Sellers or Subservicers or the Servicer (or the Performance Support Provider on their behalf) or any successor Servicer, to fulfill its obligations in respect of the Loans, payments on the Notes could be adversely

affected. See "*The Sale and Servicing Agreement and the Back-up Servicing Agreement*," "*The Servicer and Performance Support Provider*," "*The Performance Support Agreement*" and "*The Sellers and Subservicers*" in this private placement memorandum.

There May be Limited, Insufficient or No Collateral Securing a Loan Obligor's Obligations Under a Loan

The respective Sellers, in connection with selling the Loans to the Depositor, have assigned or will assign to the Depositor their rights under the applicable Loan Agreements (but none of the obligations), and certain other Purchased Assets including any security interest in collateral supporting repayment of a secured Loan, which the Depositor, in turn, will assign to the Issuer. The Issuer, in turn, has granted or will grant a security interest in its interest in such Loans, Loan Agreements and other Purchased Assets to the Indenture Trustee.

The secured Loans fall into two categories: Hard Secured Loans and Other Secured Loans. The Hard Secured Loans are secured by cars, trucks, other motor vehicles, recreational vehicles, boats and other similar hard assets for which, under applicable state law, a certificate of title is issued and any security interest therein is required to be perfected by notation on such certificate of title. The Other Secured Loans are secured by furniture, appliances, other household goods and other personal property (subject to limitations imposed by applicable law on the taking of non-purchase money security interests in such items). In almost all instances, the collateral securing the Hard Secured Loans and the Other Secured Loans was not acquired with proceeds of those Loans in a manner that would give rise to a purchase money security interest. The security interest in the collateral securing Hard Secured Loan is typically a perfected first priority security interest effected by noting the lien on the corresponding certificate of title. See "*—The Issuer's Security Interest in the Collateral for the Hard Secured Loans Will not be Noted on the Certificates of Title, which May Cause Losses on the Notes*" in this private placement memorandum. The Seller's security interest in the collateral securing an Other Secured Loan typically is not perfected and the Servicer generally does not foreclose on such collateral, as it is uneconomical to do so. As a consequence, the Issuer may not receive any proceeds in respect of such collateral to make payments in respect of the Notes. See "*Certain Legal Aspects of the Loan–Security Interests in Collateral Securing the Loans–Other Secured Loans*" in this private placement memorandum.

As of the Closing Date, in the case of Hard Secured Loans with an original principal balance of greater than $1,000, the applicable Loan Obligor is required to maintain property insurance in respect of the related collateral in an amount equal to the lesser of the loan balance or the value of the collateral and to cause the applicable Seller to be named as a loss payee. In most cases, the personal loan borrower obtains the required property insurance from its own insurer, but if the borrower fails to do so, Springleaf may, though is not required to, purchase the insurance on a "force-placed" basis and charge the associated premium (typically paid in advance to the insurer for twelve months of coverage) to the personal loan borrower by increasing the principal balance of the applicable personal loan. Such "force-placed" insurance is typically purchased from an affiliate of Springleaf licensed to write property insurance (or from an unaffiliated insurer which is reinsured by a licensed affiliate of Springleaf). Such "force-placed" insurance may be canceled at any time if the personal loan borrower provides evidence to Springleaf that other property insurance in respect of the collateral has been obtained. In the event that any such "force-placed" insurance is canceled, the principal balance of the applicable personal loan would be reduced by an amount equal to the unearned premium with respect to such "force-placed" insurance. If there is an insurance claim payment on titled collateral, the payment will typically be made payable, both in the case of insurance obtained by the personal loan borrower and insurance obtained by Springleaf on behalf of such personal loan obligor (i.e., "force-placed" insurance) to Springleaf and the personal loan borrower jointly, and the proceeds will be applied (i) to repair the collateral if the cost of repairs is less than the lesser of the loan balance or the collateral value or (ii) otherwise, as a principal payment in respect of the applicable personal loan.

Despite the collateralization requirements described above, there can be no assurance that the value of the applicable collateral or the amount of any associated insurance will be sufficient to repay the principal balance of the applicable Loan. Frequently, even in the case of Hard Secured Loans, the principal balance of a Loan exceeds (and may substantially exceed) the value of the collateral securing such Loan. There may also be circumstances in which a Hard Secured Loan ceases to be collateralized as a consequence of loss or disposition of the applicable titled asset without either reduction of the principal balance of the Loan or replacement of the collateral. Moreover, if the security interest in collateral securing a Loan is unperfected for any reason, including a failure on the part of a Seller to perfect a security interest in a titled asset as described above, the security interest would be subordinate to, among

others, a bankruptcy trustee of the Loan Obligor, a subsequent purchaser of the applicable collateral or a holder of a perfected security interest in the applicable collateral. As a consequence of any of the foregoing, increased losses on the Loans could occur and repayment of the Notes could be adversely affected. Investors should not rely on the proceeds from the disposition of any such collateral as a significant source of funds to make payments on the Notes.

Recovery under Collateral Protection Insurance for Collateral Securing Hard Secured Loans May Not Be Available or May be Inadequate

While the Credit and Collection Policy as of the Closing Date mandates that Springleaf contractually require Loan Obligors in respect of Hard Secured Loans with an original principal balance of greater than $1,000, to maintain collateral protection insurance in respect of the titled assets securing such Loan, through inadvertence or otherwise such insurance may not be in full force and effect at the time a loss purported to be covered occurs. In addition, a Loan Obligor may fail to comply with the requirement to maintain insurance.

The applicable Subservicer or the Servicer may, though it is not required to, "force-place" collision and comprehensive insurance on a titled asset if the Loan Obligor fails to maintain such insurance. In the event of such "force-placement," the premium is paid (typically in advance to the insurer for twelve months of coverage) by the applicable Subservicer or the Servicer, and the balance of the Loan is increased by the amount of such payment, bearing interest at the rate applicable to the Loan. Such "force-placed" premium amounts generally represent less than 0.5% of the aggregate principal balance of Springleaf's personal loan portfolio. The pool of Initial Loans may have a different percentage of aggregate principal balance attributable to such "force-placed" premium amounts and such percentage may increase or decrease after the Initial Cut-Off Date. The incremental principal balance of the Loan resulting from the premium amount is typically collected from the Loan Obligor over a period of ten months by way of an increase in the Loan Obligor's monthly payment. If the "force-placed" insurance is terminated early for any reason (e.g., because the Loan is paid in full or the Loan Obligor purchases replacement insurance), any associated refund for unearned premium received from the applicable insurer is paid to the applicable Subservicer and applied as Collections. However, there can be no assurance that such insurer will be able to make such payments.

In light of the foregoing, there can be no assurance that each titled asset will continue to be covered by collateral protection insurance whether obtained by the Loan Obligor or obtained by the applicable Seller or Subservicer or the Servicer during the entire term during which the related Hard Secured Loan is outstanding. Consequently, recoveries may be limited in the event of losses or casualties to Titled Assets, and Noteholders could suffer a loss on their investment.

Interests of other Persons in the Insurance Policies Related to the Loans Could be Superior to the Issuer's or the Indenture Trustee's Interest, which May Result in Reduced Payments on the Notes

Under the terms of the Loan Purchase Agreement, the Sale and Servicing Agreement and the Indenture, the respective Sellers have assigned their rights, if any, in credit and collateral protection insurance policies related to the Loans to the Depositor, which rights the Depositor, in turn, has conveyed to the Issuer, and the Issuer has pledged to the Indenture Trustee for the benefit of the Noteholders. None of the Sellers, the Subservicers, the Servicer, the Depositor or the Issuer will take any action to perfect the Issuer's or the Indenture Trustee's rights in proceeds of any insurance policies covering particular items of collateral securing the Loans or any credit insurance policies, nor will the Issuer or the Indenture Trustee be identified as a named insured or loss payee in any applicable insurance policy or certificate. Therefore, the rights of a third party with an interest in these proceeds could prevail against the rights of the Issuer or the Indenture Trustee prior to the time the Servicer or applicable Subservicer deposits the proceeds of such insurance into a Note Account.

The Issuer's Security Interest in the Collateral for the Hard Secured Loans Will not be Noted on the Certificates of Title, which May Cause Losses on the Notes

In connection with each sale of any Hard Secured Loan to the Depositor, the applicable Seller will assign its security interests in the related titled asset to the Depositor, who will further assign them to the Issuer. Finally, the Issuer will pledge its interest in the titled assets as collateral for the Notes. The lien certificates or certificates of title relating to the titled assets will not be amended or reissued to identify the Issuer, the Depositor or the Indenture

Trustee as the new secured party. In the absence of such an amendment or reissuance, the Issuer, the Depositor or the Indenture Trustee may not have a perfected security interest in the titled assets securing the Loans in some states. As a consequence, if the Issuer (or the Servicer on its behalf) elects to attempt to repossess the related titled asset, it might not be able to realize any liquidation proceeds on the titled asset and, as a result, Noteholders may suffer a loss on their investment in the Notes.

Interests of Other Persons in the Collateral for Hard Secured Loans and Insurance Proceeds Could Be Senior to the Issuer's Interest, which May Result in Reduced Payments on the Notes

The Seller may not have a first priority perfected security interest in the titled asset security for a Hard Secured Loan. Additionally, even if the Seller has such a first priority perfected security interest, and such interest is conveyed to the Issuer, the Issuer could lose the priority of its security interest in the titled asset security for a Hard Secured Loan due to, among other things, liens for repairs or storage of a the titled asset or for unpaid taxes of a Loan Obligor. None of the Seller, the Servicer, or any other person will have any obligation to purchase or repurchase a Loan for any such failure to convey a first priority perfected security interest in the titled asset security for a Hard Secured Loan to the Depositor or any such loss of the priority of the security interest in any security for a Hard Secured Loan after the Loan is sold to the Depositor. Therefore, the rights of a third party with an interest in the proceeds could prevail against the rights of the Issuer prior to the time the proceeds are deposited by the Servicer into an account controlled by the Indenture Trustee for the Notes.

Yield Considerations/Prepayments

The yield to investors in the Notes will be sensitive to the rate and timing of principal payments thereon and the ability of the Issuer to apply Collections in order to purchase new Loans.

A significant number of the Loans may be prepaid, in whole or in part, at any time without penalty. The rate and timing of prepayment on the Loans may be influenced by a variety of economic, social and other factors. The rate of prepayment on the Loans may be influenced by the nature of the Loan Obligors and servicing decisions. In addition, the Sellers are obligated to repurchase Loans as a result of certain breaches of representations and warranties as to the characteristics of the Loans as of the applicable Cut-Off Date, and under certain circumstances the initial Servicer is obligated to purchase Loans pursuant to the Sale and Servicing Agreement as a result of certain breaches of representations, warranties or covenants by the Servicer or any Subservicer. The Loans may also be renewed, repurchased by the Depositor, reassigned to the Depositor and the Depositor may exchange Loans for other Loans with longer or shorter terms to maturity. See "*Description of the Loans–Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases*" in this private placement memorandum.

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 prepayments on the Loans 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 prepayments of, rate and timing of losses on or repurchases of the Loans, the occurrence of an Event of Default or Early Amortization Event or the resulting yield to maturity of the Notes.

Book-Entry Registration

The Class A Notes, the Class B Notes and the Class C 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 ("**Beneficial Owners**") or their nominees. Issuance of the Class A Notes, the Class B Notes and the Class C 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—Book-Entry Notes and Definitive Notes*" in this private placement memorandum.

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 Beneficial 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 Beneficial Owner's interest in such Notes.

Additionally, 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 Indenture 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 Beneficial Owners either directly or indirectly through indirect participants. See "*Description of the Notes—Book-Entry Notes and Definitive Notes*" in this private placement memorandum.

The Loans Are Generally Obligations of Sub-Prime Obligors and Will Likely Have Higher Default Rates than a Pool of Loans Constituting Primarily Obligations of Prime Obligors.

The Loans are generally obligations of "sub-prime" obligors who do not qualify for, or have difficulty qualifying for, credit from traditional sources of consumer credit as a result of, among other things, moderate income, limited assets, other adverse income characteristics and/or a limited credit history or an impaired credit record, which may include a history of irregular employment, previous bankruptcy filings, repossessions of property, charged-off loans and/or garnishment of wages.

The average interest rate charged to such "sub-prime" obligors generally is higher than that charged by commercial banks and other institutions providing traditional sources of consumer credit. These traditional sources of consumer credit typically impose more stringent credit requirements than the personal loan products provided by Springleaf and the Sellers. As a result of the credit profile of the Loan Obligors and the interest rates on the Loans, the historical delinquency and default experience on the Loans will likely be higher (and may be significantly higher) than those experienced by financial products arising from traditional sources of consumer credit. Additionally, delinquency and default experience on the Loans is likely to be more sensitive to changes in the economic climate in the areas in which the Loan Obligors of such Loans reside. See "*–Geographic Concentration May Increase Risk of Loss*" in this private placement memorandum. Investors are urged to consider the credit quality of the Loans when analyzing an investment in the Notes.

Additional Servicing Risks

The Servicer and the Subservicers contact customers with delinquent loan balances soon after the loan becomes delinquent. During periods of increased delinquencies it is important that the Servicer is proactive in dealing with credit customers rather than simply allowing a Loan to become charged-off. Historically, when collection efforts begin at an earlier stage of delinquency, there is a greater likelihood that the applicable personal loan will not be charged off. However, there is no assurance that such historical trend will continue.

During periods of increased delinquencies, it becomes extremely important that the Servicer and the Subservicers are properly staffed and trained to take appropriate action in an effort to bring the delinquent balance current and ultimately avoid the Loan becoming charged-off. If the Servicer and the Subservicers are unable to attract and retain qualified credit and collection personnel, and maintain workloads for its collections personnel at a manageable level, it could result in increased delinquencies and charge-offs on the Loans.

Vulnerability of Information Technology Infrastructure

The Servicer and the Subservicers use management information systems to manage their credit portfolio, including management of collections and, it is expected that Springleaf will use such management information

systems to manage and maintain control of electronic contracts. These systems are subject to damage or interruption from:

- Power loss, computer systems 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 and similar events; and
- Hurricanes, fires, floods and other natural disasters.

In addition, the software that the Servicer has developed for its and the Subservicers' use in daily operations may contain undetected errors that could cause the information network to fail. 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 and result in reduced collections of the Loans. 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 Loans. The risk of possible failures or interruptions may not be adequately addressed, and such failures or interruptions could occur.

Risks Associated With the Investment Company Act

The Issuer has not registered with the SEC as an investment company pursuant to the United States Investment Company Act. Neither the Issuer nor the pool of Collateral have been registered as an investment company under the Investment Company Act in reliance on the exception provided under Rule 3a-7 thereof. Counsel for the Issuer will opine, in connection with the initial sale of the Notes by the Issuer, that the Issuer is not required to be registered on the Closing Date as an investment company under the Investment Company Act. No opinion or no-action position has been requested of the SEC.

If the SEC or a court of competent jurisdiction were to find that the Issuer is in violation of the Investment Company Act having failed to register as an investment company thereunder, 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 in the Issuer could sue the Issuer and recover any damages caused by the violation; and (iii) any contract to which the Issuer is party that is made in, 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 that nonenforcement and would not be inconsistent with the purposes of the Investment Company Act. Should the Issuer be subjected to any or all of the foregoing, the Issuer would be materially and adversely affected, and losses to Noteholders of Offered Notes could occur.

Financial Regulatory Reform

The Dodd-Frank Wall Street Reform and Consumer Protection Act (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 are taking effect as implementing regulations are issued and finalized. The Dodd-Frank Act is extensive and significant legislation that, among other things:

- creates 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;

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

- strengthens the regulatory oversight of securities and capital markets activities by the SEC; and

- creates the Consumer Financial Protection Bureau (the "**CFPB**"), a new 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 Sellers, the Subservicers, the Servicer, the Depositor and their Affiliates, including the Issuer. The CFPB will have 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" practices. The CFPB has the authority to write regulations under federal consumer financial protection laws, and to enforce those laws against and examine large financial institutions for compliance. It is also authorized to collect 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 Springleaf, potentially delay Springleaf'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 Springleaf to offer products and services profitably. The CFPB is authorized to pursue administrative proceedings or litigation for violations of federal consumer financial laws. In these proceedings, the CFPB can obtain cease and desist orders (which can include orders for restitution or rescission of contracts, as well as other kinds of affirmative relief) and monetary penalties ranging from $5,000 per day for minor violations of federal consumer financial laws (including the CFPB's own rules) to $25,000 per day for reckless violations and $1 million per day for knowing violations. 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, it requires securitizers or originators to retain an economic interest in a portion of the credit risk for any asset that they securitize or originate. It gives broader powers to the SEC to regulate credit rating agencies and adopt regulations governing these organizations and their activities.

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 Springleaf. Many of the regulations required by the Dodd-Frank Act have not been finalized. 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, the servicing of the Loans, and on the operating results, the regulation and supervision of Springleaf.

Although the expectation is that the framework will be invoked on rare occasions and only involving the largest financial companies, no assurances can be given that the liquidation framework for the resolution of "covered financial companies" or their "covered subsidiaries" would not apply to the Sellers, the Subservicers, the Servicer, the Performance Support Provider, the Depositor and their Affiliates, including the Issuer, or, if it were to apply, would not result in a repudiation of any of the Transaction Documents where further performance is required or an automatic stay or similar power preventing the Indenture Trustee or other transaction parties from exercising their rights. This repudiation power could also affect the transfer of the Loans. Application of this framework could materially and adversely affect the timing and amount of payments of principal and interest on the Notes.

Springleaf's Financial Strength May Affect the Ability of the Servicer, the Sellers, the Subservicers and Their Affiliates to Perform their Obligations and the Ability of the Sellers to Originate New Loans

Each of the Sellers and the Subservicers are wholly-owned subsidiaries of SLFC, who also serves as the Servicer of the Loans and the Performance Support Provider pursuant to the Performance Support Agreement of the Sellers' obligations under the Loan Purchase Agreement, the Subservicers' obligations under the Sale and Servicing Agreement, at any time the Administrator is an Affiliate of SLFC, the Administrator's obligations under the Transaction Documents and, at any time the Servicer is an Affiliate of SLFC, the Servicer's obligations under the Sale and Servicing Agreement. As such, SLFC's financial condition could adversely affect, among other things, (a) a Seller's ability to repurchase a Loan as required under the Loan Purchase Agreement, (b) a Subservicer's ability to effectively subservice the Loans subserviced by it pursuant to the terms of the Sale and Servicing Agreement or the Servicer's ability to repurchase a Loan required to be repurchased by it under the Sale and Servicing Agreement, (c) SLFC's ability to effectively service the Loans pursuant to the terms of the Sale and Servicing Agreement or guarantee a Seller's repurchase obligations under the Loan Purchase Agreement or a Subservicer's servicing obligations under the Sale and Servicing Agreement, (d) the ability of the Sellers to originate or otherwise acquire new personal loans to be sold under the Loan Purchase Agreement and (e) the ability of its Affiliates to make payments in respect of credit insurance provided by such Affiliates in respect of the Loans or collateral protection insurance relating to the collateral securing the Loans. On February 3, 2012, S&P downgraded SLFC's senior long-term debt obligations from "B" to "CCC" with a negative outlook citing the operating, funding, and liquidity challenges that SLFC faces as it works to pay down its debt coming due in 2012. On June 1, 2012 Moody's Investors Service downgraded SLFC's senior unsecured long-term debt from "B3" to "Caa1" with a negative outlook. SLFC is also currently rated "CCC" by Fitch Ratings.

In addition, as discussed in SLFC's Form 10-Q for the quarter ended September 30, 2012, in order to meet SLFC's debt obligations in 2012 and beyond, SLFC is exploring a number of options, including additional debt financings, particularly new securitizations involving real estate and/or non-real estate loans, debt refinancing transactions, debt exchange offers, debt restructurings, portfolio sales, or a combination of the foregoing.

For the most recent financial information concerning SLFC, investors in the Notes are directed to review SLFC's Annual Report on Form 10-K ("**Form 10-K**") filed with the SEC for the year ended December 31, 2011, a copy of which can be found at http://www.sec.gov/Archives/edgar/data/25598/000110465912019191/a11-31827_210k.htm and SLFC's Quarterly Report on Form 10-Q ("**Form 10-Q**") filed with the SEC for the quarter ended September 30, 2012, a copy of which can be found at http://www.sec.gov/Archives/edgar/data/25598/000110465912076670/a12-20129_110q.htm. SLFC's Form 10-K and Form 10-Q contain an extensive discussions of the risks related to SLFC's current liquidity and SLFC's ability to meet its ongoing obligations. If one or more of SLFC's plans to address its liquidity issues is materially different than expected or one or more of SLFC's significant judgments or estimates about the potential effects of risks and uncertainties identified in the Form 10-K proves to be materially incorrect and if third-party financing is not available, SLFC's liquidity could be substantially and materially affected, and as a result, substantial doubt could exist about SLFC's ability to continue as a going concern.

Inability to Sustain Origination of Loans may Result in Risks to Noteholders

There can be no assurance that the Sellers will continue to originate or otherwise acquire personal loans that are eligible to be sold to the Depositor or that the Issuer will have sufficient assets to acquire additional Loans, in each case after the Closing Date. Additionally, the Sellers are not under any obligation to sell any personal loans that are originated or otherwise acquired to the Depositor. If the Issuer is unable to acquire Additional Loans, it may result in there being less excess spread available to the Notes which could adversely affect the Issuer's ability to make timely payments to the Noteholders. Moreover, in the event that the Issuer is unable to acquire new Loans with Collections, it may increase the likelihood that an Event of Default (such as a failure to pay interest on the Class A Notes) or Early Amortization Event (for example due to the continuance of a Reinvestment Criteria Event) will occur, in which case the Noteholders will receive principal distributions earlier than otherwise expected. See "*—Yield Considerations/Prepayments*" in this private placement memorandum.

There are a number of factors that could adversely affect the rate at which the Sellers are able to originate or otherwise acquire additional personal loans, including: competition, changes in consumer tastes, an inability of

the Sellers to effectively market their products to consumers in a cost effective manner, an inability to retain key management personnel and attract and retain qualified sales, an increasing interest rate environment or inflationary environment and availability to consumers of alternative sources of credit, as well as other factors. See "*—Consumer Protection Laws and Contractual Restrictions*" and see "*—Springleaf's Financial Strength May Affect the Ability of the Servicer, the Sellers, the Subservicers and Their Affiliates to Perform Their Obligations and the Ability of the Sellers to Originate New Loans*" in this private placement memorandum.

Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes

The Issuer's receipt of Collections in respect of the Loans (the primary source from which the Issuer pays amounts in respect of the Notes) will depend on the skill and diligence of the Servicer and Subservicers in making collections. If the Servicer or Subservicers fails to make collections adequately for any reason, then payments to the Issuer in respect of the Loans may be delayed or reduced. In that event, it is likely that delays or reductions in the amounts distributed on the Notes would result. As described under "*The Back-up Servicer*," "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing of Loans*" and "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Rights Upon Servicer Default*" in this private placement memorandum, following a Servicer Default, at the direction of holders of the Required Noteholders, the Back-up Servicer will be obligated to serve as the successor servicer.

It is likely that the termination of the initial Servicer and the transfer of the rights, duties and obligations of the Servicer under the Sale and Servicing Agreement to the Back-up Servicer or other successor servicer would adversely affect the servicing of the Loans. For example, transfers of servicing involve the risk of disruption in collections due to data input errors, misapplied or misdirected payments, system incompatibilities and other reasons. Because the Loan Obligors generally are "sub-prime", the Loans likely are more sensitive to any such disruptions than personal loans owing from "prime" loan obligors. Moreover, the transfer of servicing from the initial Servicer to the Back-up Servicer could result in significant changes in the manner in which the Loans are serviced. For example, there is a strong possibility that the Back-up Servicer would apply its own credit and collection policies in servicing the Loans rather than servicing in accordance with Springleaf's credit and collection policy. Additionally, the Back-up Servicer may elect to centralize some or all of the servicing of the Loans. See "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Assumption of Servicing by the Back-up Servicer*" in this private placement memorandum.

Because much of the servicing of the Loans is conducted by the Subservicers through their various branches, the ability of the Back-up Servicer to service the Loans may be dependent, in significant part, on the participation of the Subservicers. See "*—Inability to Make In-Branch Payments May Results in Additional Risks to Noteholders*," "*Servicing Standards*" and "*The Sale and Servicing Agreement and the Back-up Servicing Agreement*" in this private placement memorandum. Moreover, many of the Loan Obligors are "sub-prime" or "non-prime" and therefore require "high touch" servicing which is facilitated by Springleaf's branch network. Springleaf believes that the credit performance of the Loans depends in significant part on the geographical proximity of these branches to the Loan Obligors and the personalized servicing provided to such Loan Obligors at these branches.

In the event that the initial Servicer is terminated, (i) the Subservicers would not be obligated to continue subservicing the Loans (though the Subservicers may agree to continue subservicing the Loans under the supervision of the Back-up Servicer), (ii) the financial wherewithal of Springleaf at the time of such termination may adversely affect the Subservicers' ability to continue to subservice the Loans in the same manner as they had prior to the servicing transition and (iii) the Back-up Servicer may elect to centralize some or all of the servicing of the Loans. Consequently, in the event that the Servicer is terminated, there can be no assurance that the Subservicers will continue to subservice the Loans. Servicing disruptions or changes in servicing as a result of the Subservicers no longer subservicing of the Loans could result in higher delinquencies and defaults on the Loans, which in turn could adversely affect the repayment of the Notes. Investors should note that the historical performance of the Loans during the time period in which the initial Servicer serviced such Loans may not be consistent with the performance of the Loans if they are serviced by a different servicer, if one or more Subservicers no longer participate in the servicing of the Loans or if they are serviced in the manner in which the Back-up Servicer is required to service the Loans.

Additionally, in the event of the Servicer's bankruptcy, even if the Required Noteholders direct that the Servicer be terminated, the Back-up Servicer and the Depositor may face delays in terminating, or may be unable to terminate, the Servicer as the termination right in the Sale and Servicing Agreement upon a Servicer Default relating to insolvency generally is subject to the bankruptcy court's automatic stay.

Similarly, there can be no assurance whether, after a Servicer Default, sufficient Noteholders will elect to terminate the Servicer or how quickly a sufficient percentage of Noteholders will act in order to terminate the Servicer. In the event that the Servicer fails to service, or is unable to service, the Loans in accordance with the Sale and Servicing Agreement after such a Servicer Default and Noteholders are unable to terminate the Servicer, or there are delays in terminating the Servicer, these servicing disruptions could result in higher delinquencies and defaults on the Loans, which in turn may adversely affect the repayment of the Notes.

Any reasonable costs and expenses of the Back-up Servicer or other successor primary servicer incurred in connection with the transfer of servicing from the Servicer will be paid by the Servicer following its receipt of a written accounting thereof in reasonable detail. In the event that the Servicer fails to reimburse the Back-up Servicer or other successor primary servicer for such costs within a reasonable period of time, the Back-up Servicer or other successor primary servicer will be entitled to reimbursement from the assets of the Trust Estate, subject to a cap of $250,000.

Inability to Make In-Branch Payments May Result in Additional Risks to Noteholders

For the three months ended September 30, 2012, approximately 40% (by dollar amount) of Springleaf's personal loan payments were made at Springleaf branches by the personal loan customer coming into a branch. Of those payments made in person at a branch, approximately 41% (by dollar amount) were in cash, representing approximately 16% of all Springleaf personal loan payments during the three months ended September 30, 2012. Despite a recent trend in favor of payments via lockboxes and electronic channels, a significant number of Loan Obligors may continue to make payments in Subservicer branches, including in cash or by money order. While Springleaf cannot estimate the percentage of Loan Obligors without a checking account, should one or more of the Subservicers' branches become unavailable for any reason (including as a result of one or more Subservicers becoming unable or unwilling to subservice the Loans or as a result of branch closures) for the acceptance of payments, the ability to collect payments from these Loan Obligors who would otherwise make payments at such branch may be adversely affected, which could result in increased delinquencies and losses on the Loans. See "*—Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes*" in this private placement memorandum. Additionally, there can be no assurance that the number of Loan Obligors that make cash payments or payments in person at Springleaf's branches in the future will not increase over current levels. See "*Springleaf Consumer Loan Business—Recent Developments Regarding Springleaf*" in this private placement memorandum. Additionally, after the delivery of a Servicing Centralization Period Notice, the Subservicers within six months will discontinue accepting cash payments by Loan Obligors at branch locations. In the event that such cash payments are no longer accepted, there can be no assurance that the performance of the Loans with respect to which the Loan Obligors make such cash payments would not be adversely affected. See "*The Sale and Servicing Agreement and the Back-up Servicing Agreement–Servicing Centralization Period*" in this private placement memorandum.

There May Be Changes to the Terms of the Loans Owned by the Issuer in a Way that Reduces or Slows Collections

From time to time, the Servicer or the related Subservicer may modify the terms of the Loans owned by the Issuer in accordance with the Credit and Collection Policy. These changes could have the effect of, among other things, reducing or otherwise changing the Loan interest rate, forbearing or forgiving payments of interest on, principal of or other charges on the Loans, extending the final maturity date, capitalizing delinquent interest and other amounts owed under the Loans or any combination of these or other modifications. See "*Springleaf Consumer Loan Business*" in this private placement memorandum.

If the Servicer or the related Subservicer, as applicable, reduces the interest rate of a Loan in connection with a modification, the resulting interest shortfall, if any, will reduce the amount of Collections available to the holders of the Notes. A modification to the term of a Loan may slow the rate of principal payments thereon and, as

a result, may extend the weighted average lives of the Notes. If the Servicer or the related Subservicer, as applicable, forgives or forbears all or a portion of the principal balance of a Loan or takes any of the other actions described in the preceding paragraph, it could result in a delay in the payment of principal of one or more classes of notes or, under certain loss scenarios, the failure to pay the remaining note principal balance of one or more classes of Notes upon maturity

Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Securing Repayment of the Notes

During the Revolving Period, it is expected that the Issuer will use Collections to purchase a significant number of new Loans. Moreover, the Depositor may choose to (or cause the Issuer to) substitute new Loans for existing Loans, remove Loans from the Trust Estate that represent excess collateral, designate certain Loans to be excluded from the calculation of the Loan portfolio metrics, repurchase Loans from the Trust Estate in connection with Renewed Loan Repurchases, contribute Loans to the Trust Estate and/or cause the Issuer to acquire New Loans in connection with Renewed Loan Replacements. See "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases—Renewed Loan Replacements*" and "*Description of the Loans–Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases—Renewed Loan Repurchases*" in this private placement memorandum. Acquisitions of new Loans and the other actions described above in this paragraph (other than Renewed Loan Repurchases and Renewed Loan Replacements) are subject to the condition that after giving effect to such action, no Reinvestment Criteria Event is outstanding. This condition is designed to assure that additions and removals of Loans during the Revolving Period do not result in degradation of the quality of the of the Loan portfolio taken as a whole below the standard established by the reinvestment criteria specified in the definition of Reinvestment Criteria Event. However, there can be no assurance that such condition will prevent a degradation of the overall credit quality of the Loan Pool, for example because other characteristics of the Loans which are not contemplated in the reinvestment criteria impact the overall credit performance of the Loan Pool.

Additionally, the Depositor is permitted to cause Loans to be released from the Trust Estate and transferred to the Depositor pursuant to an Issuer Loan Release, and the Issuer will not receive any cash consideration or consideration in the form of additional personal loans in connection with any such transfer. While the Depositor is required to select the Released Loans in a manner it believes is not materially adverse the interests of the Noteholders, there can be no assurance that the Released Loans will not be of a higher credit quality or have better metrics with respect to the overall composition of the Loan Pool than the remaining Loans or that the Released Loans will not experience superior payment performance than the remaining Loans.

Springleaf Risk Levels and Historical Loss Experience May Not Accurately Predict the Likelihood of Delinquencies, Defaults and Losses on the Loans

Springleaf has determined and presented in "*Description of the Loans—Loan Data*" in this private placement memorandum the Springleaf Risk Levels (if any) as of the Statistical Cut-Off Date for the Statistical Pool Loans (including Third-Party Originated Loans). These Springleaf Risk Levels were determined by applying the Springleaf Risk Scoring Model in effect as of the Statistical Cut-Off Date. The Springleaf Risk Levels (if any) for Loans (including Third-Party Originated Loans) added to the Loan Pool during the Revolving Period will also be determined as of the applicable Cut-Off Date by applying the Springleaf Risk Scoring Model in effect as of the Initial Cut-Off Date (notwithstanding that Springleaf's risk scoring model for making credit decisions and determining loan terms for new personal loans may have been modified since the Initial Cut-Off Date). Certain personal loans originated by Springleaf are not assigned a Springleaf Risk Level, typically because information needed to apply the scoring model is not available with respect the applicable Loans. Payment Date Loan Actions are subject to the resulting Loan Pool satisfying certain Springleaf Risk Level parameters, as further described in "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases*" in this private placement memorandum, including that up to 4.0% of the Loan Pool may be comprised of Loans that have not been assigned a Springleaf Risk Level. However, (i) a Springleaf Risk Level determined on the basis described above purports only to be a measurement of the relative degree of risk a personal loan obligor represents to the creditor and (ii) the Springleaf Risk Scoring Model is a proprietary credit scoring model created by Springleaf and, as a result, is different than credit scoring models used

by originators of similar consumer loans and could result in a Loan Obligor receiving a relatively higher Springleaf Risk Level than such Loan Obligor would receive under more common credit scoring models. None of SLFC, the Sellers, the Depositor or the Issuer makes any representations or warranties that a particular Springleaf Risk Level should be relied upon as a basis for an expectation that a Loan will be paid in accordance with its terms.

Additionally, historical loss and delinquency information set forth in this private placement memorandum under "*Description of the Loans—Loan Data*" was affected by several variables, including general economic conditions and market interest rates, that are likely to differ in the future. Moreover, the composition of Loans in the Loan Pool likely will change materially after the Closing Date See "*—Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Securing Repayment of the Notes*" in this private placement memorandum. There can be no assurance that the delinquency and loss experience calculated and presented in this private placement memorandum with respect to the Loans in the Statistical Loan Pool prior to the Statistical Cut-Off Date will reflect actual experience with respect to (i) such Loans after the Closing Date or (ii) any other Loans added to the Loan Pool after the Statistical Cut-Off Date or the Closing Date.

Modifications to the Credit and Collection Policy May Result in Changes to the Loan Pool and the Servicing of the Loans

Springleaf may choose to modify the Credit and Collection Policy at any time and there are no restrictions on Springleaf's ability to make such modifications except that Springleaf has covenanted not to modify the Credit and Collection Policy in any manner that could reasonably expected to result in an Adverse Effect. As noted in "*—Springleaf Risk Levels and Historical Loss Experience May Not Accurately Predict the Likelihood of Delinquencies, Defaults and Losses on the Loans*" in this private placement memorandum, Springleaf will continue to determine Springleaf Risk Levels for Loans by applying the Springleaf Risk Scoring Model in effect as of the Initial Cut-Off Date despite any intervening changes to the Credit and Collection Policy. Nevertheless, modifications to the Credit and Collection Policy could alter the policies by which the Servicer and Subservicers service the Loans, including the policies by which the Servicer and Subservicers determine whether to change the terms of the Loans owned by the Issuer. If these types of modifications were to occur, it could result in worse performance of the Loans. Additionally, modifications to the Credit and Collection Policy could also change the standards and procedures by which Sellers originate new Loans. If these types of modifications were to occur and the Issuer were to acquire Loans that were originated based on standards and procedures which incorporated such modifications, they could adversely impact the performance of the Loans owned by the Issuer or result in the Issuer acquiring Loans that are of lower credit quality that the Loans previously acquired by the Issuer. In the event that the performance of the Loans deteriorates or the Issuer acquires Loans of a lower credit quality, it could adversely affect the performance of the Notes.

Conflicts of Interest May Exist Among the Servicer, the Depositor the Subservicers and the Issuer

It is expected that the Depositor will own the trust certificate and the Depositor or an Affiliate of the Depositor may own some or all of the Class C Notes and the Class D Notes at the Closing Date. Additionally, Notes may be acquired by Affiliates of the Depositor after the Closing Date. The holder of such Notes and the trust certificate will be an affiliate of the Servicer and the Subservicers. The servicing of the Loans, while subject to the servicing standards described under "*Servicing Standards*" and "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing of Loans*," will be under the control of the Servicer and the Subservicers and the determination of whether to sell additional Loans, and the selection of which personal loans to sell, to the Depositor will be under the control of the Sellers, and the decision whether to repurchase the Loans in order to cause the redemption of the Notes will be under the control of the Servicer and the holder of the trust certificate, any of which may affect the weighted average lives and yields on the Notes. See "*Yield Considerations/Prepayments*" in this private placement memorandum. Investors in the Notes should consider that no formal policies or guidelines have been established to resolve or minimize such conflict of interest.

The Depositor May Retain Notes or Convey Notes to an Affiliate

Some of the Notes may be retained by the Depositor or conveyed to an affiliate of the Depositor. As a result, the market for the Notes may be less liquid than would otherwise be the case and, if any retained Notes are subsequently sold by the Depositor or an Affiliate thereof on the secondary market, it could reduce demand for

Notes already in the market, which could adversely affect the market value of the Notes and/ or limit the ability of Noteholders to resell their Notes. In addition, any retained Notes that are subsequently sold may have a different CUSIP number than other Notes of the same Class, which could further reduce liquidity. See "*Certain U.S. Federal Income Tax Consequences.*"

The "De-Centralized" Nature of the Servicing May Pose Additional Risks to Investors

Unlike many asset backed securitizations in which the servicing of the assets is done on a centralized basis, much of the servicing of the Loans is conducted by the Subservicers through their various branches. This "de-centralized" servicing may also subject investors to risks and losses of the nature described in "*–Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes*" in this private placement memorandum in the event that one or more Subservicers became unable or unwilling to perform its obligations. Additionally, while the Servicer is obligated to monitor (and is ultimately responsible for) the performance of the Subservicers, the "de-centralized" nature of servicing may make it more difficult for the Servicer to ensure that each of the Subservicers is complying with its obligations than if servicing were centralized in a single location. To the extent that the performance of the Loans were to be negatively impacted by aspects of this "de-centralized" servicing, the Issuer's ability to make payments on the notes could be adversely affected. See also "*—The Indenture Trustee May Not have a Perfected Interest in Collections Commingled by the Servicer or any Subservicer with Other Funds*" in this private placement memorandum.

Potential Conflicts of Interest Relating to the Initial Purchasers

The Initial Purchasers may from time to time perform investment banking services for, or solicit investment banking business from, any person named in this private placement 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.

The Ratings on the Notes May Not Accurately Reflect Their Risks; Ratings Could Be Reduced or Withdrawn

The ratings of the Notes will be based on the Rating Agency's assessment of the Loans, the structure of the Notes and the ability of the Servicer and the Subservicers to service the Loans. A rating of a Note is not a recommendation to purchase, sell or hold such Note inasmuch as such rating does not comment on the market price of the Notes, its tax impact on any investor or its suitability for a particular investor. In addition, there can be no assurance that a rating of a Note will remain for any given period of time or that a rating will not be downgraded or withdrawn entirely by the Rating Agency if, in its judgment, circumstances so warrant. A downgrade or withdrawal of a rating by the Rating Agency is likely to have an adverse effect on the market value of the affected Notes, which effect could be material.

The procedures used by rating agencies to determine ratings on securities have come under scrutiny as a result of the turbulence in the financial markets, and federal governmental authorities have enacted and continue to propose rules and regulations to reform the rating process. The Securities and Exchange Commission recently has adopted Rule 17g-5 under the Securities Exchange Act of 1934, as amended ("**Rule 17g-5**"), with the goal of enhancing transparency, objectivity and competition in the credit rating process. The Notes will be subject to Rule 17g-5. To comply with Rule 17g-5, Springleaf Finance Corporation has created a password protected website which is accessible to all nationally recognized statistical rating organizations ("**NRSROs**") (not just the Rating Agency), in order for them to obtain the information the parties to this transaction provided to the Rating Agency in connection with the determination of an initial credit rating, including information about the characteristics of the underlying assets and the legal structure of the Notes, as well as ongoing information about the transaction. The availability of such information could encourage NRSROs other than the Rating Agency to rate one or more classes of Notes upon initial issuance or at any time during the life of this transaction and such ratings could be less favorable than the ratings assigned by the Rating Agency to the Notes. These unsolicited ratings could reduce the liquidity and market value of the Notes, and could adversely affect any investor relying on credit ratings for any purpose. In addition, other future changes to rating procedures, to the regulation of rating agencies or to the rating process could affect the issued ratings on the Notes.

The Noteholders Have Limited Control over Amendments, Modifications and Waivers to, and Assignments of, the Indenture and other Transaction Documents

Certain amendments, modifications or waivers to, or assignments of, the Indenture and the other Transaction Documents may require the consent of holders representing only a certain percentage interest of the Notes. Additionally, other amendments, modifications or waivers to, or assignments of, the Indenture and other Transaction Documents do not require the consent of any Noteholder. As a result, certain amendments, modifications or waivers to the Indenture and such other Transaction Documents may be effected without the consent of any Noteholders or with the consent of only a specified percentage of Noteholders. See "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Amendment; Waiver*," "*The Indenture—Supplemental Indentures—Supplemental Indentures without the Consent of the Noteholders*," "*The Indenture—The Administration Agreement*," "*The Trust Agreement—Amendments*" and "*The Performance Support Agreement*" in this private placement memorandum. In addition, any affiliate of the Depositor (other than the Issuer, the Servicer, the Performance Support Provider, the Sellers and the Subservicers), to the extent that it holds any Notes, will be entitled to vote those Notes to the same extent as an unaffiliated Noteholder and could, therefore affect or control the outcome of a Noteholder vote. There can be no assurance as to whether or not amendments, modifications, waivers or assignments effected without a Noteholder vote or outcomes of Noteholder votes in which any such affiliate of the Depositor participates will adversely affect the performance of the Notes

The Treatment of the Loan Purchase Agreement as a Pledge of Security Following a Bankruptcy of any Seller or the Depositor Could Result in Late Payments on the Notes and/or Reductions in the Amounts of such Payments.

It is intended by the Depositor and each Seller that the transfer of the Loans by each Seller to the Depositor constitutes a "true sale" of the Loans to the Depositor. If the transfer constitutes a "true sale", the Loans and the proceeds thereof would not be a part of any Seller's bankruptcy estate should it become a debtor in a bankruptcy case subsequent to the transfer of such Loans. However, if any Seller were to become a debtor in a bankruptcy case, claimants might argue that the sale of the Loans was not a true sale but merely a pledge of security. Under this theory, a court could order the Depositor to turn over the Loans sold by such Seller and treat such Loans as assets included in the bankruptcy estate of such Seller. If a court were to conclude that the sale of such Loans constituted a grant of a security interest and not a sale then delays in payments on the Notes could occur and/or reductions in the amounts of such payments could result. No representation is made as to whether or not conveyances of Loans from the Depositor to the Issuer under the Sale and Servicing Agreement constitute "true sales."

The Consolidation of the Assets and Liabilities of the Depositor and any Seller or Springleaf Could Result in the Delay, Reduction or Elimination of Payments to the Noteholders

The Depositor has taken steps in structuring the transactions contemplated hereby that are intended to ensure that the voluntary or involuntary application for relief by Springleaf or any Seller under the United States Bankruptcy Code or other Debtor Relief Laws will not result in the consolidation of the assets and liabilities of the Depositor with those of SLFC or such Seller. These steps include the appointment of an independent director for the Depositor, the creation of the Depositor as a special purpose limited liability company pursuant to a limited liability company agreement containing certain limitations (including restrictions on the nature of the Depositor's business, restrictions on the Depositor's ability to commence a voluntary case or proceeding under any Debtor Relief Law with respect to itself without the prior unanimous affirmative vote of all of its managers, the maintenance of separate books and records and the requirement that all transactions between the Depositor and Springleaf, the Sellers and their affiliates will be on an arm's-length basis). However, there can be no assurance that the activities of the Depositor would not result in a court concluding that the assets and liabilities of the Depositor should be consolidated with those of SLFC or any Seller, in a proceeding under any Debtor Relief Law. If a court were to reach such a conclusion, then delays in payments on the Notes could occur and/or reductions in the amounts of such payments could result. See "*The Depositor*" in this private placement memorandum. No representation is made as to whether or not the activities of the Issuer would result in a court concluding that the assets and liabilities of the Issuer should be consolidated with those of the Depositor in a proceeding under any Debtor Relief Law.

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

Although the various risks discussed in this private placement 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, you should carefully review the descriptions of the Loans and the Notes.

This Private Placement Memorandum Provides Information Regarding the Characteristics of the Loans in the Loan Pool as of the Statistical Cut-Off Date, Which May Differ from the Characteristics of the Loans in the Final Loan Pool

The Loan Pool that is ultimately purchased by the Issuer on the Closing Date is expected to have an Aggregate Pool Balance as of the Initial Cut-Off Date of approximately (but not less than) $662,247,048.95. Accordingly, not all of the Statistical Pool Loans in the Statistical Loan Pool described in this private placement memorandum will be included in the Loan Pool that is ultimately purchased by the Issuer and such final Loan Pool may include Loans that are not included in the Statistical Loan Pool described herein. As a result, the Loans sold to the issuer on the Closing Date may have characteristics that differ somewhat from the characteristics of the Statistical Pool Loans in the Statistical Loan Pool described in this private placement memorandum. SLFC believes that the characteristics of the Loans as of the Initial Cut-Off Date will not differ materially from the characteristics of the Statistical Pool Loans in the Statistical Loan Pool as of the Statistical Cut-Off Date, and the Loans must satisfy the eligibility criteria described in "*Description of the Notes—Interest Payments and Principal Payments*" and "*Description of the Notes—Loan Data*" of this private placement memorandum. If you purchase a Note, you must not assume that the characteristics of the Loans sold to the Issuer on the Closing Date will be identical to the characteristics of the Statistical Pool Loans in the Statistical Loan Pool disclosed in this private placement memorandum.

Moreover, the characteristics of the Loan Pool may change materially over time. See "*—Renewals May Change the Characteristics of the Loan Pool*," "*—Loans Acquired from Third Parties May Constitute an Increasing Percentage of the Loan Pool and May Change the Characteristics of the Loan Pool*," "*—Delinquency and Loan Loss Experience*," "*—Geographic Concentration May Increase Risk of Loss*," "*—Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Securing Repayment of your Notes*" and "*—Modifications to the Credit and Collection Policy May Result in Changes to the Loan Pool and the Servicing of the Loans*" in this private placement memorandum.

There May Be a Conflict of Interest Among Classes of Notes

As described elsewhere in this private placement 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 Collateral), 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 dollar principal amount of the Class A Notes will generally be substantially greater than the outstanding dollar principal amount of the subordinated classes of Notes. Consequently, the Noteholders of the Class A Notes will frequently have the ability to determine whether and what actions should be taken. The subordinated Noteholders will generally need the concurrence of the senior-most 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, you may find that courses of action determined by other Noteholders do not reflect your interests but that you are nonetheless bound by the decisions of these other Noteholders.

In addition, it is an Event of Default if the Issuer fails to pay any interest on any Class A Note on any Payment Date, but there is no Event of Default as a result of the Issuer failing to pay interest on any other Class of Notes. See "*The Indenture—Events of Default*" in this private placement memorandum.

The Notes May Not Be Suitable for All Investors

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

Original Issue Discount for the Class C and Class D Notes

The Class C Notes and the Class D Notes may be issued with original issue discount ("**OID**") for U.S. federal income tax purposes. A U.S. holder generally will be required to accrue OID on a current basis as ordinary income and pay tax accordingly, even before such U.S. holder receives cash attributable to that income and regardless of such U.S. holder's method of tax accounting. For further discussion of the computation and reporting of OID, see "*Certain U.S. Federal Income Tax Consequences—U.S. Holders—Taxation of Interest and Original Issue Discount*" in this private placement memorandum.

Structuring Tables are Based Upon Assumptions and Models

The decrement tables appearing under "*Prepayment and Yield Considerations—Percent of Initial Note Principal Balance at Various Prepayment Assumptions*" have been prepared on the basis of the modeling assumptions set forth under "*Prepayment and Yield Considerations*" in this private placement memorandum. The model used in this private placement 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 loans, including the Loans in the pool. It is highly unlikely that the Loans 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.

THE SELLERS AND SUBSERVICERS

The following entities will be the Sellers of the Loans as of the Closing Date: Springleaf Financial Services of Alabama, Inc., a Delaware corporation, Springleaf Financial Services of America, Inc., a Delaware corporation, Springleaf Financial Services of America, Inc., an Iowa corporation, Springleaf Financial Services of America, Inc., a North Carolina corporation, Springleaf Financial Services of Arizona, Inc., an Arizona corporation, Springleaf Financial Services of Florida, Inc., a Florida corporation, Springleaf Financial Services of Hawaii, Inc., a Hawaii corporation, Springleaf Financial Services of Illinois, Inc., an Illinois corporation, Springleaf Financial Services of Indiana, Inc., an Indiana corporation, Springleaf Financial Services of Louisiana, Inc., a Louisiana corporation, Springleaf Financial Services of New Hampshire, Inc., a Delaware corporation, Springleaf Financial Services of New York, Inc., a New York corporation, Springleaf Financial Services of North Carolina, Inc., a North Carolina corporation, Springleaf Financial Services of Ohio, Inc., an Ohio corporation, Springleaf Financial Services of Pennsylvania, Inc., a Pennsylvania corporation, Springleaf Financial Services of South Carolina, Inc., a South Carolina corporation, Springleaf Financial Services of Washington, Inc., a Washington corporation, Springleaf Financial Services of Wisconsin, Inc., a Wisconsin corporation, Springleaf Financial Services of Wyoming, Inc., a Wyoming corporation, Springleaf Financial Services, Inc., a Delaware corporation, Springleaf Home Equity, Inc., a Delaware corporation, Springleaf Home Equity, Inc., a West Virginia corporation and State Financial Services - Springleaf, Inc., d/b/a/ Springleaf Financial Services of Texas, Inc., a Texas corporation (collectively, together with other affiliates of SLFC which become party to the Loan Purchase Agreement as a seller after the Closing Date, the "**Sellers**"). From time to time after the Closing Date, one or more Affiliates of SLFC may be added as "Sellers" pursuant to the Loan Purchase Agreement.

As of the Closing Date, each Seller generally will also act as Subservicer for the respective Loans sold by such Seller to the Depositor and, in its capacity as a Subservicer, is a party to the Sale and Servicing Agreement, and agrees to service such Loans consistent with the terms of the Sale and Servicing Agreement. From time to time after the Closing Date, one or more Affiliates of SLFC may be added as "Subservicers" pursuant to the Sale and Servicing Agreement.

Each of the Sellers is a wholly-owned subsidiary of Springleaf Finance Corporation ("**SLFC**," and together with its subsidiaries (other than the Depositor or any other special purpose subsidiary), including the Sellers, "**Springleaf**"), an Indiana corporation, headquartered in Evansville, Indiana. SLFC is a financial services holding company with subsidiaries engaged primarily in the consumer finance and credit insurance businesses. SLFC is reporting company under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and files periodic reports with the United States Securities and Exchange Commission. SLFC has three business segments: branch, centralized real estate and insurance

Prior to the Closing Date, the Initial Loans were owned and serviced by Springleaf's branch business segment and were either underwritten and originated by the Sellers or Affiliates thereof or reviewed and acquired by the Sellers as described in "*Underwriting Standards*" in this private placement memorandum. It is expected that any additional Loans will be (i) originated by the Sellers and Affiliates thereof, and the applicable Seller will represent, with respect to each Loan originated by such Seller or any Affiliate thereof and sold by such Seller to the Depositor, that such Loan was underwritten in accordance with the underwriting guidelines under the Credit and Collection Policy in effect at the time such Loan was originated, or (ii) acquired by Springleaf's consumer loan business, in which case, no representation regarding the underwriting of such acquired Loans will be made. See "*Underwriting Standards*" and "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases*" in this private placement memorandum.

THE DEPOSITOR

Tenth Street Funding LLC (the "**Depositor**"), a Delaware limited liability company, is a wholly-owned subsidiary of SLFC. The Depositor was formed in August 2011 as a special purpose entity for the purpose of forming the Issuer, purchasing the Loans, transferring the Loans to the Issuer, holding certain of the Notes and the trust certificate and certain other purposes related thereto. The Depositor's limited liability company agreement limits its activities to such purposes and any activities incidental thereto.

So long as any present and future indebtedness and other liabilities and obligations of the Depositor under or in connection with the Transaction Documents is outstanding, the Depositor's limited liability company agreement may not be amended, waived or otherwise modified except: (i) to cure any ambiguity or (ii) to correct or supplement any provision in a manner consistent with the intent of such agreement. Moreover, certain provisions of the Depositor's limited liability company agreement (including provisions relating to the limitations on its purposes and activities, the appointment, maintenance and replacement of the independent manager(s) and the restrictions on amendment of such agreement) may only be amended, waived or otherwise modified with the unanimous written consent of the board of managers of the Depositor (including the independent manager(s)). In addition, the Depositor has agreed under the Sale and Servicing Agreement not to amend its certificate of formation, its operating agreement or other organizational documents in any respect unless (i) the Rating Agency Notice Requirement is satisfied, (ii) the Depositor shall have provided to the Indenture Trustee and the Issuer a certificate of an officer of the Depositor, dated as of the date of such amendment, stating that such amendment is not reasonably expected to result in an Adverse Effect and (iii) such amendment is effected in accordance with the terms of the applicable organizational document.

Under the Sale and Servicing Agreement, the Depositor is not permitted to dissolve, liquidate, consolidate with or merge into any other entity or sell or otherwise transfer (other than conveyances to the Issuer contemplated under the Sale and Servicing Agreement) its properties and assets substantially as an entirety to any Person unless:

(i) the resulting entity (if not the Depositor) from such consolidation or merger or the transferee of the properties and assets of the Depositor is a U.S. entity that is a special purpose entity whose powers and activities are limited and such entity expressly assumes, by written agreement, the performance of every covenant and obligation of the Depositor under the Sale and Servicing Agreement; and

(ii) the Depositor or the surviving or transferee entity, as the case may be, has delivered to the Owner Trustee and the Indenture Trustee (with a copy to each Rating Agency) (A) a certificate of an officer of the Depositor or such entity as to compliance with the foregoing condition and with all other conditions precedent in the Sale and Servicing Agreement relating to such transaction have been complied

with and (B) a certificate of an officer of the Depositor or such entity and an opinion of counsel as to the enforceability of the assumption agreement; and

(iii) the Depositor or the surviving or transferee entity, as the case may be, has delivered to the Servicer and the Indenture Trustee a certificate of an officer of the Depositor or such entity to the effect that in the reasonable belief of the Depositor or such entity, such consolidation, merger, conveyance, transfer or sale will not have an Adverse Effect.

Except in connection with a transaction permitted under the provisions described in the foregoing paragraph, the obligations, rights or any part thereof of the Depositor under the Sale and Servicing Agreement shall not be assignable.

THE ISSUER

Springleaf Funding Trust 2013-A (the "**Issuer**") was formed on January 18, 2013, as a Delaware statutory trust, the beneficial ownership of which will be evidenced by the trust certificate. The Issuer was formed as a statutory trust and is a special purpose entity that will be operated in accordance with, an amended and restated trust agreement, dated the Closing Date, between the Depositor and the Owner Trustee (the "**Trust Agreement**") for the purpose of acquiring the Loans from the Depositor, pledging the Loans and certain other rights and assets to the Indenture Trustee and issuing the Notes and the trust certificate. SLFC has been engaged to act as Administrator on behalf of the Issuer, as described in "*The Indenture—The Administration Agreement*" in this private placement memorandum. The Depositor will be the holder of the trust certificate. On each Payment Date, the holder of the trust certificate will be entitled to receive certain funds remaining on such Payment Date after the application of Available Funds to all items of higher priority in accordance with the Priority of Payments, as described in "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

The Issuer will not engage in any activity other than (i) acquiring, holding, pledging and managing the Loans and the other assets pledged to secure the Notes, (ii) issuing the Notes and the trust certificate, (iii) making payments on the Notes and distributions on the trust certificate, (iv) selling, transferring and exchanging the Notes and the trust certificate, (v) entering into and performing its obligations under the Transaction Documents to which it is a party, (vi) making deposits to and withdrawals from the Note Accounts and (vii) engaging in other activities that are necessary, suitable or convenient to accomplish the foregoing or are incidental thereto or connected therewith.

The Issuer's principal offices are in Wilmington, Delaware, in care of Wilmington Trust, National Association, as Owner Trustee, at the address listed in "*The Owner Trustee*" below.

The Issuer's Trust Agreement, including its permissible activities, may be amended in accordance with the procedures described "*The Trust Agreement—Amendments*" in this private placement memorandum.

Capitalization of the Issuer

The following table illustrates the expected capitalization of the issuer as of the Closing Date:

Class A Notes	$ 500,000,000
Class B Notes	$ 46,350,000
Class C Notes	$ 21,530,000
Class D Notes	$ 36,420,000
Reserve Account	$ 6,622,470.49
Initial overcollateralization	$ 57,947,048.95
Total	**$ 668,869,519.44**

The Issuer Property

The Notes will be collateralized by the Issuer's assets. The primary assets of the Issuer will be the Loans. See "*Description of the Loans*" in this private placement memorandum.

The Issuer's assets will consist of all the right, title and interest of the Issuer in and to:

(i) the Loans acquired from the Depositor on the Closing Date and any additional Loans acquired by the Issuer from the Depositor after the Closing Date, and all rights to payment and amounts due or to become due with respect to all of the foregoing after the applicable Cut-Off Date and the other Purchased Assets relating to such Loans;

(ii) all money, instruments, investment property and other property (together with all earnings, dividends, distributions, income, issues, and profits relating thereto) distributed or distributable in respect of the Loans after the applicable Cut-Off Date;

(iii) the Note Accounts and all Eligible Investments and all money, investment property, instruments and other property from time to time on deposit in or credited to the Note Accounts, together with all earnings, dividends, distributions, income, issues and profits relating thereto;

(iv) all rights, remedies, powers, privileges and claims of the Issuer under or with respect to the Sale and Servicing Agreement, the Loan Purchase Agreement and each other Transaction Document (whether arising pursuant to the terms of the Sale and Servicing Agreement, the Loan Purchase Agreement or any other Transaction Document or otherwise available to the Issuer at law or in equity), including, without limitation, the rights of the Issuer to enforce the Sale and Servicing Agreement, the Loan Purchase Agreement or any other Transaction Document, and to give or withhold any and all consents, requests, notices, directions, approvals, extensions or waivers under or with respect to the Sale and Servicing Agreement, the Loan Purchase Agreement or any other Transaction Document to the same extent as the Issuer could but for the assignment and security interest granted under the Indenture;

(v) all proceeds of any credit insurance policies and collateral protection insurance policies relating to any Loans, to the extent of the applicable Seller's interest therein, if any;

(vi) all accounts, chattel paper, deposit accounts, documents, general intangibles, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, and other minerals, consisting of, arising from, purporting to secure, or relating to, any of the foregoing;

(vii) all present and future claims, demands, causes and choses in action in respect of any or all of the foregoing and all payments on or under and all proceeds of every kind and nature whatsoever in respect of any or all of the foregoing, including all proceeds, products, rents, receipts or profits of the conversion, voluntary or involuntary, into cash or other property, all cash and non-cash proceeds, and other property consisting of, arising from or relating to all or any part of any of the foregoing or any proceeds thereof; and

(viii) all proceeds of the foregoing.

THE INDENTURE TRUSTEE

Wells Fargo Bank, National Association, a national banking association ("**Wells Fargo**"), will act as indenture trustee (the "**Indenture Trustee**") under the Indenture. The Indenture Trustee's duties are limited to those duties specifically set forth in the Indenture. The Depositor and its affiliates may maintain normal commercial banking relations with the Indenture Trustee and its affiliates. The Issuer will be responsible for paying the Indenture Trustee's fees and for indemnifying the Indenture Trustee against specified losses, liabilities or expenses incurred by the Indenture Trustee in connection with the transaction documents pursuant to the Priority of Payments

as described in "*The Indenture—Compensation of the Indenture Trustee; Indemnification*" and " *Description of the Notes—Priority of Payments*" in this private placement memorandum.

Wells Fargo has served and currently is serving as indenture trustee for numerous securitization transactions and programs involving pools of consumer receivables.

Wells Fargo is subject to various legal proceedings that arise from time to time in the ordinary course of business. Wells Fargo does not believe that the ultimate resolution of any of these proceedings will have a materially adverse effect on its ability to carry out its duties and obligations as indenture trustee.

The corporate trust office for the indenture trustee is located at Wells Fargo Center, Sixth Street and Marquette Avenue, Minneapolis, MN 55479, Attn: Asset Backed Securities Department.

The Indenture Trustee will make each Monthly Servicer Report available to the Noteholders via the Indenture Trustee's internet website at http://www.ctslink.com. For assistance with regard to this service, investors may call the corporate trust office at (866) 846-4526.

Wells Fargo is a wholly-owned subsidiary of Wells Fargo & Company. A diversified financial services company, Wells Fargo & Company is a U.S. bank holding company which provides, banking, insurance, trust, mortgage and consumer finance services throughout the United States and internationally. Wells Fargo Bank provides retail and commercial banking services and corporate trust, custody, securities lending, securities transfer, cash management, investment management and other financial and fiduciary services.

THE OWNER TRUSTEE

Wilmington Trust, National Association ("WTNA") (formerly called M & T Bank, National Association) —also referred to herein as "issuing entity owner trustee" or the "owner trustee"—is a national banking association with trust powers incorporated in 1995. The issuing entity owner 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.

On May 16, 2011, after receiving all required shareholder and regulatory approvals, Wilmington Trust Corporation, the parent of WTNA, through a merger, became a wholly-owned subsidiary of M&T Bank Corporation, a New York corporation.

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 owner trustee.

WTNA is providing the foregoing information at the Depositor's request in order to assist the Depositor with the preparation of this private placement memorandum. Otherwise, the Owner Trustee has not participated in the preparation of this private placement memorandum or any other disclosure document and assumes no responsibility for its contents.

As compensation for its duties under the Trust Agreement, the Owner Trustee will be entitled to such compensation and indemnity as is described in "*The Trust Agreement—Compensation of the Owner Trustee; Indemnification of the Owner Trustee*" in this private placement memorandum.

For a description of the roles and responsibilities of the Owner Trustee, see "*The Trust Agreement*" in this private placement memorandum. For information regarding the Owner Trustee's resignation, removal and replacement see "*The Trust Agreement—Resignation or Removal of the Owner Trustee*" below, in this private placement memorandum.

THE BACK-UP SERVICER

Wells Fargo will act as the Back-up Servicer under the Back-up Servicing Agreement.

Wells Fargo is a national banking association and its principal offices are located at Sixth and Marquette Avenue, MAC N9311-161, Minneapolis, Minnesota 55479.

Under the Back-up Servicing Agreement, the Back-up Servicer will perform back-up servicing duties including receiving the monthly pool data, conducting periodic on-site visits, confirming the completeness of certain data on the monthly servicer reports and becoming successor servicer if SLFC is terminated as Servicer for any reason or resigns (other than in connection with an assignment permitted under the terms of the Sale and Servicing Agreement), in either case, in accordance with the Sale and Servicing Agreement. The Servicer will be responsible for indemnifying the Back-up Servicer against specified losses, liabilities or expenses incurred by the Back-up Servicer in connection with the transaction documents, including any such losses, liabilities or expenses incurred in connection with the transfer of servicing to the Back-up Servicer. To the extent these indemnification amounts are not paid by the Servicer, they will be payable out of Available Funds as described in "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing and Other Compensation and Payment of Expenses*" and "*Description of the Notes—Priority of Payments*" in this private placement memorandum. For more information regarding the Back-up Servicing Agreement see "*The Sale and Servicing Agreement and the Back-up Servicing Agreement*" in this private placement memorandum.

For information regarding the transfer of servicing duties to the Back-up Servicer see "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Rights Upon Servicer Default*," "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Resignation of the Servicer* " and "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Assumption of Servicing by the Back-up Servicer*" below in this private placement memorandum. For information regarding the Back-up Servicer's resignation, removal and replacement see "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Back-up Servicer Termination Events*," "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Rights Upon Back-up Servicer Termination Events*" and "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Resignation of the Back-up Servicer*" in this private placement memorandum.

THE SERVICER AND PERFORMANCE SUPPORT PROVIDER

Springleaf Finance Corporation ("**SLFC**", and together with its subsidiaries, including the Sellers, "**Springleaf**") was incorporated in Indiana in 1927 as successor to a business started in 1920. Springleaf, formerly known as American General Finance Corporation, is a $15 billion financial services holding company engaged in the consumer finance and credit insurance businesses.

Through its subsidiaries, SLFC serves the borrowing needs of 1.0 million customers and has more than 800 branches in the United States, Puerto Rico and the U.S. Virgin Islands. Springleaf's branch-based and related centralized support personnel total approximately 3,500 people. Springleaf provides a wide range of insurance and consumer loan products, including personal loans and retail sales finance contracts. Springleaf also services its portfolios of real estate loans. The majority of SLFC's operations involve decentralized branch based lending; however, Springleaf does maintain centralized support operations located in Evansville, Indiana.

SLFC, in its capacity as the Servicer, will be responsible for ensuring that the Loans are serviced in accordance with the terms of the Sale and Servicing Agreement. The Servicer will primarily effectuate its obligations as Servicer under the Sale and Servicing Agreement through the Subservicers. The Loans will be serviced for the Servicer by the Subservicers through their respective branches. The servicing by the Subservicers does not relieve the Servicer from any of its obligations to service the Loans in accordance with the terms and conditions of the Sale and Servicing Agreement, and the Servicer shall be primarily liable for such obligations.

The Servicer and each Subservicer may assign part or all of its obligations and duties as Servicer or Subservicer under the Sale and Servicing Agreement to an Affiliate of the Servicer or such Subservicer so long as (x) in the case of an assignment by the Servicer, such entity is an Eligible Servicer as of such assignment, (y) the

Performance Support Provider shall have fully guaranteed the performance of the obligations and duties of the Servicer or such Subservicer, as applicable, pursuant to the Performance Support Agreement and (z) and the Servicer reasonably determines that such assignment will not materially adversely affect the interests of any Class of Noteholders. So long as SLFC remains the Servicer, no Subservicer is permitted to resign from the obligations and duties under the Sale and Servicing Agreement except with the consent of the Servicer.

Under the Sale and Servicing Agreement, none of the Servicer or the Subservicers is permitted consolidate with or merge into any other entity or sell (other than conveyances to the Depositor in its capacity as Seller contemplated under the Loan Purchase Agreement) its properties and assets substantially as an entirety to any Person, unless:

(i) (A) in the case of any such event by the Servicer, the entity formed by such consolidation or merger (if other than the Servicer) or the transferee of the properties and assets of the Servicer shall be an Eligible Servicer (after giving effect to such consolidation, merger or transfer) and (B) in the case of any such event by the Servicer or any Subservicer, if the Servicer or such Subservicer is not the surviving entity, such surviving entity expressly assumes, by written agreement, the performance of every covenant and obligation of the Servicer or such Subservicer under each other Transaction Document to which it is a party;

(ii) the Servicer or the Subservicer, as applicable, or the surviving or transferee entity, as the case may be, has delivered to the Issuer, the Indenture Trustee and the Depositor (A) a certificate of an officer of the Servicer, such Subservicer or such entity, as applicable, as to compliance with the foregoing conditions (other than status as an Eligible Servicer) and (B) a certificate of an officer of the Servicer, such Subservicer or such entity, as applicable, and an opinion of counsel as to enforceability of the assumption agreement; and

(iii) the Servicer or such Subservicer shall have given the Rating Agencies notice of such consolidation, merger or transfer or assets.

In its capacity as Performance Support Provider under the Performance Support Agreement, SLFC will be obligated to fulfill the obligations of the Sellers, the Subservicers, at any time an Affiliate of SLFC is the Administrator, the Administrator and, at any time an Affiliate of SLFC is the Servicer, the Servicer under the Loan Purchase Agreement, the Sale and Servicing Agreement and the other Transaction Documents to the extent a Seller, a Subservicer, the Administrator, if applicable, or the Servicer, if applicable, fails to do so. See "*Risk Factors—Springleaf's Financial Strength May Affect the Ability of the Servicer, the Sellers, the Subservicers and Their Affiliates to Perform Their Obligations and the Ability of the Sellers to Originate New Loans*" in this private placement memorandum.

SPRINGLEAF CONSUMER LOAN BUSINESS

The following is a brief description of Springleaf's consumer loan business as of the Closing Date, including a general description of the underwriting and servicing policies and procedures customarily and currently employed with respect to personal loans, as set forth in the Credit and Collection Policy in effect as of the Closing Date. There can be no assurance that Springleaf's consumer loan business will not change over time. Additionally, the Credit and Collection Policy is permitted to be modified from time to time without Noteholder consent. See "*Risk Factors—Modifications to the Credit and Collection Policy May Result in Changes to the Loan Pool and the Servicing of the Loans*" in this private placement memorandum.

The consumer loan business is the core of the Springleaf's operations. Through its more than 800 branch offices and its centralized support operations, Springleaf serviced approximately 1.0 million consumer loans (personal loans and retail sales finance) and real estate loans totaling more than $13 billion in unpaid principal balances at September 30, 2012.

In the consumer finance industry, customers are generally described as prime or near-prime (i.e., more creditworthy) at one extreme and non-prime or sub-prime (i.e., less creditworthy) at the other. Springleaf

customers' incomes are generally near the national median but vary (and may vary significantly), as do their debt-to-income ratios, employment and residency stability, and credit repayment histories. In general, branch customers are typically considered non-prime or sub-prime and require significantly higher levels of servicing than would prime or near-prime customers. As a result, customers are charged interest rates higher than prime credit market rates to compensate Springleaf for the related credit risks and branch-based servicing costs.

Springleaf's "high touch" servicing approach for its consumer loans is facilitated by its branch network due to the geographical proximity that typically exists between Springleaf branches and the borrowers with respect to such consumer loans. Springleaf borrowers develop an affinity with their local office representatives which Springleaf believes both improves credit performance on the related consumer loans and leads to additional Springleaf lending opportunities with borrowers' friends and family members.

Springleaf's personal loans are typically non-revolving with a fixed-rate and a fixed, original term of 2 to 4 years. These personal loans are generally secured by titled personal property (such as automobiles), consumer goods or other personal property, but some are unsecured. Any personal loan included in the Loan Pool that was previously a Revolving Loan has passed its term of permitted additional draws and is now amortizing. Demographically, as of September 30, 2012, the average customer ranged in age from 25 to 54 years old, was married, had household income of more than $40,000 and was a homeowner with an average of eleven years length of residence. As of September 30, 2012, the Springleaf personal loan portfolio exceeded $2.5 billion, of which approximately 46% (by dollar amount) was secured by "hard" collateral such as an automobile, 39% was secured by consumer goods or other items of personal property, and the remainder was unsecured. However, there can be no assurance that the Loan Pool will reflect these demographics at the Closing Date or at any time after the Closing Date or that the demographics of the Loan Pool will not change materially over time.

In addition to personal loans, Springleaf's branch offices offer credit insurance (life, accident and health insurance and involuntary unemployment insurance). Credit insurance is provided by Affiliates of SLFC. If required by applicable law, certain branch personnel are licensed to offer insurance products. Branch personnel explain various credit products to the customer at the time of the loan application and at the closing of the personal loan and the customer then determines whether to purchase any of these products. In the event that a loan obligor elects to purchase any credit insurance from a Springleaf affiliate in connection with the origination of a personal loan, the applicable Seller is named as a beneficiary, and any proceeds thereof are paid to such Seller in such capacity. In addition, Springleaf's standard forms of loan agreement contain a provision pursuant to which the borrower assigns to the applicable Seller his or her rights to the proceeds of any collateral protection insurance covering property securing the related personal loans and any other rights under such insurance, up to the total amount due under the personal loan agreement. The Sellers will assign to the Depositor their rights to all such insurance proceeds with respect to the Loans, pursuant to the Loan Purchase Agreement, and the Depositor, in turn, will assign those rights to the Issuer, pursuant to the Sale and Servicing Agreement.

Springleaf solicits new customers for its personal loan business, as well as current and former customers of its personal loan business, through a variety of direct mail offers. Springleaf maintains a data warehouse which is a central, proprietary source of information regarding current and former customers. Springleaf uses this information to tailor offers for credit to specific customer segments. In addition to internal data, Springleaf purchases lists of new potential consumer loan borrowers from major list vendors based on predetermined selection criteria. Types of direct mail solicitations for these new potential borrowers include invitations to apply for personal loans and pre-qualified offers of guaranteed personal loan credit.

E-commerce is another significant source of new customers. Search engine marketing is used to drive prospects to Springleaf's website (SpringleafFinancial.com). Springleaf's website includes a brief, user-friendly credit application that, upon completion, is automatically routed to the branch office nearest the consumer. Springleaf's website also has a branch office locator feature so potential customers can quickly and easily find the branch office nearest them to contact branch personnel directly. Additionally, customers can make payments on-line via this website.

Additionally, effecting renewals of personal loans for current personal loan borrowers who have demonstrated their ability and willingness to repay amounts owed to Springleaf into new and larger personal loans is an important part of Springleaf's branch lending business. Springleaf also may renew a delinquent personal loan if

the related borrower meets current underwriting criteria and Springleaf determines that it does not appear that the cause of past delinquency will affect the customer's ability to repay the new personal loan. In determining whether to grant a renewal of a personal loan, regardless of whether the borrower's account is current or delinquent, Springleaf employs the same credit risk underwriting process as it would for an application from a new customer.

The account servicing and collection processing for a personal loan described under "*Servicing Standards*" in this private placement memorandum generally are handled at the branch office where such personal loan was originated. Each branch office is under the supervision of the branch manager (the "**Branch Manager**"). As of the Initial Cut-Off Date, Branch Managers, on average, have been with SLFC for 12 years. All servicing and collection activity is conducted and documented on the Customer Lending and Solicitation System ("**CLASS**"), a proprietary system which logs and maintains, within Springleaf's centralized information systems, a permanent record of all transactions and notations made with respect to the servicing and/or collection of a personal loan and is also used to assess a personal loan application as further described below under "*Underwriting Standards—Loan Application*" in this private placement memorandum. CLASS permits all levels of branch management to review on a daily basis the individual and collective performance of all branches for which they are responsible.

Branch Managers report to a district manager ("**District Manager**"). Each District Manager is responsible for approximately eight individual branch offices. These branch offices typically are geographically proximate to one another, allowing for frequent onsite visits and reviews of such branch offices by the applicable District Manager. District Managers, on average, have been with Springleaf for eighteen years. Springleaf's directors of operations (each, a "**Director of Operations**") typically oversee eight to ten District Managers and have been with Springleaf, on average, more than 25 years.

Recent Developments Regarding Springleaf

Prior to 2012, Springleaf's branch personnel also originated real estate loans. Although Springleaf ceased its real estate lending as of January 1, 2012, it continues to service previously originated real estate loans.

Springleaf continuously reviews the performance of individual branches and the markets they serve, as well as economic conditions. As part of a strategic effort to streamline operations and reduce expenses, in the first half of 2012, Springleaf announced and completed the closing of approximately 218 of its then 1,100-plus branch offices to focus on the remaining branch offices in 25 core States. Personal loans in the areas affected by the branch closings will be serviced by other Springleaf branches in those states or by Springleaf regional collection offices. However, it is possible that there will be less in-person, high-touch servicing with respect the personal loan obligors on such personal loans. See "*Risk Factors—Inability to Make In-Branch Payments May Result in Additional Risks to Noteholders*" and "*Risk Factors—Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes*" in this private placement memorandum.

As a result of these events, Springleaf's workforce was reduced by approximately 820 employees in the first six-months of 2012, and SLFC incurred a pretax charge of $23.5 million in the nine months ended September 30, 2012.

Delinquency and Charge-off Experience

The following table sets forth the delinquency and credit loss experience of Springleaf on its aggregate personal loan portfolio for the periods ending as specified below.

Personal Loans						
Portfolio Delinquency, Credit Loss and Revenue Experience						
	Nine Months Ended		*Year Ended*			
	9/30/2012	9/30/2011	12/31/2011	12/31/2010	12/31/2009	12/31/2008
Number of Loans Outstanding	757,830	765,987	779,651	775,451	840,713	974,037
Unpaid Principal Balance (UPB) of Loans Outstanding (in millions)	$ 2,571.2	$ 2,593.7	$ 2,654.6	$ 2,651.5	$ 3,089.4	$ 3,889.2

Personal Loans Portfolio Delinquency, Credit Loss and Revenue Experience						
	Nine Months Ended		*Year Ended*			
	9/30/2012	9/30/2011	12/31/2011	12/31/2010	12/31/2009	12/31/2008
UPB of Loans Past Due (in millions)						
30-59 days	$ 38.5	$ 37.4	$ 32.1	$ 40.8	$ 63.7	$ 93.9
60-89 days	$ 20.6	$ 20.3	$ 20.4	$ 25.1	$ 39.8	$ 59.6
Over 89 days	$ 56.8	$ 64.7	$ 63.7	$ 80.5	$ 120.4	$ 157.6
Loans Past Due as a % of UPB						
30-59 days	1.50%	1.44%	1.21%	1.54%	2.06%	2.41%
60-89 days	0.80%	0.78%	0.770%	0.95%	1.29%	1.53%
Over 89 days	2.21%	2.49%	2.40%	3.04%	3.90%	4.05%
Aggregate Net Losses (in millions)	$ 60.6	$ 74.2	$ 101.7	$ 174.8	$ 288.3	$ 244.1
Net Losses as a % of UPB	3.14%	3.81%	3.83%	6.59%	9.33%	6.28%
Weighted Average Coupon	24.16%	23.03%	23.30%	22.43%	21.50%	21.02%

UNDERWRITING STANDARDS

The following is a brief description of the underwriting policies and procedures used by Springleaf as of the Closing Date to underwrite personal loans. Historically, Springleaf has modified these 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 personal loan business. In addition, as Springleaf identifies new processes and tools that may increase the accuracy and effectiveness of the servicing and collection process, Springleaf may implement such processes and tools. Historically, Springleaf 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 Policy. There can be no assurance that these underwriting policies and procedures will not change materially over time after the Closing Date. Moreover, Springleaf may modify the Credit and Collection Policy without Noteholder consent. See "*Risk Factors—Modifications to the Credit and Collection Policy May Result in Changes to the Loan Pool and the Servicing of Loans*" in this private placement memorandum.

Underwriting standards are applied by Springleaf to evaluate the prospective borrower's credit standing, repayment ability, and the value and adequacy of any collateral for a personal loan. Springleaf uses a combination of credit review and income and stability analysis in conjunction with a calculation of the customer's cash flow and budget (including existing required debt service and other obligations) and a review of Springleaf's prior experience (if any) with a prospective borrower to determine what Springleaf believes to be a prospective borrower's ability and willingness to make the required payments in respect of the personal loan. As part of their underwriting process, Springleaf assigns an interest rate for each personal loan to reflect the outcome of the evaluation of relative risk generally based upon: (i) an internal credit grade (if any), (ii) the value of any collateral securing such personal loan, and (iii) the personal loan size. Springleaf evaluates the application and personal loan package based upon both the applicable risk level and other characteristics of the application.

In the event of any Renewal, the New Loan would be subject to the same underwriting policies and procedures as any origination of a new personal loan to a new borrower. See "*Springleaf Consumer Loan Business*" and "*Risk Factors—Renewals May Change the Characteristics of the Loan Pool*" in this private placement memorandum.

Springleaf has from time to time acquired portfolios of personal loans that were originated by third parties not affiliated with Springleaf (such personal loans, "**Third-Party Originated Loans**") which Springleaf determined were consistent with Springleaf's business goals. In connection with the acquisition of a portfolio of Third-Party Originated Loans, Springleaf typically does not re-underwrite each Third-Party Originated Loan pursuant to its own underwriting criteria in effect at the time of acquisition, and therefore would not undertake the actions described below with respect to such Third-Party Originated Loans. Instead, Springleaf's diligence with respect to a portfolio of Third-Party Originated Loans to be acquired typically has involved a review of aggregate performance data with respect to such portfolio as well as review of the underwriting, origination and compliance policies and procedures

applied by the applicable originator and its affiliates with respect to the Third-Party Originated Loans included in such portfolio. Springleaf also typically has undertaken a more detailed review of loan files relating to a representative sample of the Third-Party Originated Loans included in a portfolio to be acquired, focusing on documentation terms and practices as well as performance and servicing history and compliance issues. Following acquisition, the personal loans in an acquired portfolio are integrated into the overall Springleaf personal loan portfolio and serviced in the same manner as personal loans originated by Springleaf.

Loan Application

A prospective borrower applying for a personal loan is required to complete a loan application. The application is designed to provide the applicable Seller with pertinent credit information with regard to the applicant's liabilities, income, credit history, employment history and personal information. With respect to present and former customers, this review would include an evaluation of Springleaf's prior experience with such applicant. Applicant information, such as previously used names, is also collected and entered into CLASS in order to determine whether Springleaf had a prior relationship with such applicant. In certain circumstances, Springleaf will permit a co-applicant or co-signatory with respect to a personal loan and, in these instances, Springleaf generally takes the same actions with respect to such co-applicant or co-signatory as it does with respect to a single applicant.

The applicable Seller's employees, in accordance with the Credit and Collection Policy, verify the identity of applicants by reviewing their driver's licenses and social security numbers. Employment information is also typically verified as further described below.

Most applicants complete the personal loan application through a local branch office of the applicable Seller, though, as of September 30, 2012, approximately 40% of all personal loan applicants access and complete the personal loan application through the Internet. For a customer who applies at a branch office, information is entered by a Springleaf employee into an on-line loan application system which allows for the purchase of a full credit bureau report from a nationally-recognized credit bureau. After such credit bureau report is obtained, CLASS generally calculates and assigns an internal proprietary risk level based upon a number of factors, including the applicant's credit history (the number and types of credit lines and the utilization and repayment performance of each) as depicted in such credit bureau report. For a customer who applies on-line via the Springleaf website, information is entered by the customer. This information is then passed to CLASS, which applies the internal proprietary risk level as described above. Certain high risk applicants are automatically declined by CLASS, and for the remainder, a credit report from a nationally-recognized credit bureau is obtained and the application along with such credit report and the internal proprietary risk level (if any) is forwarded to a Seller branch office (based on the customer's address) for processing in the same manner described above for an applicant who applies at a branch office.

Borrower Identification and Anti-Fraud Policies

As part of the personal loan application process, the applicant is required to provide two forms of identification; including (i) the customer's driver's license, state identification card, military identification or passport and (ii) one form of identification listing the customer's name and social security number, such as a social security card or a pay stub. Any pay stub that is received is compared to other income documentation, including tax forms and bank statements, for variations. Residence histories of applicants are verified for a two-year period by checking with landlords, mortgage holders, telephone directories, employers, utility bills and/or credit reports.

In the event Springleaf's personnel receive an initial alert, an active duty alert, a credit freeze or a fraud alert from the credit bureau during the application process, such personnel are not permitted to extend credit to the applicant unless the applicant's identify, address, employment and credit information can be verified.

Lending Approval Limits

Lending approval limits for branch employees are established on an individual basis. The criteria for determining any single employee's lending approval limit is based upon such employee's level of experience and demonstrated lending judgment as evidenced by past performance. Approval limits for each Branch Manager and

District Manager are reviewed by the Director of Operations at least twice per year. Incentive compensation for individual branch employees and its related field management is conditioned in significant part upon achieving and maintaining established loan delinquency performance goals.

Net Disposable Income

One of the basic elements of the Sellers' underwriting approach is evaluating whether a prospective borrower with respect to a personal loan has sufficient income to support the debt service for the personal loan in addition to such borrower's other debt and other obligations. Accordingly, in contrast to many lenders who underwrite personal loans based solely on a borrower's gross income, in order to obtain a more complete understanding of the applicant's overall budget when originating a personal loan, Springleaf calculates the applicant's net disposable income available to support such personal loan by subtracting all identified debt service and other obligations it is able to document during the origination process, including taxes, utilities, automotive expenses, childcare and alimony and/or child support payments from the applicant's gross (pre-tax) income. From this amount, the underwriters subtract the cash flow needed to service such obligations to determine if the customer has sufficient remaining cash flow to make the payments on the prospective new personal loan.

Income Verification

All of the Loans, other than Third-Party Originated Loans, are originated under full income documentation programs based on the Springleaf's Credit and Collection Policies in effect at the time of origination of such Loans. Full income documentation is defined under the Credit and Collection Policy as of the Closing Date as follows: (i) wage earners must provide a copy of his or her most recent paycheck stubs, (ii) non-wage earners (for example retirees) must provide copies of the most recent signed tax returns or bank statements verifying income and (iii) self-employed applicants must provide signed tax returns for the most recent two years and a current personal financial statement, income statement or balance sheet. Sources of income not supported by the aforementioned documentation are not given credit in the underwriting process.

Employment Verification

The Sellers generally obtain evidence to verify the employment information provided by the applicant for a personal loan for such applicant's employment for the previous two years. One example of such evidence is a written verification from the applicant's employer. The information verified by such written verification typically includes the applicant's job title, type of employment (e.g., full-time, part-time or self-employed), the length of employment of the applicant with such employer, the applicant's current salary paid by such employer and a written statement from the employer as to whether it is expected that the applicant will continue such employment in the future. Instead of such written verification from the applicant's employer, Springleaf may obtain from the applicant recent tax returns, other tax forms (e.g. W-2 forms), current pay stubs, bank statements, or may telephone the applicant's employer to verify an applicant's employment status. If a consumer is self-employed, Springleaf may use recent tax returns, bank statements and other relevant information to verify the applicant's self-employed status.

Credit Reporting

Springleaf requires a credit report on each applicant for a personal loan from a nationally-recognized credit reporting bureau. The credit report typically contains information relating to such applicant's credit history with local and national merchants and lenders, installment debt payments and a record of any defaults, bankruptcy, repossession, suits or judgments. All adverse information included in a credit report that Springleaf determines to be material with respect to legal actions and payment history is required to be satisfactorily explained by the applicant to the Seller at the applicable branch office of origination prior to such Seller approving a personal loan for such applicant.

Determining Applicant Risk Level and Springleaf Risk Scoring Model

Springleaf generally uses the information it obtains in the manner described under "*–Net Disposable Income*," "*–Income Verification*," "*–Employment Verification*" and "*–Credit Reporting*" in order to determine an

internal risk level based upon a proprietary credit model that is used (rather than a FICO® score) in underwriting the personal loan. As of the Closing Date, such risk levels are, from the highest and most creditworthy to the lowest and least creditworthy): S, P, A, B, C, D and E. The risk level that a borrower is assigned determines the loan terms and whether additional approval is required before a personal loan is approved. However, certain personal loans are not assigned such a risk level, typically because of insufficient information.

Although the proprietary credit model used by Springleaf to make credit decisions and determine loan terms may change from time to time, with respect to each Loan in the Loan Pool, Springleaf generally will have assigned a risk level (the "**Springleaf Risk Levels**") based upon its proprietary credit model in effect as of the Initial Cut-Off Date (the "**Springleaf Risk Scoring Model**"), which Springleaf Risk Levels will be, from the highest and most creditworthy to the lowest and least creditworthy): S, P, A, B, C, D and E. The Springleaf Risk Level will be determined based upon applicant information at the time of origination of a Loan and will not be changed over time.

Collateral

Once Springleaf has completed its evaluation of a customer's ability and willingness to repay a personal loan, Springleaf typically obtains the borrower's pledge of collateral as security for the personal loan because: (i) the possible loss of the collateral creates a strong incentive for the borrower to repay the personal loan; and (ii) tangible collateral may be repossessed and sold to mitigate losses if the borrower fails to repay the personal loan. Acceptable collateral on personal loans includes automobiles or other titled assets and non-titled personal property. A physical inspection by Springleaf personnel is required for all titled assets securing Hard Secured Loans, which is typically conducted by branch personnel before the related personal loan is originated. This inspection is documented as a part of the personal loan application and is accompanied by pictures of the collateral and documentation of the value (for example, in the case of automobiles and other titled vehicles, such documentation typically is the value set forth in the most recently published National Automobile Dealers Association guide). Guidelines for the age of collateral and the term of the loan are documented in loan authority limits available on Springleaf's on-line systems. In the event of an unresolved default by the loan obligor, titled collateral is generally repossessed after other collection efforts have been exhausted, but other collateral generally is not. See "*Risk Factors—There May be Limited, Insufficient or No Collateral Securing a Loan Obligor's Obligations Under a Loan*" and "*Risk Factors—Recovery under Collateral Protection Insurance for Collateral Securing Hard Secured Loans May Not Be Available or May be Inadequate*" in this private placement memorandum.

Loan Closings

As of the Closing Date, in virtually all cases, personal loan closings are conducted in a branch office by qualified branch personnel. All required documentation for such personal loan is reviewed prior to and after such personal loan closing to ensure accuracy, proper completion, and satisfaction of any conditions to closing set forth in the loan approval. As of the Closing Date, personal loans with respect to personal loan applications received through the Internet are closed at a branch in reasonable proximity to the customer's residence. Springleaf plans to implement an eSignature process in the second half of 2013, which will permit some or all of the Sellers to close personal loans originated through the Internet or at a branch office via an eSignature (electronic signature) process. Loan proceeds may be delivered to the personal loan borrower by delivery of a printed check to such personal loan borrower at the loan closing, by delivery of a printed check to such personal loan borrower's verified residence or through an ACH funding process.

Compliance with Local, State and Federal Lending Laws

The Sellers maintain robust systems and operational controls to ensure compliance with applicable federal and state lending laws. These systems and controls are supported by legal, regulatory compliance and internal audit functions within the Sellers' home office structure.

Credit Insurance

Springleaf engages in the credit insurance business to supplement its consumer finance business through Merit Life Insurance Co. (Merit) and Yosemite Insurance Company (Yosemite), which are both wholly-owned

subsidiaries of SLFC. These subsidiaries offer credit insurance (life, accident and health and involuntary unemployment) to all eligible branch customers. Springleaf's consumer lending specialists, who, where required by applicable law, are licensed to offer credit insurance products, explain Springleaf's credit insurance products to the customer at the time of application and at the closing of the personal loan. The customer then determines in its sole discretion whether to purchase any of these products.

The credit life insurance policies insure the life of the borrower in an amount typically equal to the unpaid balance of the personal loan and provide for payment to the lender of the personal loan in the event of the borrower's death. The accident and health credit insurance policies provide, to the lender, payment of the originally scheduled installments on the personal loan coming due during a period of the borrower's disability due to a covered illness or injury. Involuntary unemployment credit insurance policies provide, to the lender, payment of the originally scheduled installments on the personal loan coming due during a period of the borrower's involuntary unemployment. The borrower's purchase of credit insurance is voluntary. Customers generally finance the credit insurance premiums as part of their personal loans.

SERVICING STANDARDS

Springleaf's primary servicing activities with respect to the Loans are described above under "*The Servicer and Performance Support Provider*" and "*The Sellers and Subservicers*" in this private placement memorandum.

The following is a brief description of the servicing policies and procedures used by Springleaf as of the Closing Date to service personal loans, including the Loans. Historically, Springleaf has modified these servicing 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 personal loan business. In addition, as Springleaf identifies new processes and tools that may increase the accuracy and effectiveness of the servicing and collection process, Springleaf may implement such processes and tools. There can be no assurance that these policies and procedures will not change materially over time after the Closing Date. Moreover, Springleaf may modify the Credit and Collection Policy without Noteholder consent. See "*Risk Factors—Modifications to the Credit and Collection Policy May Result in Changes to the Loan Pool and the Servicing of Loans*" in this private placement 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 Policy May Result in Changes to the Loan Pool and the Servicing of Loans*" and "*Risk Factors—Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes*" in this private placement memorandum.

Records Management and Storage

Springleaf generally services each personal loan at the individual branch office location where such personal loan was originated. As a result, the customer loan file for each personal loan is maintained at the applicable branch office location where such personal loan was originated. If servicing of a personal loan is transferred from one branch office to another, the loan files relating to such personal loan are transferred to such other branch office. Springleaf has documented policies on maintaining customer loan files in each branch office location, which are briefly described as follows:

- Loan file folders that contain the credit application, legal papers, insurance policies, etc. are filed alphabetically in a file cabinet. Loan file folders must be maintained alphabetically according to the laws of the state in which the branch office operates.

- Loan files relating to personal loans that have been paid in full are stored by the month on which the final payment thereon occurred and are retained for the longer of (i) seven (7) years from date on which such final payment occurred and (ii) the length of time required by applicable law.

- Loan files relating to personal loans that have been charged off in full under the Credit and Collection Policy are filed alphabetically in a separate file cabinet.

Springleaf has been developing systems to permit it to originate personal loans in electronic form through the use of an electronic signature system comprised of proprietary and third party software run on Springleaf hardware. The electronic signature system will store an active PDF e-contract that contains evidentiary data and is sealed by a third party certification as the "original" or single authoritative copy of such e-contract. Any subsequent copy made of the e-contract will be a flattened PDF that does not contain evidentiary data and will be watermarked "COPY." The applicable Springleaf originator will be recorded as the owner of the "original" e-contract and the applicable systems will not permit such "original" e-contract to be amended or transferred to another owner without the participation of the Springleaf owner.

See also "*Risk Factors—There Are Risks to Noteholders Because the Loan Agreements Will Note Be Delivered to the Issuer*" in this private placement memorandum.

Billing and Payments

Personal loan borrowers receive billing statements each month showing their account information along with directions for making their payments. With the billing statement, a borrower receives a return envelope that is pre-addressed for delivery to one of Springleaf's three lockbox processing sites (located in Cincinnati, Los Angeles, and St. Louis), each of which is managed by the same national bank. In addition to mailing payments to lockboxes, borrowers may make payments on personal loans by visiting a Springleaf branch office where they may pay by cash, check or money order, or they may also mail such payments to a Springleaf branch office. Borrowers may also make their payments through Springleaf's website, may choose to have their payments automatically withdrawn via automated clearinghouse (ACH) transfer from their personal bank accounts through Springleaf's "Direct Pay" program, or may utilize Springleaf's "EZ Pay" program which allows them to provide information to Springleaf's branch personnel over the phone, allowing such personnel to centrally produce a withdrawal, or initiate an ACH payment, from the customer's personal bank account. Springleaf also has an established vendor arrangement with a national electronic payment system provider that permits personal loan borrowers to make payments on personal loans at the stores of certain national "big box" retailers. As of the Closing Date, Springleaf's personal loan borrowers are not permitted to pay using a credit or debit card.

The primary means by which Springleaf received personal loan payments during the three months ended September 30, 2012 were through customer in-person payments at a Springleaf branch (40% of personal loan payments by dollar amount), lockbox and branch mail (20%), telephone (16%), internet (14%) and ACH methods (10%). While in-person branch payments remain an important element of the Springleaf operating model insofar as it permits close contact with personal loan customers for purposes of servicing and business development, there has been an increasing trend among customers to make payments by mail or electronic payment channels. There can be no assurance as to whether in-person branch payments will increase or decrease over time.

Personal loan payments made to branches are deposited on the day of receipt to a "deposit only" bank account. By the second business day following receipt of such a personal loan payment good funds are available in the Springleaf concentration account for processing by SLFC. Funds in respect of payments through other channels, including payments made via Springleaf's website, are also available in the Springleaf concentration account for processing by SLFC by the second business day following receipt at the payment channel intake point.

Collection Activities

As a general matter, branch personnel, along with all levels of management, review delinquency information with respect to the personal loans on a daily basis. Collection activities with respect to the personal loans can begin as early as the day after any payment on a personal loan becomes past due (if such payment is the first payment on a new personal loan), but generally begin when the borrower is ten or more days past due on any payment with respect to a personal loan. Routine collection activities with respect to a delinquent personal loan include letters, telephone calls and in-branch meetings with the borrower. In the event that a personal loan becomes delinquent, acceptable solutions to remedy such delinquency include: (i) collection of past due amounts, (ii) adjustment of the due date for any payment (if permitted under the Credit and Collection Policy, which, as of the Closing Date, generally permits only one such adjustment for the life of any personal loan and for a maximum of 15 days), (iii) deferment of payments (as described in the following paragraph) and collection of deferred payments and (iv) renewal of accounts (if permitted under the Credit and Collection Policy which, as of the Closing Date,

typically requires the approval of a Branch Manager or District Manager). However, in general, branch employees have considerable latitude in modifying delinquent personal loans in order to allow for the unique circumstances surrounding each personal loan customer's situation. All solutions, however, are intended to enable the personal loan customer to meet his or her current and future obligations in a manner that Springleaf believes will not increase Springleaf's risk with respect to such personal loan or reduce the value of Springleaf's security interest in collateral securing such personal loan, will preserve the goodwill between Springleaf and the personal loan customer and will comply with state and federal law and regulations and Springleaf company policy. The collection action(s) taken with respect to any delinquent personal loan depend upon a number of factors including the borrower's payment history, whether the personal loan is secured or unsecured, and, if secured, the nature and estimated value of the collateral and the reason for the current inability of the borrower to make timely payments.

Under the Credit and Collection Policy in effect as of the Closing Date, a settlement agreement to accept less than the principal balance owed or to alter the terms of the personal loan may be appropriate action to: (i) resolve small balances remaining on a personal loan due to unpaid late charges or additional interest assessments; (ii) compromise disputes arising from the financing of goods or services; (iii) avoid potential adverse litigation; or (iv) effect charge-off recovery on a personal loan or limit potential loss on a personal loan. Such a settlement of a personal loan could involve the alteration of various terms of the personal loan (e.g., interest rate, payment schedule, amount paid-to-date, collateral securing such personal loan, etc.), considering the personal loan account paid in full, accepting less than full balance owed or accepting collateral security as payment-in-full of the balance. Any settlement of a personal loan account (other than a settlement resulting from adverse litigation) must be approved by the Branch Manager, District Manager or Director of Operations.

From time to time in accordance with the Credit and Collection Policy, Springleaf may offer borrowers the opportunity to defer their personal loan by extending the date on which any payment in respect thereof is due. Prior to granting such a deferral, Springleaf typically requires a partial payment in respect of the personal loan that is usually the greater of one-half of a regular monthly payment or an amount equal to the interest that is then due on the personal loan. Springleaf may extend this offer to customers when they are experiencing higher than normal personal expenses. Generally, such an extension is not offered to borrowers who are delinquent on any payment with respect to their personal loan, however Springleaf may offer a deferment to a delinquent customer who is experiencing a temporary financial problem. The account is considered current immediately upon granting the deferment. Under the Credit and Collection Policy as of the Closing Date, borrowers are limited to two deferments in a rolling twelve month period unless it is determined, in accordance with the Credit and Collection Policy, that an exception is warranted.

When a loan is sixty days past due, a full file review is typically completed by the applicable Branch Manager or designated employee. This review may include an assessment of previous collection efforts, contacting the personal loan customer to determine whether the customer's financial problems are temporary or long term, a review of the collateral (if any) securing such personal loan and an attempt to maintain contact with the customer in order to increase the likelihood of future payments. Certain non-routine collection activities with respect to such past due personal loans may be taken and may include employing third party software and the Internet to ascertain the whereabouts of a borrower, litigation, repossession of collateral securing such personal loan, filing involuntary bankruptcy petitions (or similar actions), and charging-off such past due personal loans. Litigation and repossession are generally used only as a last resort after all other collection efforts to cure the delinquency and protect Springleaf's interest in the personal loan are exhausted. Litigation and repossession generally require approval at the District Manager level or higher.

In the event that a personal loan borrower files for bankruptcy protection, such personal loan will continue to be serviced at the branch at which it was serviced immediately prior to such filing. However, bankruptcy filings are tracked, and routine filings of proof of claims in connection with such bankruptcy are handled, by Springleaf on a centralized basis. Non-routine bankruptcy issues are handled by either a field attorney employed by Springleaf or by an outside attorney retained by the applicable branch.

Pursuant to the Credit and Collection Policy in effect as of the Closing Date, personal loans are generally charged off in full when more than 5% of the original amount financed is not repaid within a six-month period, though they may also be charged off in whole or in part as a result of "settlements" as described above. After a personal loan is charged-off in whole, it is reviewed by the Branch Manager and the District Manager to determine

whether any actions might have been taken to prevent the charge-off and to determine what specific collection actions will be taken subsequent to such charge-off. Springleaf will occasionally, in accordance with the Credit and Collection Policy, extend such six month period for particular personal loans when such treatment is warranted. Branch personnel continue making reasonable efforts to obtain repayment of a charged-off personal loan unless the customer's obligation has been terminated by mutual agreement or by court order. Under the Credit and Collection Policy in existence as of the Closing Date, Springleaf policy is to charge-off Bankruptcy Loans on the month following the date they are determined to be losses by the amount of such loss. A District Manager must approve any charge-off and may defer a charge-off for up to one month if he or she believes the personal loan will be repaid during such month. A Director of Operations must approve any deferral of a charge-off for more than one month.

Fully charged-off personal loans are transferred into the Springleaf centralized collections unit to pursue recovery. This unit uses many of the same tools as the branches (e.g., calls, letters, pursuit of garnishment, judgments and liens) in order to pursue such recoveries. In addition, the centralized collections unit typically employs the use of outside collection agencies if initial attempts by the centralized collections unit to collect the debt are unsuccessful. These collection agencies typically work on a contingency basis, receiving a specified percentage of amounts collected. If the outside collection agencies are unable to obtain a recovery, the personal loan is placed with a warehouse agency for credit bureau monitoring. Active collection efforts resume upon notification of a positive event on the borrower's credit bureau report.

Control of credit quality is part of Springleaf's incentive compensation program for Branch Managers and District Managers. Both delinquency percentages and charge-offs have an impact on the incentive compensation that can be earned by such employees.

Branch servicing and collection practices may change over time as necessary to comply with state or federal legal requirements and in other manners designed to enhance Springleaf's personal loan business. In addition, as Springleaf identifies new practices and tools that Springleaf believes will increase the accuracy and effectiveness of underwriting, servicing and collections in the branches, Springleaf may implement the practices and tools to better manage risk.

DESCRIPTION OF THE LOANS

General

The statistical information presented in this private placement memorandum concerning the Loans is based on the unpaid principal balances of the Loans as of the Statistical Cut-Off Date, which is the close of business on December 31, 2012. The statistical characteristics of the Loans on the Initial Cut-Off Date may vary from the characteristics of the Statistical Pool Loans as described herein. The actual pool of Loans (the "**Loan Pool**") transferred to the Issuer will have an aggregate outstanding principal balance of not less than $662,247,048.95 as of the Initial Cut-Off Date. As a result of the foregoing, the statistical distribution of characteristics as of the Closing Date for the Loan Pool will vary somewhat from the statistical distribution of such characteristics as of the Statistical Cut-Off Date as presented in this private placement memorandum. In addition, after the Closing Date, a significant number of additional Loans may be added to the Loan Pool from time to time during the Revolving Period. Those additional Loans must meet eligibility criteria and (other than New Loans in connection with a Renewed Loan Replacement) are subject to concentration parameters at the time of acquisition by the Issuer designed to maintain a consistent credit profile for the Loan Pool notwithstanding the addition of additional Loans. However, the New Loans would be included in the testing of such concentration parameters for Payment Dates following the month in which the acquisition of such New Loans occurs. See "*—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases—Payment Date Loan Actions*" in this private placement memorandum. Nevertheless, the statistical distribution of the characteristics of the Loan Pool likely will vary over time and may vary significantly. See "*Risk Factors—Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Security Repayment of the Notes*" in this private placement memorandum.

The information on the Loans presented in this private placement memorandum is based on the Statistical Loan Pool consisting of approximately 190,627 Loans having an aggregate Unpaid Principal Balance of approximately $662,247,048.95 as of the Statistical Cut-Off Date. The Loans included in the Statistical Loan Pool

and the Initial Loan Pool will consist of fixed rate secured and unsecured personal loans. The secured Loans constituting Hard Secured Loans are secured by a generally perfected, first priority security interest in Titled Assets and as of the Statistical Cut-Off Date constitute approximately 48.32% of the Statistical Loan Pool. The secured Loans constituting Other Secured Loans are secured by a generally unperfected security interest in household goods and other personal property, such as furniture, electronic equipment (subject to limitations imposed by applicable law on the taking of non-purchase money security interests in such items) and jewelry, and as of the Statistical Cut-Off Date constitute approximately 41.25% of the Statistical Loan Pool. The remainder of the Statistical Loan Pool as of the Statistical Cut-Off Date consists of Unsecured Loans.

The Statistical Pool Loans and the Initial Loans were selected from Springleaf's portfolio of personal loans in order to create a Statistical Loan Pool and the Loan Pool, respectively, which, as of the Statistical Cut-Off Date and Initial Cut-Off Date, respectively, was consistent with the parameters that must be maintained in order to avoid the occurrence of a Reinvestment Criteria Event. Reinvestments of Collections in new Loans and certain other permitted additions, exchanges and removals of Loans on Payment Dates during the Revolving Period are permitted only if after giving effect thereto no Reinvestment Criteria Event exists. For further information, see "*—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases—Payment Date Loan Actions*" in this private placement memorandum.

Loan Data

The following tables set forth certain characteristics of the Statistical Pool Loans as of the Statistical Cut-Off Date (percentages are based on the aggregate principal balance of the Statistical Pool Loans). The balances and percentages may not be exact due to rounding.

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Statistical Loan Pool Characteristics

Current Aggregate Principal Balance		$662,247,048.95
Number of Loans		190,627
Average Principal Balance		$3,474.05
Weighted Average Coupon		25.259%
Weighted Average Original Term		38 months
Weighted Average Remaining Term		29 months
Weighted Average FICO® Score (at origination)(1)		602
Asset Type by Principal Balance	Hard Secured:	48.32%
	Other Secured:	41.25%
	Unsecured:	10.43%
Springleaf Risk Level	S:	5.06%
	P:	6.73%
	A:	18.38%
	B:	29.41%
	C:	31.10%
	D:	7.12%
	E:	1.77%
	Unscored:	0.44%
State (Top 5)	NC:	11.85%
	CA:	11.62%
	IN:	6.99%
	VA:	6.87%
	OH:	6.55%

(1) For Loans where a FICO® score is not available (representing approximately 0.67% of the Statistical Cut-Off Date aggregate unpaid principal balance), such Loans have been excluded from the FICO® score-related calculations referenced herein.

Distribution of Loans in the Statistical Loan Pool by Asset Type

Asset Type	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
Hard Secured	73,738	$319,999,414.01	48.32
Other Secured	93,283	$273,168,864.58	41.25
Unsecured	23,606	$69,078,770.36	10.43
Total	**190,627**	**$662,247,048.95**	**100.00**

Distribution of Loans in the Statistical Loan Pool by Current Balance

Current Principal Balance Range ($)	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
100.00 - 2,500.00	76,428	$113,856,532.00	17.19
2,500.01 - 5,000.00	77,679	$276,412,878.51	41.74
5,000.01 - 7,500.00	25,459	$152,033,462.16	22.96
7,500.01 - 10,000.00	6,863	$58,340,881.79	8.81
10,000.01 - 15,000.00	3,032	$35,803,301.28	5.41
15,000.01 - 20,000.00	742	$12,637,269.52	1.91
20,000.01 - 25,000.00	209	$4,625,554.93	0.70
Greater than 25,000.00	215	$8,537,168.76	1.29
Total	**190,627**	**$662,247,048.95**	**100.00**

Distribution of Loans in the Statistical Loan Pool by Original Balance

Original Principal Balance Range ($)	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
218.06 - 2,500.00	44,005	$57,896,514.85	8.74
2,500.01 - 5,000.00	85,104	$243,901,200.24	36.83
5,000.01 - 7,500.00	39,600	$184,268,365.51	27.82
7,500.01 - 10,000.00	12,722	$81,943,394.62	12.37
10,000.01 - 15,000.00	6,279	$52,110,731.49	7.87
15,000.01 - 20,000.00	1,718	$19,293,398.90	2.91
20,000.01 - 25,000.00	628	$8,799,393.97	1.33
Greater than 25,000.00	571	$14,034,049.37	2.12
Total	**190,627**	**$662,247,048.95**	**100.00**

Distribution of Loans in the Statistical Loan Pool by Original Term to Maturity (Months)

Original Term to Stated Maturity Range (months)	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
1 - 12	8,095	$7,189,319.84	1.09
13 - 24	52,422	$108,069,443.15	16.32
25 - 36	83,447	$304,827,766.82	46.03
37 - 48	41,366	$202,179,769.02	30.53
49 - 60	3,568	$19,217,301.61	2.90
Greater than 60	1,729	$20,763,448.51	3.14
Total	**190,627**	**$662,247,048.95**	**100.00**

Distribution of Loans in the Statistical Loan Pool by Remaining Term to Maturity (Months)

Remaining Term to Stated Maturity Range (months)	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
1 - 12	34,553	$41,964,858.46	6.34
13 - 24	71,567	$196,439,015.84	29.66
25 - 36	69,707	$318,512,818.97	48.10
37 - 48	13,083	$84,212,637.93	12.72
49 - 60	796	$8,265,147.74	1.25
Greater than 60	921	$12,852,570.01	1.94
Total	**190,627**	**$662,247,048.95**	**100.00**

Distribution of Loans in the Statistical Loan Pool by Coupon

Coupon Range (%)	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
0.000 - 9.999	186	$1,553,890.81	0.23
10.000 - 14.999	1,880	$17,342,250.82	2.62
15.000 - 19.999	17,650	$86,494,442.06	13.06
20.000 - 22.499	20,379	$94,420,154.80	14.26
22.500 - 24.999	46,359	$165,769,756.24	25.03
25.000 - 27.499	25,693	$92,251,363.88	13.93
27.500 - 29.999	32,124	$86,550,931.39	13.07
30.000 - 32.499	12,062	$36,266,540.22	5.48
32.500 - 34.999	12,540	$37,420,112.07	5.65
35.000 - 37.499	21,689	$44,062,881.83	6.65
37.500 - 39.999	65	$114,724.83	0.02
Total	**190,627**	**$662,247,048.95**	**100.00**

Distribution of Loans in the Statistical Loan Pool by Obligor State of Residence

Loan Obligor State of Residence	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
Alabama	5,816	$18,639,986.08	2.81
Arizona	2,384	$8,680,887.53	1.31
California	18,967	$76,947,502.46	11.62
Colorado	3,355	$16,532,044.93	2.50
Florida	10,706	$32,048,118.74	4.84
Georgia	11,357	$34,100,288.76	5.15
Hawaii	636	$2,335,098.30	0.35
Idaho	1,358	$6,019,126.39	0.91
Illinois	0	$0.00	0.00
Indiana	13,748	$46,278,269.51	6.99
Iowa	602	$1,689,886.04	0.26
Kansas	523	$1,542,746.35	0.23
Kentucky	6,661	$20,843,452.27	3.15
Louisiana	5,218	$19,421,515.17	2.93
Maryland	0	$0.00	0.00
Michigan	772	$2,167,645.20	0.33
Mississippi	4,370	$14,024,053.38	2.12
Missouri	4,222	$15,117,106.36	2.28
Montana	408	$1,850,790.80	0.28
Nevada	294	$2,481,605.15	0.37
New Jersey	34	$62,363.27	0.01
New Mexico	1,836	$7,572,246.72	1.14
New York	455	$986,522.12	0.15
North Carolina	22,595	$78,502,586.46	11.85
Ohio	12,249	$43,350,576.32	6.55
Oklahoma	3,336	$11,904,522.72	1.80
Oregon	2,534	$9,862,417.06	1.49
Pennsylvania	0	$0.00	0.00
Rhode Island	3	$5,414.35	0.00
South Carolina	11,226	$36,862,158.87	5.57
South Dakota	10	$39,459.56	0.01
Tennessee	6,680	$21,537,787.42	3.25
Texas	9,682	$28,716,787.72	4.34
Utah	477	$1,818,976.04	0.27
Virginia	14,081	$45,499,221.67	6.87
Washington	6,395	$27,314,086.03	4.12
West Virginia	3,015	$10,623,619.05	1.60
Wisconsin	4,331	$15,730,268.85	2.38
Wyoming	291	$1,137,911.30	0.17
Total	**190,627**	**$662,247,048.95**	**100.00**

Distribution of Loans in the Statistical Loan Pool by Springleaf Risk Level

Springleaf Risk Level	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
A	33,713	$121,702,746.45	18.38
B	55,041	$194,745,643.36	29.41
C	62,110	$205,948,018.37	31.10
D	14,900	$47,147,044.37	7.12
E	3,470	$11,719,231.84	1.77
P	11,853	$44,601,580.56	6.73
S	9,050	$33,487,751.63	5.06
Unscored	490	$2,895,032.37	0.44
Total	**190,627**	**$662,247,048.95**	**100.00**

Distribution of Loans by FICO® Score

Range of FICO® Scores(1)	Number of Loans	Current Aggregate Principal Balance	% of Aggregate Principal Balance
Unavailable	1,650	$4,461,033.44	0.67
300 - 549	39,051	$136,691,006.84	20.64
550 - 599	49,097	$171,249,618.14	25.86
600 - 649	56,667	$198,623,971.84	29.99
650 - 699	32,826	$114,278,612.34	17.26
700 - 830	11,336	$36,942,806.35	5.58
Total	**190,627**	**$662,247,048.95**	**100.00**

(1) References to FICO® Scores are references to FICO® Scores as of the respective dates of origination of the Loans.

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Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases

On the Closing Date the Sellers will sell the Initial Loans to the Depositor pursuant to the Loan Purchase Agreement. Such sale shall include the applicable Seller's right to receive Collections in respect of the sold Loans from and after the Initial Cut-Off Date and the applicable Seller's interest in the related Loan Agreements, the property (if any) securing such Loans, all insurance contracts with respect to such property and all other security interests or liens and property subject thereto from time to time, if any, purporting to secure payment of such Loan, together with all financing statements and security agreements describing any collateral securing such Loan, all guaranties, letters of credit, letter of credit rights, "supporting obligations" (within the meaning of Section 9-102(a) of the Uniform Commercial Code of all applicable jurisdictions), any insurance and other agreements from time to time supporting or securing payment of such Loan and the servicing rights in respect of the sold Loans, (collectively with the sold Loans, the "**Purchased Assets**"); provided that such sale shall not constitute and is not intended to result in the creation of or an assumption by the Depositor, the Issuer, the Owner Trustee (as such or in its individual capacity), the Indenture Trustee or any Noteholder of any obligation of any Seller, the Servicer or any other Person in connection with the Loans or under any agreement or instrument relating thereto. On the Closing Date, the Depositor will convey the Initial Loans and the other related Purchased Assets related thereto acquired from the Sellers pursuant to the Loan Purchase Agreement to the Issuer pursuant to the Sale and Servicing Agreement.

From time to time following the Closing Date until the end of the Revolving Period, the Sellers may, in their discretion, sell additional Loans and the related Purchased Assets to the Depositor pursuant to the Loan Purchase Agreement, which the Depositor, in its discretion, may in turn convey to the Issuer pursuant to the Sale and Servicing Agreement. Other than in respect of a Renewed Loan Replacement, any such sale and conveyance will occur on a Payment Date and the Cut-Off Date with respect to the additional Loans will be the last day of the related Collection Period. As further described below, it shall be a condition to any such subsequent conveyance by the Depositor to the Issuer that after giving effect thereto, no Reinvestment Criteria Event is outstanding. Additionally, in connection with Renewed Loan Replacements, New Loans (and the related Purchased Assets) may be sold to the Depositor and, in turn, conveyed to the Issuer, simultaneously with the conveyance by the Issuer to the Depositor and, in turn, by the Depositor to the Seller of the Terminated Loan that is the subject of such Renewed Loan Replacements. These Renewed Loan Replacements may occur on any Business Day during the Revolving Period and are not subject to satisfaction of the reinvestment criteria. The Cut-Off Date with respect to the related New Loan will be the date of such Renewed Loan Replacement. See "*—Renewed Loan Replacements*" and "*Risk Factors—Renewals May Change the Characteristics of the Loan Pool*" in this private placement memorandum for additional information. However, the Loan Pool, including any New Loans, will be tested for compliance with reinvestment criteria with respect to the succeeding Payment Date. See "*—Payment Date Loan Actions*" and "*Risk Factors—Additional Loans Acquired by the Issuer or Loans Removed from the Trust Estate May Affect Credit Quality of the Assets Securing Repayment of the Notes*" in this private placement memorandum.

The Depositor will purchase the Loans from the Sellers for a purchase price agreed to by the Depositor and the applicable Seller, provided that such price shall not (in the opinion of the Depositor) be materially less favorable to the Depositor than prices for generally similar transactions at the time of the acquisition, taking into account the quality of the applicable Loans and other pertinent factors and, in any event, shall not be less than reasonably equivalent value for such Loans (such price for any Loan, the "**Purchase Price**"). In connection with any Renewed Loan Replacement, the Purchase Price will be calculated on the excess, if any, of the Loan Principal Balance of the New Loan over the Loan Principal Balance of the Terminated Loan. In the case of any Replacement Loan, the Purchase Price payable on the applicable Addition Date will be calculated based on the excess, if any, of the Loan Principal Balance of the Replacement Loan over the Loan Principal Balance of the applicable Exchanged Loan.

Sales of Loans by a Seller to the Depositor will be subject to certain other conditions, including that: (i) no Insolvency Event shall have occurred with respect to such Seller, (ii) the transfer of such Loans to the Depositor will not result in an Adverse Effect, (iii) such Seller shall have delivered (or, with respect to New Loans in connection with a Renewed Loan Replacement, shall be deemed to have delivered) an officer's certificate stating that, among other things, the Loans to be transferred are Eligible Loans as of the applicable Cut-Off Date and (iv) other than with respect to New Loans in connection with Renewed Loan Replacement, such Seller shall not have used selection

procedures reasonably believed by such Seller to be materially adverse to the interests of the Depositor or any Class of Noteholders in selecting the Loans to be sold to the Depositor.

In connection with the conveyance of the Loans (including New Loans) to the Depositor, each Seller will make the representations set forth below under "*—Repurchase Obligations*" to the Depositor regarding the Loans sold by such Seller, the benefit of which will be assigned by the Depositor to the Issuer and then collaterally assigned by the Issuer to the Indenture Trustee for the benefit of the Noteholders.

Additional affiliates of Springleaf may be joined as "Sellers" to the Loan Purchase Agreement upon satisfaction of certain conditions, including notice to the Rating Agency, but without the consent of the Noteholders.

Repurchase Obligations

Upon discovery by the Indenture Trustee or the Depositor of a breach of any of the Loan Level Representations (described below) made by a Seller in the Loan Purchase Agreement in respect of any Loan sold by such Seller which materially adversely affects the interests of the Noteholders in such Loan, such party will give written notice of such breach to the applicable Seller and to the Depositor and the Indenture Trustee. The related Seller will have thirty (30) days after receipt of such notice or discovery of such breach to cure such breach in all material respects. In the event that the related Seller does not so cure such breach, it will be obligated to repurchase the Loan for an amount equal to the Repurchase Price on the first Payment Date following the Collection Period in which such thirty-day period expires. Further, upon discovery by the Indenture Trustee or the Issuer of a breach of any such representation or warranty of the Depositor regarding a Loan (as remade by the Depositor under the Sale and Servicing Agreement) that materially adversely affects the interests of the Noteholders in such Loan, such party will give written notice of such breach to the applicable Seller and the Depositor, the Issuer and the Indenture Trustee. Upon receipt of such notice, the Depositor must exercise its rights under the Loan Purchase Agreement to require the applicable Seller to either cure such breach or repurchase the related Loan at the Repurchase Price therefor within thirty (30) days after receipt of such notice or discovery of such breach (any such repurchase of a Loan, a "**Required Loan Repurchase**").

The repurchase price for a Loan to be repurchased by a Seller or the Performance Support Provider as described above (the "**Repurchase Price**") will be an amount equal to the Purchase Price paid for such Loan as of the Closing Date or the applicable Addition Date, as applicable, less any Collections representing payment of principal received by the Depositor since the date of the purchase of such Loan, plus any out-of-pocket costs incurred by the Depositor or the Issuer in connection with such repurchase.

To the extent that a Seller fails to cure such breach or repurchase a Loan as described above, the Performance Support Provider will be obligated to fulfill such obligation under the Performance Support Agreement. See "*Risk Factors—Springleaf's Financial Strength May Affect the Ability of the Servicer, the Sellers, the Subservicers and Their Affiliates to Perform Their Obligations and the Ability of the Sellers to Originate New Loans*" for a discussion of certain factors which may affect the Performance Support Provider's ability to perform its obligations thereunder.

The cure or repurchase obligations referred to above will constitute the sole remedy available to the Noteholders or the Indenture Trustee with respect to a breach of a Seller's Loan Level Representations.

Each Seller will permit the Depositor and its authorized representatives reasonable access, during normal business hours, to the books and records of such Seller in the possession of such Seller as they relate to the Loans and the related Purchased Assets; provided, however, that such access shall be conducted in a manner that does not unreasonably interfere with such Seller's normal operations; and, provided, further, that no Seller will be required to divulge any records or information to the extent prohibited by any Requirements of Law.

On the Closing Date, each Seller and the Depositor will execute an Assignment and Assumption Agreement in substantially the applicable form attached to the Loan Purchase Agreement (the "**Assignment and Assumption Agreement**"), relating to the initial Loans and other Purchased Assets purchased by the Depositor, dated as of the Closing Date. In addition, on or prior to the Closing Date, each of Sellers and the Depositor will

execute and deliver all such additional instruments, documents or certificates as may be reasonably requested by the other party for the consummation on the Closing Date of the transactions contemplated by the Loan Purchase Agreement.

In connection with the sale of Loans on the Closing Date, (i) each Seller will deliver or cause to be delivered to the Depositor a schedule (which schedule may take the form of a computer file, a microfiche list, or another tangible medium that is commercially reasonable) identifying the Loans sold by such Seller as of the Closing Date and (ii) the Depositor will deliver or cause to be delivered to the Issuer a schedule (which schedule may take the form of a computer file, a microfiche list, or another tangible medium that is commercially reasonable) identifying the Loans sold by the Depositor on the Closing Date. In addition, (i) each Seller will deliver or cause to be delivered to the Depositor, no later than the Monthly Determination Date following the end of each Collection Period, an updated loan schedule reflecting (a) the then current list of Loans as of the last day of such Collection Period, including any New Loans arising in connection with Renewed Loan Replacements during such Collection Period, and (b) any changes in the Loan Pool resulting from any Payment Date Loan Actions to be taken on the related Payment Date, and (ii) the Depositor will deliver or cause to be delivered to the Issuer, no later than the Monthly Determination Date following the end of each Collection Period, an updated loan schedule reflecting the then current list of Loans as of the last day of such Collection Period, including any New Loans arising in connection with Renewed Loan Replacements during such Collection Period and any changes in the Loan Pool resulting from any Payment Date Loan Actions to be taken on the related Payment Date (the "**Additional Loan Assignment Schedule**"). No updated schedule of loans will be delivered on the date of any Renewed Loan Replacements occurring during a Collection Period.

In connection with the transfers of the Loans by the Sellers to the Depositor, each Seller will make, with respect to each Loan sold by it, the following representations and warranties as of the Closing Date with respect to the Initial Loans and the related Purchased Assets, and as of the applicable Addition Date with respect to the Additional Loans and the related Purchased Assets (the "**Loan Level Representations**"):

1. Such Seller has sole and exclusive ownership of the Purchased Assets it sells to the Depositor free and clear of any Lien. The Loan Purchase Agreement effects a valid sale to the Depositor of the related Loans and the related Purchased Assets free and clear of any Liens under the UCC. The delivery by such Seller of the Assignment and Assumption Agreement and any Additional Loan Assignment to the Depositor will (i) vest in the Depositor sole and exclusive ownership of all the related Purchased Assets free and clear of any Lien of any Person claiming through or under such Seller and in compliance with all Requirements of Law to such Seller and (ii) constitute a valid assignment of such Seller's interest in the related Purchased Assets, enforceable against such Seller and, upon the filing of all appropriate UCC financing statements, against all other persons, including creditors of and all other entities that have purchased or will purchase assets from such Seller. No filings, notices or other compliance with any bulk sales provisions of the UCC or other applicable Requirements of Law in respect of bulk sales are required to be made by such Seller or the Depositor. No Loan is subject to any right of set off or similar right.

2. All consents, licenses, approvals, or authorizations of, or registrations or declarations with, any Governmental Authority that are required in connection with such Seller's sale of each Loan and the related Purchased Assets to the Depositor have been obtained or made by such Seller and are fully effective.

3. Such Seller has not used any selection procedure adverse to the interests of the Depositor, its transferees or the Noteholders in selecting the related Loans to be sold under the Loan Purchase Agreement.

4. The Loan Schedule (as supplemented by the Additional Loan Assignment Schedule) identifies all of the Loans sold by such Seller.

5. As of the applicable Cut-Off Date each Loan sold on the Closing Date or the related Addition Date, as applicable, is an Eligible Loan.

6. Each Loan complies in all material respects with the applicable Loan Agreement.

7. Each Loan Agreement with respect to each Loan sold by such Seller is the legal, valid and binding obligation of (x) such Seller and (y) the related Loan Obligor and any guarantor or co-signer named therein, in each case enforceable in accordance with its terms (except as enforceability may be limited by Debtor Relief Laws or general principles of equity), and, to such Seller's knowledge, is not subject to offset, recoupment, adjustment or any other claim).

8. Each Loan Agreement with respect to each Loan sold by such Seller and such Seller's interest therein are freely assignable by such Seller and such Loan Agreement does not require the approval or consent of any related Loan Obligor or any other person to effectuate the valid assignment of the same in favor of the Depositor.

9. Each Loan sold by such Seller (i) if such Loan was originated by such Seller or an Affiliate thereof, has been serviced and maintained in accordance with the Credit and Collection Policy and (ii) if such Loan was acquired by such Seller (other than from an Affiliate), has been serviced and maintained in accordance with the Credit and Collection Policy since the date on which such Loan was acquired by such Seller or an Affiliate thereof.

10. Each Loan sold by such Seller arises from or in connection with a bona fide sale or loan transaction (including any amounts in respect of finance charges, annual fees and other charges and fees assessed on such Loans).

11. Each Loan Obligor of each Loan sold by such Seller is an individual, and no Loan sold by such Seller has been entered into with any corporation, partnership, association or other similar entity.

12. The related Loans, Loan Agreements and all related documents sold by such Seller comply in all material respects with all Requirements of Law. Such Seller and each Affiliate of such Seller has complied in all material respects with all applicable Requirements of Law with respect to the origination, marketing, maintenance and servicing of the Loans sold by such Seller and the disclosures in respect thereof including any change in the terms of any Loan sold by such Seller. The interest rates, fees and charges in connection with the Loans comply, in all material respects, with all Requirements of Law.

13. (i) Such Seller or an Affiliate thereof has performed all obligations required to be performed by it to date under the related Loan Agreements, and all actions of such Seller or an Affiliate thereof prior to the Closing Date or the related Addition Date, as applicable, have been in compliance, in all material respects, with the related Loan Agreements, (ii) such Seller is not in default under the related Loan Agreements, and (iii) no event has occurred under the related Loan Agreements that, with the lapse of time or action by the applicable Loan Obligor or any third party, is reasonably likely to result in a material default by such Seller under, any such agreements.

14. Such Seller and each Affiliate thereof (i) has complied in all material respects with the Credit and Collection Policy relating to the Loans as in effect from time to time since the origination or acquisition thereof; (ii) has not entered into any transaction or made any commitment or agreement in connection with the Loans, other than in the ordinary course of such person's business consistent with the Credit and Collection Policy as in effect on the date of such transaction, commitment or agreement; and (iii) has not amended the terms of any related Loan Agreement except on an individual basis in accordance with the Credit and Collection Policy relating to the Loans sold by such Seller as in effect on the date of such amendment.

15. The Loan Purchase Agreement, all documents or instruments delivered pursuant to the Loan Purchase Agreement by or with reference to such Seller or any transaction under the Loan Purchase Agreement, including any Additional Loan Assignment and the Assignment and Assumption Agreement (the "**Conveyance Papers**") and any statement, report or other document

furnished pursuant to the Loan Purchase Agreement or during the Depositor's due diligence with respect to the Loan Purchase Agreement and the Conveyance Papers, including documents and information in magnetic or electronic form, are true and correct in all material respects and do not contain any untrue statement of fact by such Seller or omit to state a fact necessary to make the statements of such Seller contained in the Loan Purchase Agreement or therein, in light of the circumstances under which such statements were made, not misleading.

16. In connection with the related Purchased Assets being sold under the Loan Purchase Agreement, such Seller utilizes no trade names, trademarks, service marks, logos or other intellectual property rights other than the marks to which a use license is being granted under the Loan Purchase Agreement. Such Seller's use of such marks and the grant of such license do not violate or infringe upon the intellectual or proprietary rights of any Person.

17. Such Seller has no known material obligations, commitments or other liabilities, absolute or contingent, relating to the Purchased Assets except as expressly disclosed in the Loan Purchase Agreement.

18. Such Seller has properly and timely filed all foreign, federal, state, county, local and other tax returns, including information returns required by law to be filed prior to the Closing Date or the applicable Addition Date with respect to the related Purchased Assets and has withheld, paid or accrued all amounts shown thereon to be due that are due prior to the applicable Cut-Off Date or accrue prior to such time.

19. Such Seller has caused or will have caused, within ten days of the execution of the Loan Purchase Agreement, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Purchased Assets granted to, and the transfer and assignment of the Purchased Assets conveyed to, the Depositor under the Loan Purchase Agreement. Other than the security interest granted and the conveyance to the Depositor pursuant to the Loan Purchase Agreement, such Seller has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Purchased Assets sold by such Seller. Such Seller has not authorized the filing of and is not aware of any financing statements against such Seller that include a description of Purchased Assets sold by such Seller other than any financing statement (i) relating to the security interest granted to the Depositor under the Loan Purchase Agreement or (ii) that has been terminated.

20. The Loan Agreement, together with the other records of such Seller relating to each Loan sold by it under the Loan Purchase Agreement, are complete in all material respects and, upon conveyance thereof to the Depositor under the Loan Purchase Agreement, the Depositor (or such Seller on its behalf) will be in possession of all documents necessary to enforce the rights and remedies of such Seller (as assigned to the Depositor) in respect of such Loan against the Obligor in accordance with the related Loan Agreement.

21. No transfer of any Loans and the related Purchased Assets to the Depositor is being made with intent to hinder, delay or defraud any of such Seller's creditors.

22. There is only one original copy, or in the case of an electronic contract, a single "authoritative copy" (as such term is used in Section 9-105 of the UCC), of the executed Loan Agreement related to each Loan sold by such Seller to the Depositor under the Loan Purchase Agreement.

23. Each Loan was either (A) originated by such Seller or an Affiliate thereof or (B) acquired by such Seller in accordance with its customary practices.

24. (i) The Loan Purchase Agreement creates a valid and continuing security interest (as defined in the applicable UCC) in the Loans sold by such Seller in favor of the Depositor, which security interest is prior to all other Liens, and is enforceable as such as against creditors of and purchasers from

such Seller; (ii) the Loans sold by such Seller constitute "tangible chattel paper," "electronic chattel paper," "accounts," "instruments" or "general intangibles" within the meaning of the UCC; (iii) such Seller owns and has good and marketable title to the Loans sold by such Seller free and clear of any Lien, claim or encumbrance of any Person; (iv) such Seller has received all consents and approvals to the sale of the Loans sold by such Seller under the Loan Purchase Agreement to the Depositor required by the terms of the applicable Loan Agreement to the extent that it constitutes an instrument; (v) such Seller has caused, within ten days after the effective date of the Loan Purchase Agreement, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the sale of and the security interest in the Loans sold by such Seller to the Depositor, and if any additional such filing is necessary in connection with any Additional Loans sold by such Seller to the Depositor, such Seller will cause such filings to be made within ten days of the applicable Addition Date, which financing statements contain a statement that: "A purchase of or security interest in any collateral described in this financing statement will violate the rights of the Secured Party/Purchaser"; (vi) such Seller has not authorized the filing of, or is not aware of, any financing statements against such Seller that include a description of collateral covering the Loans sold by such Seller to the Depositor other than any financing statement (a) relating to the conveyance of such Loans by the Depositor to the Issuer under the Sale and Servicing Agreement, (b) relating to the security interest granted to the Indenture Trustee under the Indenture or (c) that has been terminated; (vii) such Seller is not aware of any material judgment, ERISA or tax lien filings against such Seller; (viii) such Seller has in its possession all original copies of the instruments and chattel paper that constitute or evidence the Loans sold by such Seller to the Depositor and none of the instruments, electronic chattel paper or tangible chattel paper that constitute or evidence the Loans sold by such Seller to the Depositor has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Depositor, the Issuer or the Indenture Trustee; (ix) neither the Seller nor a custodian or vaulting agent thereof holding any Loan sold by such Seller to the Depositor that is electronic chattel paper has communicated an "authoritative copy" (as such term is used in Section 9-105 of the UCC) of any Loan Agreement that constitutes or evidences such Loan to any Person other than the Servicer or a Subservicer; and (x) notwithstanding any other provision of the Loan Purchase Agreement or any other Transaction Document, the perfection representations, warranties and covenants contained in the foregoing clauses (i) through (ix) (the "**Perfection Representations**") shall be continuing, and remain in full force and effect until such time as all obligations under the Loan Purchase Agreement have been finally and fully paid and performed.

The Loan Level Representations will survive the sale of the related Purchased Assets to the Depositor. Pursuant to the Loan Purchase Agreement, each Seller will acknowledge that the Depositor will sell, transfer, convey, assign and set-over the Purchased Assets and the Depositor's interests under the Loan Purchase Agreement (including the benefit of the foregoing representations and warranties) to the Issuer pursuant to the Sale and Servicing Agreement, and that the Issuer will grant a security interest in the Purchased Assets and the Issuer's interests under the Loan Purchase Agreement to the Indenture Trustee pursuant to the Indenture, and will agree that the Indenture Trustee may enforce the Loan Level Representations made by such Seller directly for the benefit of the Noteholders.

The parties to the Loan Purchase Agreement are required to provide the Rating Agency with prompt written notice of any material breach of the Perfection Representations and may not, without satisfying the Rating Agency Notice Requirement, waive any of the Perfection Representations, or any breach thereof.

The Sellers will be responsible for the preparation and filing of financing statements, amendments, continuations, initial financing statements in lieu of a continuation statement, terminations, partial terminations, releases or partial releases, or any other filings necessary or advisable to continue, maintain and perfect the Depositor's security interest in the Loans sold by such Seller to the Depositor as a first-priority interest. Each Seller will take such other action, or execute and deliver such instruments, as may be necessary or advisable (including, without limitation, such actions as are requested by the Depositor) to maintain and perfect, as a first priority interest, the Indenture Trustee's security interest in the Loans sold by such Seller to the Depositor.

Payment Date Loan Actions

Except as noted below, on any Payment Date during the Revolving Period, after giving effect to any payments, distributions and allocations pursuant to the Priority of Payments, the Issuer may do one or more of the following (each, a "**Payment Date Loan Action**"):

1. Apply amounts on deposit in the Principal Distribution Account to purchase Additional Loans in accordance with the Sale and Servicing Agreement (any such purchase, an "**Additional Loan Purchase**");

2. Exchange any Loan in the Trust Estate that was not a Charged-Off Loan or a Delinquent Loan, in each case as of the last day of the related Collection Period (any such Loan, an "**Exchanged Loan**"), for any Eligible Loan that is not a Charged-Off Loan as of the last day of the related Collection Period (the "**Replacement Loan**"), in accordance with the Sale and Servicing Agreement (any such exchange, an "**Issuer Loan Exchange**");

3. Other than by using amounts on deposit in the Principal Distribution Account or any other portion of the Trust Estate (including any Exchanged Loan), acquire one or more Additional Loans, in each case in accordance with the Sale and Servicing Agreement;

4. Designate any Loan that was not a Charged-Off Loan or a Delinquent Loan, in each case as of the last day of the Collection Period relating to such Payment Date, as an "Excluded Loan" with respect to such Payment Date for all purposes of the Indenture (any such loan, an "**Excluded Loan**" and any such designation, an "**Issuer Loan Exclusion**");

5. Designate any Excluded Loan that was not a Charged-Off Loan or a Delinquent Loan, in each case as of the last day of the Collection Period relating to such Payment Date, as not an "Excluded Loan" for all purposes of the Indenture; or

6. Cause any Loan that was not a Charged-Off Loan or a Delinquent Loan, in each case as of the last day of the Collection Period relating to such Payment Date to be released from the lien of the Indenture and reassigned to the Depositor (any such Loan, an "**Released Loan**" and any such release, an "**Issuer Loan Release**").

Notwithstanding the foregoing, no Loans conveyed to the Issuer by the Depositor directly in connection with a Renewed Loan Replacement will constitute Exchanged Loans and no Loans reassigned to the Depositor by the Issuer in connection with a Renewed Loan Repurchase will constitute Released Loans.

Payment Date Loan Actions are subject to the following conditions:

- no Payment Date Loan Actions will be permitted on any Payment Date if any Reinvestment Criteria Event exists after giving effect to all such Payment Date Loan Actions taken by to the Issuer on such Payment Date;

- no Issuer Loan Exchanges will be permitted on any Payment Date, unless (1) the aggregate Payment Date Loan Principal Balance of all Replacement Loans, together with any cash received by the Issuer in respect of the related Exchanged Loans (collectively, the "**Exchanged Loan Consideration**"), equals or exceeds the Payment Date Loan Principal Balance of all Exchanged Loans, in each case for such Payment Date; and (2) the aggregate Payment Date Loan Principal Balance of all Replacement Loans equals or exceeds an amount equal to 95% of the Payment Date Loan Principal Balance of all Exchanged Loans, in each case for such Payment Date; and

- after giving effect to all such Payment Date Loan Actions, the aggregate Payment Date Loan Principal Balances of all Exchanged Loans and all Released Loans (such Loans, the "**Reassigned Loans**"), in each case measured as of the Payment Date on which such Loans became Exchanged

Loans or Released Loans, as applicable, for such Payment Date and the immediately preceding eleven Payment Dates shall not exceed $132,449,409.79.

For the avoidance of doubt, any Loan designated as an "Excluded Loan" and collections thereon will remain part of the Trust Estate and continue to be subject to the lien of the Indenture Trustee for the benefit of the Noteholders. No Payment Date Loan Action or any other acquisition of Additional Loans by the Issuer, other than in connection with a Renewed Loan Replacement, may occur on any date other than a Payment Date.

There can be no assurance that any Additional Loans acquired by the Issuer (including any Replacement Loans and New Loans) will be of the same credit quality as the Loans conveyed to the Issuer on the Closing Date or any date thereafter. See "*Risk Factors—Modifications to the Credit and Collection Policy May Result in Changes to the Loan Pool and the Servicing of Loans*" in this private placement memorandum.

A "**Reinvestment Criteria Event**" means, for any Payment Date, the existence of any of the following, as determined based on the Loan Principal Balance and other characteristics of each Loan in the applicable Payment Date Loan Pool as of the end of the related Collection Period:

1. the Payment Date Loan Principal Balance of all Unsecured Loans in the Payment Date Loan Pool shall exceed 20.0% of the Payment Date Aggregate Principal Balance;

2. the sum of (x) the Payment Date Loan Principal Balance of all Unsecured Loans in the Payment Date Loan Pool and (y) the Payment Date Loan Principal Balance of all Other Secured Loans in the Payment Date Loan Pool shall exceed 60.0% of the of the Payment Date Aggregate Principal Balance;

3. the Payment Date Loan Principal Balance of all Loans in the Payment Date Loan Pool the Loan Obligors of which are residents of the three (3) States which have the highest concentrations of Loan Obligors shall exceed 40.0% of the Payment Date Aggregate Principal Balance;

4. the Payment Date Loan Principal Balance of all Loans in the Payment Date Loan Pool the Loan Obligors of which are residents of a single State shall exceed 15.0% of the Payment Date Aggregate Principal Balance;

5. the Weighted Average Coupon for such Payment Date shall be less than 19.0%;

6. the Weighted Average Loan Remaining Term for such Payment Date shall exceed 36 months;

7. the Payment Date Loan Principal Balance of all Loans in the Payment Date Loan Pool the Loan Obligors of which have a Springleaf Risk Level within any "Springleaf Risk Level Range" shall exceed the percentage of the Payment Date Aggregate Principal Balance set forth in the table below opposite such "Springleaf Risk Level Range";

Springleaf Risk Level Range	**Percentage**
E	6.0%
E or D	15.0%
E to (and including) C	50.0%
E to (and including) B	75.0%
E to (and including) A	90.0%
E to (and including) P	95.0%
No Risk Level Score	4.0%

8. the Payment Date Loan Principal Balance of all Loans in the Payment Date Loan Pool which have a coupon below 10.0% shall exceed 7.50% of the Payment Date Aggregate Principal Balance;

9. the Payment Date Loan Principal Balance of all Loans in the Payment Date Loan Pool which had an original term of greater than 60 months shall exceed 4.0% of the Payment Date Aggregate Principal Balance;

10. the Payment Date Loan Principal Balance of all Loans in the Payment Date Loan Pool which had an original principal balance in excess of $25,000 shall exceed 4.0% of the Payment Date Aggregate Principal Balance; or

11. an Overcollateralization Event exists.

An "**Overcollateralization Event**" shall mean, for any Payment Date, after giving effect to all Payment Date Loan Actions to be taken on such Payment Date and all payments and distributions to be made in accordance with the Priority of Payments and all principal payments to be made on the Notes, in each case, on such Payment Date, (A) the Payment Date Aggregate Principal Balance minus the Required Overcollateralization Amount is less than (B) the Aggregate Note Principal Balance minus the amounts on deposit in the Principal Distribution Account.

Depositor's Direction of Payment Date Loan Actions

Generally, under the terms of the Sale and Servicing Agreement, the Depositor may require that the Issuer take one or more Payment Date Loan Actions on any Payment Date, subject to the satisfaction of the applicable conditions set forth above in "*—Payment Date Loan Actions*" in this private placement memorandum. Additionally, the Depositor has covenanted to select the related Released Loans only in a manner that the Depositor reasonably believes is not materially adverse to the interests of any Class of Noteholders and pay a purchase price for such Released Loans equal to aggregate Loan Principal Balance of such Loans (such reassignment price to be paid by an adjustment to the value of the trust certificates and not via any cash payment to the Issuer).

Under the Loan Purchase Agreement, in connection with the acquisition by the Depositor of Reassigned Loans from the Issuer pursuant to the Sale and Servicing Agreement, any Seller may, in turn, at its option, acquire such Reassigned Loans from the Depositor for a purchase price equal to the aggregate Loan Principal Balance of such Reassigned Loans, together with accrued and unpaid interest thereon.

In addition, on any Business Day, in connection with a Renewed Loan Repurchase, the Depositor may require reassignment of the related Terminated Loan from the Issuer for a reassignment price equal to the aggregate Loan Principal Balance of such Terminated Loan (such reassignment price to be paid to the Servicer in cash in immediately available funds, and the Servicer shall deposit such payment in the Principal Distribution Account) in the manner prescribed in the Sale and Servicing Agreement.

Renewed Loan Replacements

With respect to any Renewal that occurs prior to the earlier of (i) the latest occurring Monthly Determination Date during the Revolving Period and (ii) the day on which an Early Amortization Event or Event of Default is deemed to have occurred, the Depositor may elect to simultaneously (a) acquire the New Loan from the applicable Seller and convey such New Loan to the Issuer and (b) acquire the existing Loan that is the subject of such Renewal from the Issuer and sell such existing Loan to such Seller, in each case on the date that such Renewal occurs (a "**Renewed Loan Replacement**"). In the event that the Loan Principal Balance of such New Loan exceeds the Loan Principal Balance of such existing Loan, in consideration for such excess, the Depositor shall pay an amount equal to the Purchase Price for such excess to such Seller and the Issuer shall pay such amount to the Depositor (such reassignment price to be paid by an adjustment to the value of the trust certificate and not by any cash payment to the Depositor), in each case on the date that such Renewal occurs. If the Revolving Period is reinstated following the occurrence of an Early Amortization Event as contemplated in the definition of "Revolving Period", the capacity to effect Renewed Loan Replacements shall be reinstated as well (but such ability may again

be terminated in the event that one of the events described in clause (i) or (ii) of the first sentence of this paragraph subsequently occurs after such reinstatement).

Renewed Loan Repurchases

In the event that a Renewal occurs and a Renewed Loan Replacement does not occur in connection therewith, (i) the Depositor shall repurchase the existing Loan that is the subject of such Renewal from the Issuer for an amount equal to the Purchase Price thereof and (ii) and the applicable Seller shall repurchase such existing Loan from the Depositor for an amount equal to the Purchase Price thereof, in each case on or prior to the date such Renewal occurs (a "**Renewed Loan Repurchase**").

Force-Placed Insurance

In the event that any "force-placed" insurance is obtained with respect to a Loan, the premium associated with such insurance will be added to the principal balance of such Loan. See "*Risk Factors—There May be Limited, Insufficient or No Collateral Securing a Loan Obligor's Obligations Under a Loan*" in this private placement memorandum. The reinvestment criteria described above in the definition of "Reinvestment Criteria Event" will not be tested in connection with any such increase of principal balance, and such increases may occur on dates other than Payment Dates.

DESCRIPTION OF THE NOTES

Springleaf Funding Trust 2013-A Notes will consist of the Notes described in the Notes Table.

The Notes will be issued on the Closing Date pursuant to the Indenture. Set forth below are summaries of the material terms and provisions pursuant to which the Notes will be issued. The following summaries are subject to, and are qualified in their entirety by reference to, the provisions of the Indenture. When particular provisions or terms used in the Indenture are referred to, the actual provisions (including definitions of terms) are incorporated by reference.

Upon initial issuance, the Notes will have the initial Note Principal Balances specified in the Notes Table. The Notes, other than the Class C Notes, will be issued in minimum denominations of $100,000 and in integral multiples of $1,000 in excess thereof. The Class C Notes will be issued in minimum denominations of $350,000 and in integral multiples of $1,000 in excess thereof

The Notes will be secured by the assets pledged by the Issuer (the "**Trust Estate**") to the Indenture Trustee for the benefit of the Noteholders under the Indenture, which will consist of all of the Issuer's right, title and interest, whether now owned or hereafter acquired, in, to and under the following:

(i) the Loans, whether existing as of the Closing Date or subsequently acquired, and all rights to payment and amounts due or to become due with respect to all of the foregoing and the other Purchased Assets;

(ii) all money, instruments, investment property and other property (together with all earnings, dividends, distributions, income, issues, and profits relating thereto) distributed or distributable in respect of the Loans;

(iii) the Note Accounts and all Eligible Investments and all money, investment property, instruments and other property from time to time on deposit in or credited to the Note Accounts, together with all earnings, dividends, distributions, income, issues and profits relating thereto;

(iv) all rights, remedies, powers, privileges and claims of the Issuer under or with respect to the Sale and Servicing Agreement, the Loan Purchase Agreement and each other Transaction Document (whether arising pursuant to the terms of the Sale and Servicing Agreement, the Loan Purchase Agreement or any other Transaction Document or otherwise available to the Issuer at law or in

equity), including, without limitation, the rights of the Issuer to enforce the Sale and Servicing Agreement, the Loan Purchase Agreement or any other Transaction Document, and to give or withhold any and all consents, requests, notices, directions, approvals, extensions or waivers under or with respect to the Sale and Servicing Agreement, the Loan Purchase Agreement or any other Transaction Document to the same extent as the Issuer could but for the assignment and security interest granted under the Indenture;

(v) all proceeds of any credit insurance policies or collateral protection insurance policies relating to any Loans, to the extent of the applicable Seller's interest therein;

(vi) all accounts, chattel paper, deposit accounts, documents, general intangibles, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas, and other minerals, consisting of, arising from, purporting to secure, or relating to, any of the foregoing;

(vii) all present and future claims, demands, causes and choses in action in respect of any or all of the foregoing and all payments on or under and all proceeds of every kind and nature whatsoever in respect of any or all of the foregoing, including all proceeds, products, rents, receipts or profits of the conversion, voluntary or involuntary, into cash or other property, all cash and non-cash proceeds, and other property consisting of, arising from or relating to all or any part of any of the foregoing or any proceeds thereof; and

(viii) all proceeds of the foregoing.

The Trust Estate will not include any Loans that are reassigned to the Depositor pursuant to a Payment Date Loan Action or in connection with any Renewal or any other Purchased Assets related thereto.

In addition to the Notes, a trust certificate will be issued pursuant to the Trust Agreement. The trust certificate will evidence the ownership interest in the Issuer and will not be entitled to any payments of interest or principal on any Payment Date. The trust certificate is not being offered by this private placement memorandum.

Payments on the Notes will be made by the Indenture Trustee on the 15th day of each month, or if such day is not a business day, on the first business day thereafter, commencing in March, 2013 (each, a "**Payment Date**"), to the persons in whose names such Notes are registered at the close of business on the applicable Record Date. The "**Record Date**" with respect to each Payment Date (other than the first Payment Date) will be the last business day of the month immediately preceding the month of such Payment Date and the Record Date with respect to the first Payment Date will be the Closing Date. All payments with respect to each class of Notes on each Payment Date will be allocated *pro rata* among the outstanding Noteholders of such class.

Book-Entry Notes and Definitive Notes

The Class A Notes, the Class B Notes and the Class C Notes, upon original issuance, will be issuable in book-entry form only (the "**Book-Entry Notes**"). The Class D Notes will be issued solely in the form of fully-registered physical securities representing such Note (each, a "**Definitive Note**"). Persons acquiring beneficial ownership interests in the Book-Entry Notes ("**Beneficial Owners**") will hold such Notes through The Depository Trust Company ("**DTC**") (in the United States) or Clearstream Banking ("**Clearstream**") or the Euroclear System ("**Euroclear**") (in Europe). Ownership of beneficial interests in a Book-Entry Note will be limited to the accounts of persons who have accounts in such systems (the "**Participants**") and persons who hold interests through Participants. Each class of Book-Entry Notes will be issued in one or more notes which equal the aggregate Initial Note Principal Balance of such Notes and will initially be registered in the name of Cede & Co., the nominee of DTC. Clearstream and Euroclear will hold omnibus positions on behalf of their Participants through customers' securities accounts in Clearstream's and Euroclear's names on the books of their respective depositaries (the "**Relevant Depositaries**") which in turn will hold such positions in customers' securities accounts in the depositaries' names on the books of DTC. Investors may hold such beneficial interests in Class A Notes and the Class B Notes in minimum denominations of $100,000 and integral multiples of $1,000 in excess thereof, and in the Class C Notes in minimum denominations of $350,000 and integral multiples of $1,000 in excess thereof. Except as

described below, no Beneficial Owner will be entitled to receive a Definitive Note evidencing its beneficial interest. Unless and until Definitive Notes are issued, Beneficial Owners are only permitted to exercise their rights indirectly through Participants and DTC and shall be limited to those established by law and agreements between such Beneficial Owners, DTC and/or the Participants.

Beneficial Owners will receive all payments of principal of and interest on the Book-Entry Notes from the Indenture Trustee through DTC and DTC Participants. While the Book-Entry Notes are outstanding (except under the circumstances described below), under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC is required to make book-entry transfers among Participants on whose behalf it acts with respect to the Book-Entry Notes and is required to receive and transmit payments of principal of, and interest on, the Book-Entry Notes to such Participants in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Book-Entry Note as shown on the records of DTC or its nominee. Participants with whom Beneficial Owners have accounts with respect to Book-Entry Notes are similarly 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 notes representing their respective interests in the Book-Entry Notes, the Rules provide a mechanism by which Beneficial Owners will receive payments and will be able to transfer their interest.

Beneficial Owners will not receive or be entitled to receive notes representing their respective interests in the Book-Entry Notes, except under the limited circumstances described below. Unless and until Definitive Notes are issued, Beneficial Owners who are not Participants may transfer ownership of Book-Entry Notes only through Participants by instructing such Participants to transfer Book-Entry Notes, by book-entry transfer, through DTC for the account of the purchasers of such Book-Entry Notes, which account is maintained with their respective Participants. Under the Rules and in accordance with DTC's normal procedures, transfers of ownership of Book-Entry Notes will be executed through DTC and the accounts of the respective Participants at DTC will be debited and credited. Similarly, the Participants will make debits or credits, as the case may be, on their records on behalf of the selling and purchasing Beneficial Owners.

Because of time zone differences, credits of securities received in Clearstream or Euroclear as a result of a transaction with a Participant will be made during subsequent securities settlement processing and dated the business day following the DTC settlement date. Such credits or any transactions in such securities settled during such processing will be reported to the relevant Euroclear or Clearstream Participants on such business day. Cash received in Clearstream or Euroclear as a result of sales of securities by or through a Clearstream Participant or 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.

Transfers between Participants will occur in accordance with the Rules. Transfers between Clearstream Participants and Euroclear Participants will occur in accordance with their respective 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 in accordance with DTC rules on behalf of the relevant European international clearing system by the Relevant Depositary; however, such cross-market transfers 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 the Relevant Depositary 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 the Relevant Depositaries.

DTC (which is a New York-chartered limited purpose trust company, a "banking organization" within the meaning of the New York Banking Law, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act) performs services for its Participants, some of which (and/or their representatives) own DTC. In accordance with its normal procedures, DTC is expected to record the positions held

by each DTC Participant in the Book-Entry Notes, whether held for its own account or as a nominee for another person. In general, beneficial ownership of Book-Entry Notes will be subject to the Rules, as in effect from time to time.

Clearstream, a Luxembourg limited liability company, was formed in January 2000 through the merger of Cedel International and Deutsche Boerse Clearing. Clearstream is registered as a bank in Luxembourg, and as such is subject to regulation by the Luxembourg Monetary Authority, which supervises Luxembourg banks. Clearstream holds securities for its customers ("**Clearstream Participants**") and facilitates the clearance and settlement of securities transactions by electronic book-entry transfers between their accounts. Clearstream provides various services, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream also deals with domestic securities markets in several countries through established depository and custodial relationships. Clearstream has established an electronic bridge with Euroclear Bank S.A./N.V. as the Euroclear Operator in Brussels to facilitate settlement of trades between systems. Clearstream currently accepts over 200,000 securities issues on its books.

Clearstream's customers are world-wide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Clearstream's United States customers are limited to securities brokers and dealers and banks. Currently, Clearstream has approximately 2,500 customers located in over 110 countries, including all major European countries, Canada, and the United States. Indirect access to Clearstream is available to other institutions which clear through or maintain a custodial relationship with an account holder of Clearstream.

Euroclear was created in 1968 to hold securities for its participants ("**Euroclear Participants**") 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 securities and any risk from lack of simultaneous transfers of securities and cash. Transactions may be settled in a variety of currencies, including United States dollars. Euroclear provides various other services, including securities lending and borrowing and interfaces with domestic markets in several countries generally similar to the arrangements for cross-market transfers with DTC described above. Euroclear is operated by Euroclear Bank S.A./N.V. (the "**Euroclear Operator**"). All operations are conducted by the Euroclear Operator, and all Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear Operator. Euroclear plc establishes policy for Euroclear on behalf of Euroclear Participants. Euroclear Participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. 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 the Euroclear Operator are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of Euroclear and applicable Belgian law (collectively, the "**Terms and Conditions**"). The Terms and Conditions govern transfers of securities and cash within Euroclear, withdrawals 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 securities to specific securities clearance accounts. The Euroclear Operator acts under the Terms and Conditions only on behalf of Euroclear Participants, and has no record of or relationship with persons holding through Euroclear Participants.

Under a book-entry format, Beneficial Owners of the Book-Entry Notes may experience some delay in their receipt of payments, since such payments will be forwarded by the Indenture Trustee to Cede & Co. Payments with respect to 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 the Relevant Depositary. Such payments will be subject to tax reporting in accordance with relevant United States tax laws and regulations. See "*Certain U.S. Federal Income Tax Consequences—Backup Withholding and Information Reporting*" in this private placement memorandum. Because DTC can only act on behalf of DTC Participants, the ability of a Beneficial Owner to pledge Book-Entry Notes to persons or entities that do not participate in the book-entry system, or otherwise take actions in respect of such Book-Entry Notes, may be limited due to the lack of physical securities for such Book-Entry Notes. In addition, issuance of the Book-Entry Notes in book-entry form may reduce the liquidity of such Notes in the secondary market since certain potential investors may be unwilling to purchase Notes for which they cannot obtain physical securities.

Monthly and annual reports on the Notes will be provided to Cede & Co., as nominee of DTC, and may be made available by Cede & Co. to Beneficial Owners upon request, in accordance with the rules, regulations and procedures creating and affecting the DTC Participants to whose DTC accounts the Book-Entry Notes of such Beneficial Owners are credited.

DTC has advised the Indenture Trustee that, unless and until Definitive Notes are issued as described below, DTC will take any action the holders of the Book-Entry Notes are permitted to take under the Indenture only at the direction of one or more DTC Participants to whose DTC accounts the Book-Entry Notes are credited, to the extent that such actions are taken on behalf of Financial Intermediaries whose holdings include such Book-Entry Notes. Clearstream or the Euroclear, as the case may be, will take any other action permitted to be taken by a Noteholder under the Agreement on behalf of a Clearstream Participant or Euroclear Participant only in accordance with its relevant rules and procedures and subject to the ability of the Relevant Depositary to effect such actions on its behalf through DTC. DTC may take actions, at the direction of the related Participants, with respect to some Book-Entry Notes which conflict with actions taken with respect to other Book-Entry Notes.

Definitive Notes will be issued to Beneficial Owners of a Class of Book-Entry Notes, or their nominees, rather than to DTC, only if DTC advises the Indenture Trustee in writing that DTC is no longer willing, qualified or able to discharge properly its responsibilities as nominee and depository with respect to such Class of Book-Entry Notes, the Issuer, at its option, advises the Indenture Trustee in writing that it elects to terminate the book-entry system through DTC with respect to such Class of Book-Entry Notes or after a Servicer Default or an Event of Default, Beneficial Owners with respect to a Class of Book-Entry Notes representing not less than 50% of the principal amount of the Book-Entry Notes of such Class advise the Indenture Trustee and DTC in writing that the continuation of a book-entry system with respect to the Notes of such Class is no longer in the best interest of the Beneficial Owners with respect to such Class.

Upon the occurrence of the event described in the immediately preceding paragraph, the Indenture Trustee will be required to notify all Beneficial Owners of such Class of Notes of the occurrence of such event and the availability of Definitive Notes to Beneficial Owners with respect to such Class of Notes. Upon surrender by DTC to the Indenture Trustee of such Book-Entry Notes, and instructions for re-registration, the Issuer will issue Definitive Notes, and thereafter the Issuer and the Indenture Trustee will recognize the holders of such Definitive Notes as Noteholders under the Indenture.

Although DTC, Clearstream and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of Book-Entry Notes among participants of DTC, Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued at any time.

None of the Issuer, the Indenture Trustee or the Note Registrar will have any responsibility for any aspect of the records relating to or payments made on account of beneficial ownership interests of the Book-Entry Notes held by Cede & Co., as nominee for DTC, or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Interest Payments and Principal Payments

Interest Payments

Distributions in respect of interest payments will be made on each Payment Date from Available Funds for such Payment Date in accordance with the Priority of Payments to the Noteholders of record as of the related Record Date. Interest on the Notes will accrue during each Interest Period on the principal balance thereof (as of the close of business on the immediately preceding Payment Date) at the applicable Interest Rate.

The Interest Rates are as follows:

- for the Class A Notes, the Interest Rate is 2.58% per annum;
- for the Class B Notes, the Interest Rate is 3.57%% per annum;

- for the Class C Notes, the Interest Rate is 5.00% per annum; and

- for the Class D Notes, the Interest Rate is 5.00% per annum.

Interest on all Classes of Notes will be calculated on a "30/360" basis. For each Payment Date, the Interest Period for the Notes will be the period commencing on the Payment Date occurring in the month immediately preceding the month in which such Payment Date occurs (or in the case of the first Payment Date, the Closing Date) and ending on the day immediately preceding such Payment Date.

Amounts on deposit in the Reserve Account will be available on each Payment Date to pay amounts due on such Payment Date in accordance with the Priority Payments, which may include interest on the Notes. For any Payment Date, interest due but not paid on that Payment Date will be due on the next Payment Date, together with, to the extent permitted by law, interest at the related Interest Rate on such unpaid amount. An Event of Default will occur in the event of a default in the payment of any interest on any Class A Note on any Payment Date and such default shall continue for a period of five (5) Business Days. See "*The Indenture—Events of Default*" in this private placement memorandum.

Principal Payments

Revolving Period. During the Revolving Period, no payments of principal will be made with respect to any Class of Notes. Instead, in accordance with the Priority of Payments, certain amounts will be allocated to the Principal Distribution Account to the extent necessary to (i) maintain parity between the aggregate Note Principal Balance of one or more Classes of Notes, on the one hand, and the Adjusted Loan Principal Balance, on the other, and (ii) maintain certain levels of overcollateralization (such allocation, the "**Collateral Maintenance Allocation**"). Any amounts so allocated to the Principal Distribution Account will be retained in the Principal Distribution Account as cash collateral for the Notes or used to acquire Additional Loans, on a Payment Date, subject to the satisfaction of certain conditions. See "*—Priority of Payments*" and "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases—Payment Date Loan Actions*" in this private placement memorandum. On each Payment Date during the Revolving Period, amounts on deposit in the Principal Distribution Account as of the commencement of such Payment Date will be used as Available Funds for such Payment Date.

The "**Adjusted Loan Principal Balance**" means, with respect to any Collection Period, an amount equal to the Loan Principal Balance of all Loans in the Trust Estate, other than Charged-Off Loans and Excluded Loans, in each case, as of the last day of such Collection Period.

Amortization Period. After the expiration or termination of the Revolving Period, unless an Event of Default has occurred, on each Payment Date the Collateral Maintenance Allocation will be deposited into the Principal Distribution Account in accordance with the Priority of Payments. Any amounts so allocated to the Principal Distribution Account (or any amounts on deposit in the Principal Distribution Account upon such expiration or termination of the Revolving Period) will be used to pay principal of the Notes as described below. If an Event of Default has occurred as of any Payment Date, on such Payment Date, pursuant to the Priority of Payments and the distribution of amounts allocated to the Principal Distribution Account, payments in respect of interest on and principal of the most senior Class of Notes will be made in full prior to the payment of interest on and principal of the more subordinated Classes of Notes.

In the event that the Revolving Period terminates as a result of certain Early Amortization Events and such Early Amortization Event is "cured" as contemplated in the definition of "Revolving Period" set forth in the "*Glossary of Terms*" in this private placement memorandum, the Revolving Period will be reinstated and distributions in respect of the Notes will be made as described in "*—Revolving Period*" above.

The classes of Notes are "sequential pay" classes. On each Payment Date after the expiration or termination of the Revolving Period, all amounts on deposit in the Principal Distribution Account will be paid out in the following order:

- first, the Class A Notes will amortize until the Class A Note Balance has been reduced to zero;

- once the Class A Note Balance has been reduced to zero, the Class B Notes will begin to amortize, until the Class B Note Balance has been reduced to zero;

- once the Class B Note Balance has been reduced to zero, the Class C Notes will begin to amortize, until the Class C Note Balance has been reduced to zero; and

- once the Class C Note Balance has been reduced to zero, the Class D Notes will begin to amortize, until the Class D Note Balance has been reduced to zero.

In addition, any outstanding principal amount of any class of Notes that has not been previously paid will be due and payable on the Stated Maturity Date for that class. The actual date on which the aggregate outstanding principal amount of any class of Notes is paid may be earlier than the Stated Maturity Date for that class, depending on a variety of factors, certain of which are discussed in "*Prepayments and Yield Considerations*" in this private placement memorandum.

The Stated Maturity Date for all Classes of Notes is September 15, 2021.

An "**Early Amortization Event**" means any one of the following events:

(a) as of any Monthly Determination Date occurring after the Monthly Determination Date in May, 2013, the average of the Monthly Net Loss Percentages for such Monthly Determination Date and the two immediately preceding Monthly Determination Dates exceeds 17.00%;

(b) any Reinvestment Criteria Event exists with respect to two consecutive Payment Dates (in each case, after giving effect to all Payment Date Loan Actions, if any, on such Payment Dates) and the Monthly Servicer Report for the immediately following third Payment Date demonstrates that any Reinvestment Criteria Event will exist as of such Payment Date (in the event that no Payment Date Loan Actions are to be taken on such Payment Date that will cure each such Reinvestment Criteria Event); or

(c) a Servicer Default occurs.

Priority of Payments

On each Payment Date, based solely upon written instruction from the Servicer (which instruction may be included in the Monthly Servicer Report), the Indenture Trustee will withdraw (x) from the Collection Account, the Collections received during the Collection Period relating to such Payment Date, (y) from the Reserve Account, all amounts on deposit therein as of the related Monthly Determination Date (the "**Reserve Account Draw Amount**"), and (z) during the Revolving Period, from the Principal Distribution Account, all amounts on deposit therein as of the commencement of such Payment Date, and apply such amounts in the following order of priority (the "**Priority of Payments**") (the aggregate of the amounts described in (x), (y) and (z), the "**Available Funds**" for such Payment Date):

(i) (1) *first*, pro rata (based on amounts owing), (A) to the Indenture Trustee and the Note Registrar for fees and expenses due to the Indenture Trustee or the Note Registrar pursuant to the Indenture, (B) to the Owner Trustee for amounts due pursuant to the Trust Agreement and (C) to the Back-up Servicer, any expenses of the Back-up Servicer (other than Servicing Transition Costs) reimbursable pursuant to the Back-up Servicing Agreement, if any, that have not been paid by the Servicer; and (2) *second*, to the Owner Trustee, the Indenture Trustee and any other Person entitled thereto, on a pro rata basis (based on amounts owing), any indemnified amounts due and owing from the Issuer pursuant to any Transaction Document, in an aggregate amount for (1) and (2) above, not to exceed $200,000 during any calendar year;

(ii) to the Back-up Servicer, (x) an amount equal to the Back-up Servicing Fee for such Payment Date, plus the amount of any Back-up Servicing Fee previously due but not previously paid to the Back-up Servicer; and (y) in the event that a Servicing Transition Period has commenced, an amount equal to the Servicing Transition Costs, if any, not paid by the Servicer pursuant to the Back-up Servicing Agreement; provided, that the aggregate amount paid pursuant to this clause (ii)(y) on all Payment Dates shall not exceed $250,000;

(iii) to the Servicer, an amount equal to the Servicing Fee for such Payment Date (to the extent not retained by the Servicer as permitted under the Indenture), plus the amount of any Servicing Fee previously due but not previously paid to the Servicer;

(iv) to the Class A Noteholders, an amount equal to the Class A Monthly Interest Amount for such Payment Date, plus the amount of any Class A Monthly Interest previously due but not previously paid to the Class A Noteholders with interest thereon at the Class A Interest Rate;

(v) an amount equal to the lesser of (x) the First Priority Principal Payment for such Payment Date and (y) all funds remaining after giving effect to the distributions in clauses (i) through (iv) above, to be deposited into the Principal Distribution Account;

(vi) to the Class B Noteholders, an amount equal to the Class B Monthly Interest Amount for such Payment Date, plus the amount of any Class B Monthly Interest previously due but not previously paid to the Class B Noteholders with interest thereon at the Class B Interest Rate;

(vii) an amount equal to the lesser of (x) the Second Priority Principal Payment for such Payment Date and (y) all funds remaining after giving effect to the distributions in clauses (i) through (vi) above, to be deposited into the Principal Distribution Account;

(viii) to the Class C Noteholders, an amount equal to the Class C Monthly Interest Amount for such Payment Date, plus the amount of any Class C Monthly Interest previously due but not previously paid to the Class C Noteholders with interest thereon at the Class C Interest Rate;

(ix) an amount equal to the lesser of (x) the Third Priority Principal Payment for such Payment Date and (y) all funds remaining after giving effect to the distributions in clauses (i) through (viii) above, to be deposited into the Principal Distribution Account;

(x) to the Class D Noteholders, an amount equal to the Class D Monthly Interest Amount for such Payment Date, plus the amount of any Class D Monthly Interest previously due but not previously paid to the Class D Noteholders with interest thereon at the Class D Interest Rate;

(xi) an amount equal to the lesser of (x) the Fourth Priority Principal Payment for such Payment Date and (y) all funds remaining after giving effect to the distributions in clauses (i) through (x) above, to be deposited into the Principal Distribution Account;

(xii) to the Reserve Account, an amount equal to the lesser of (x) the Required Reserve Account Amount and (y) all funds remaining after giving effect to the distributions in clauses (i) through (xi) above;

(xiii) an amount equal to the lesser of (x) the Regular Principal Payment Amount and (y) all funds remaining after giving effect to the distributions in clauses (i) through (xii) above, to be deposited into the Principal Distribution Account;

(xiv) to the Owner Trustee, the Indenture Trustee, the Note Registrar and the Back-up Servicer, pro rata basis (based on amounts owing), an amount equal to the lesser of (x) (A) fees and expenses due to the Indenture Trustee or the Note Registrar pursuant to the Indenture, (B) to the Owner Trustee for fees and expenses due to the Owner Trustee pursuant to the Trust Agreement and (C) to the Back-

up Servicer, any expenses of the Back-up Servicer (other than Servicing Transition Costs) reimbursable pursuant to the Back-up Servicing Agreement, if any, that have not been paid by the Servicer, in each case, to the extent not paid in full pursuant to clause (i)(1) above and (y) all funds remaining after giving effect to the distributions in clauses (i) through (xiii) above;

(xv) to the Owner Trustee, the Indenture Trustee, the Back-up Servicer and any other Person entitled thereto, on a pro rata basis (based on amounts owing), an amount equal to the lesser of (x) any indemnified amounts due and owing from the Issuer pursuant to any Transaction Document to the extent not paid in full pursuant to clause (i)(2) above and (y) all funds remaining after giving effect to the distributions in clauses (i) through (xiv) above; and

(xvi) at the option of the Issuer, (x) to be deposited into the Principal Distribution Account or (y) for application in accordance with the Trust Agreement.

As reflected in the definitions of First Priority Principal Payment, Second Priority Principal Payment, Third Priority Principal Payment and Fourth Priority Principal Payment, following the occurrence of an Event of Default, the priority of payments changes with the result that all principal and accrued but unpaid interest on a senior Class of Notes will be paid before any such amounts are paid in respect of any Class of Notes that is subordinate to such senior Class.

The "**Class A Monthly Interest Amount**" for any Payment Date will be the amount of interest accrued during the related Interest Period at the Class A Interest Rate on the Class A Note Balance as of the close of business on the immediately preceding Payment Date (calculated on the basis of a 360-day year consisting of twelve 30-day months).

The "**Class B Monthly Interest Amount**" for any Payment Date will be the amount of interest accrued during the related Interest Period at the Class B Interest Rate on the Class B Note Balance as of the close of business on the immediately preceding Payment Date (calculated on the basis of a 360-day year consisting of twelve 30-day months).

The "**Class C Monthly Interest Amount**" for any Payment Date will be the amount of interest accrued during the related Interest Period at the Class C Interest Rate on the Class C Note Balance as of the close of business on the immediately preceding Payment Date (calculated on the basis of a 360-day year consisting of twelve 30-day months).

The "**Class D Monthly Interest Amount**" for any Payment Date will be the amount of interest accrued during the related Interest Period at the Class D Interest Rate on the Class D Note Balance as of the close of business on the immediately preceding Payment Date (calculated on the basis of a 360-day year consisting of twelve 30-day months).

The "**First Priority Principal Payment**" for any Payment Date will be, (x) at any time prior to the occurrence of an Event of Default, an amount equal to the excess (if any) of (A) the Class A Note Balance as of the end of the related Collection Period over (B) the Adjusted Loan Principal Balance as of the end of the related Collection Period and (y) at any time from and after the occurrence of an Event of Default or on or after the Stated Maturity Date in respect of the Class A Notes, the Class A Note Balance.

The "**Second Priority Principal Payment**" for any Payment Date will be, (x) at any time prior to the occurrence of an Event of Default, an amount equal to the excess (if any) of (A) the sum of (I) the Class A Note Balance as of the end of the related Collection Period plus (II) the Class B Note Balance as of the end of the related Collection Period minus the amount on deposit in the Principal Distribution Account (after giving effect to any allocations to the Principal Distribution Account pursuant to clause (v) in the Priority of Payments set forth above) over (B) the Adjusted Loan Principal Balance as of the end of the related Collection Period and (y) at any time from and after the occurrence of an Event of Default or on or after the Stated Maturity Date in respect of the Class B Notes, the sum of the Class A Note Balance and the Class B Note Balance minus the amount on deposit in the

Principal Distribution Account (after giving effect to any allocations to the Principal Distribution Account pursuant to clause (v) in the Priority of Payments set forth above).

The "**Third Priority Principal Payment**" for any Payment Date will be, (x) at any time prior to the occurrence of an Event of Default, an amount equal to the excess (if any) of (A) the sum of (I) the Class A Note Balance as of the end of the related Collection Period plus (II) the Class B Note Balance as of the end of the related Collection Period plus (III) the Class C Note Balance as of the end of the related Collection Period minus the amount on deposit in the Principal Distribution Account (after giving effect to any allocations to the Principal Distribution Account pursuant to clauses (v) and (vii) in the Priority of Payments set forth above) over (B) the Adjusted Loan Principal Balance as of the end of the related Collection Period and (y) at any time from and after the occurrence of an Event of Default or on or after the Stated Maturity Date in respect of the Class C Notes, the sum of the Class A Note Balance, the Class B Note Balance and the Class C Note Balance minus the amount on deposit in the Principal Distribution Account (after giving effect to any allocations to the Principal Distribution Account pursuant to clauses (v) and (vii) in the Priority of Payments set forth above).

The "**Fourth Priority Principal Payment**" for any Payment Date will be, (x) at any time prior to the occurrence of an Event of Default, an amount equal to the excess (if any) of (A) the sum of (I) the Class A Note Balance as of the end of the related Collection Period plus (II) the Class B Note Balance as of the end of the related Collection Period plus (III) the Class C Note Balance as of the end of the related Collection Period plus (IV) the Class D Note Balance as of the end of the related Collection Period minus the amount on deposit in the Principal Distribution Account (after giving effect to any allocations to the Principal Distribution Account pursuant to clauses (v), (vii) and (ix) in the Priority of Payments set forth above) over (B) the Adjusted Loan Principal Balance as of the end of the related Collection Period and (y) at any time from and after the occurrence of an Event of Default or on or after the Stated Maturity Date in respect of the Class D Notes, the sum of the Class A Note Balance, the Class B Note Balance, the Class C Note Balance and the Class D Note Balance minus the amount on deposit in the Principal Distribution Account (after giving effect to any allocations to clauses (v), (vii) and (ix) in the Priority of Payments set forth above).

The "**Regular Principal Payment Amount**" shall mean, with respect to any Payment Date, an amount equal to the excess (if any) of (i) the Aggregate Note Principal Balance as of the end of the related Collection Period minus the amount on deposit in the Principal Distribution Account (after giving effect to any allocations on such Payment Date to the Principal Distribution Account pursuant to clauses (v), (vii), (ix) and (xi) of the Priority of Payments set forth above) over (ii) (A) the Adjusted Loan Principal Balance as of the end of the related Collection Period minus (B) the Required Overcollateralization Amount.

The "**Interest Period**" for each class of Notes and each Payment Date will be the period from and including the Payment Date immediately preceding such Payment Date to but excluding such Payment Date (or, in the case of the first Payment Date, the period from and including the Closing Date to but excluding such Payment Date). Interest will be calculated on the Notes on the basis of a 360-day year comprised of twelve 30-day months.

Reserve Account

The Servicer, for the benefit of the Noteholders will establish and maintain with the Indenture Trustee and in the name of the Indenture Trustee, on behalf of the Issuer, an Eligible Deposit Account that shall bear a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders (the "**Reserve Account**"). On each Payment Date, all amounts on deposit in the Reserve Account will be withdrawn by the Indenture Trustee and, together with any other Available Funds, be applied in accordance with the Priority of Payments. Any amounts remaining after making payments pursuant to clauses (i) through (xi) of the Priority of Payments set forth above on any Payment Date, up to the Required Reserve Account Amount, will be deposited to the Reserve Account on such Payment Date.

No Principal or Interest Advance Obligation

None of the Servicer, the Back-up Servicer, any Subservicer, the Note Registrar or the Indenture Trustee is under any obligation to remit interest or principal in respect of a Loan except to the extent such party actually

received principal of, or interest on, or other Collections in respect of such Loan during the related Collection Period.

Optional Redemption

On any Payment Date after the later of the Payment Date occurring in February, 2015, and the Revolving Period Termination Date, the holder of the trust certificate may, at its option, purchase all of the Loans and related Purchased Assets held by the Issuer. In addition, at any time after the principal balance of the Outstanding Notes is reduced to 20% or less of the principal balance of the Outstanding Notes as of the Closing Date, the Servicer may, at its option, purchase all of the Loans from the Issuer. With respect to any such purchase by the holder of the trust certificate or the Servicer, the purchase price will equal the sum of (i) the Loan Principal Balance of each Loan plus accrued and unpaid interest thereon, (ii) any amounts on deposit in the Principal Distribution Account and (iii) any expenses, indemnification amounts or other reimbursements owed to the Indenture Trustee, the Owner Trustee or the Back-up Servicer (or, if greater, the amount necessary to redeem all of the Notes on such day as described below). If the holder of the trust certificate or the Servicer elects to purchase all of the Loans as described above, the Issuer will be required to retire the Notes as described below.

Upon the exercise of the purchase options described above by the holder of the trust certificate or the Servicer, the Issuer will redeem the Notes from the proceeds of such purchase.

PREPAYMENT AND YIELD CONSIDERATIONS

No payments of principal will be made on the Notes during the Revolving Period. However, after the expiration or termination of the Revolving Period, amounts then on deposit in the Principal Distribution Account, as well as amounts that are allocated to the Principal Distribution Account pursuant to the Priority of Payments, will be used to pay principal on the Notes.

The weighted average life of the Notes will generally be influenced by the timing of the occurrence (if any) of an Event of Default or Early Amortization Event, the rate of payment, and the rate of prepayments, of principal on the Loans and other factors. A significant number of the Loans are prepayable in full by the Loan Obligor at any time without penalty. Full and partial prepayments on Loans will be paid or distributed as Available Funds pursuant to the Priority of Payments on the next Payment Date following the Collection Period in which they are received. If prepayments are received on the Loans, their actual weighted average lives may be shorter than their weighted average lives would be if all payments were made as scheduled and no prepayments were made. Weighted average life means the average amount of time during which any principal is outstanding on a personal loan. For this purpose "prepayments" include all full prepayments, partial prepayments, and recoveries, as well as amounts received on Loans that are repurchased. The rate and timing of prepayment on the Loans may be influenced by a variety of economic, social and other factors. See "*Risk Factors—Yield Considerations/Prepayments*" in this private placement memorandum.

Moreover, under certain circumstances, the holder of the trust certificate or Servicer may cause the Notes to be redeemed. See "*Description of the Notes—Optional Redemption*" in this private placement memorandum. If any such redemption were to occur, Noteholders will receive payments of principal on their Notes earlier than they otherwise would.

It is possible that the final payment on any class of Notes could occur significantly earlier than the date on which the final payment for that class of Notes is scheduled to be paid. The Noteholders will bear all the reinvestment risks resulting from distributions of principal on the Notes after the end of the Revolving Period. 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 See "*Risk Factors—Yield Considerations/Prepayments*" in this private placement memorandum.

Prepayments on consumer loan contracts can be measured against prepayment standards or models. The model used in this Memorandum is based on a constant prepayment rate ("CPR"). CPR is determined by the percentage of principal outstanding at the beginning of a period that prepays during that period, stated as an

annualized rate. The CPR prepayment model, like any prepayment model, does not purport to be either an historical description of prepayment experience or a prediction of the anticipated rate of prepayment.

The tables below which are captioned "*Percent of Initial Note Principal Balance Outstanding at Various Prepayment Assumptions*" have been prepared on the basis of indicated CPR percentages. The indicated CPR percentages have been applied to the initial hypothetical pool of Loans and to each subsequent hypothetical pool of Loans acquired during the Revolving Period.

The "**Initial Hypothetical Pool of Loans**" is a pool of loans equal to those Statistical Pool Loans as of the Statistical Cut-Off Date. The table below represents a pool of loans that have been further disaggregated into 15 smaller hypothetical pools having the characteristics set forth in the table below. The level scheduled monthly payment for each of the hypothetical pools is based on aggregate Loan Principal Balance, Weighted Average Coupon and Weighted Average Loan Remaining Term as of the Statistical Cut-Off Date such that each hypothetical pool set forth below will be fully amortized by the end of its remaining term to maturity.

Hypothetical Pool	Aggregate Loan Principal Balance	Weighted Average Coupon	Weighted Average Loan Remaining Term (Months)
1	$ 7,661,569.04	24.192%	5
2	$ 34,303,289.42	25.740%	10
3	$ 71,119,959.56	25.921%	16
4	$ 125,319,056.28	26.357%	22
5	$ 131,550,989.53	25.467%	28
6	$ 186,961,829.44	26.108%	34
7	$ 57,012,290.48	23.828%	39
8	$ 27,200,347.45	21.604%	46
9	$ 4,367,365.65	17.967%	52
10	$ 3,897,782.09	18.734%	57
11	$ 1,568,211.51	14.548%	64
12	$ 1,787,698.54	14.929%	69
13	$ 2,268,796.48	14.583%	76
14	$ 912,914.77	15.909%	81
15	$ 6,314,948.71	13.698%	121

Each **"Subsequent Hypothetical Pool of Loans"** consists of a hypothetical pool of Loans with the following characteristics, that will be acquired on a Payment Date during the Revolving Period.

i) a Weighted Average Coupon of 25.259%

ii) a Weighted Average Loan Remaining Term of 29 months

The purchase price of each Subsequent Hypothetical Pool of Loans will be equal to such pool's aggregate Loan Principal Balance. The level scheduled monthly payments for the Subsequent Hypothetical Pools of Loans is based on the aggregate Loan Principal Balance, Weighted Average Coupon and Weighted Average Loan Remaining Term as of each subsequent cut-off date such that each Subsequent Hypothetical Pool of Loans will be fully amortized by the end of its remaining term to maturity.

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

- all prepayments on the Loans each month are made in full at the specified monthly CPR and there are no defaults, losses or repurchases;

- during the Revolving Period, all amounts in the Principal Distribution Account are used to purchase Loans (that have the characteristics of the Subsequent Hypothetical Pool of Loans listed above) until the Required Overcollateralization Amount is reached;

- each scheduled monthly payment on the Loans 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 initial principal amount of the Class A Notes, the Class B Notes, the Class C Notes, and the Class D Notes is equal to the initial principal amount set forth the Notes Table;

- interest accrues on the Class A Notes at 2.68% per annum, the Class B Notes at 3.57% per annum, the Class C Notes at 5.00% per annum, and the Class D Notes at 5.00% per annum, on a "30/360" basis;

- the Initial Cut-Off Date for the Loans is January 31, 2013

- payments on the Notes are made on the fifteenth day of each month commencing in March, 2013 whether or not such day is a business day;

- the Notes are purchased on February 19, 2013;

- the scheduled monthly payment for each Loan was calculated on the basis of the characteristics described in the below table and in such a way that such Loan would amortize in a manner that will be sufficient to repay the Loan Principal Balance of such Loan by its indicated remaining term to maturity;

- the Revolving Period continues uninterrupted until the Revolving Period Termination Date and no Early Amortization Event or Event of Default occurs;

- neither the holder of the trust certificate nor the Servicer elects to cause the Notes to be redeemed (except as otherwise noted in the tables below);

- the Servicer receives a monthly servicing fee equal to the product of (i) 4.86%, multiplied by (ii) the aggregate Loan Principal Balance as of the first day of the related Collection Period (or, in the case of the initial Payment Date, the Initial Cut-Off Date), multiplied by (iii) one-twelfth (1/12);

- the Back-up Servicer receives a monthly fee equal to the greater of (x) $10,000 and (y) the product of 0.04% per annum and the aggregate Loan Principal Balance of all Loans as of the first day of the related Collection Period (or, in the case of the initial Payment Date, the Initial Cut-Off Date);

- the Indenture Trustee receives a monthly fee equal to one-twelfth of $12,000;

- the Owner Trustee receives an annual fee equal to $4,000 payable every March commencing in March, 2014; and

- all other fees and expenses are zero (0).

The following tables were created relying on the assumptions listed above. The tables below indicate the percentages of the initial principal amount of each Class of Notes that would be outstanding after each of the listed Payment Dates if a certain CPR is assumed. The tables below also indicate the corresponding weighted average lives of each Class of Notes if the same percentages of CPR are assumed.

The assumptions used to construct the tables are hypothetical and have been provided only to give a general sense of how the principal cash flows might behave under various prepayment scenarios. The actual characteristics and performance of the Loans will differ from the assumptions used to construct the tables. For example, it is very unlikely that the Loans will prepay at a constant CPR until maturity or that all of the Loans will prepay at the same

CPR. Moreover, the diverse terms of the Loans could produce slower or faster principal distributions than indicated in the tables at the various CPRs specified. Any difference between the assumptions used to construct the tables and the actual characteristics and performance of the Loans, including actual prepayment experience or losses, will affect the percentages of initial principal amounts of each class of Notes outstanding on any given date and the weighted average lives of each class of Notes. Additionally, it is very unlikely that Loans with the characteristics of a Subsequent Hypothetical Pool of Loans will be acquired by the Issuer on any Payment Date.

As used in the tables which follow, the "**weighted average life**" of a Class of Notes is determined by:

- multiplying the amount of each principal payment on a Class of Notes by the number of years from the date of the issuance of such Notes to the related Payment Date;

- adding the results; and

- dividing the sum by the related initial principal amount of such Class of Notes.

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Percent of Initial Note Principal Balance at Various Prepayment Assumptions					
	Class A Notes				
Payment Date	0.00%	20.00%	30.00%	40.00%	50.00%
2/19/2013	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2015	92.41%	90.77%	89.75%	88.53%	87.06%
4/15/2015	84.66%	81.70%	79.86%	77.67%	75.04%
5/15/2015	76.75%	72.78%	70.31%	67.39%	63.89%
6/15/2015	68.67%	64.01%	61.10%	57.66%	53.55%
7/15/2015	61.68%	56.12%	52.74%	48.82%	44.20%
8/15/2015	54.54%	48.36%	44.68%	40.46%	35.55%
9/15/2015	47.45%	40.91%	37.05%	32.68%	27.63%
10/15/2015	40.43%	33.76%	29.86%	25.45%	20.40%
11/15/2015	33.47%	26.92%	23.08%	18.75%	13.81%
12/15/2015	26.60%	20.39%	16.70%	12.55%	7.83%
1/15/2016	21.40%	14.97%	11.28%	7.18%	2.60%
2/15/2016	16.32%	9.85%	6.22%	2.24%	0.00%
3/15/2016	11.39%	5.01%	1.50%	0.00%	0.00%
4/15/2016	6.61%	0.45%	0.00%	0.00%	0.00%
5/15/2016	2.01%	0.00%	0.00%	0.00%	0.00%
6/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
7/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
8/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
9/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
10/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
11/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
Weighted Average Life to Call (years) [(1)]	**1.99**	**1.99**	**1.99**	**1.99**	**1.99**
Weighted Average Life to Maturity (years)	**2.61**	**2.54**	**2.51**	**2.47**	**2.43**

[(1)] Assumes that an optional purchase of the Loans occurs on the Payment Date occurring in February 2015.

Percent of Initial Note Principal Balance at Various Prepayment Assumptions					
	Class B Notes				
Payment Date	0.00%	20.00%	30.00%	40.00%	50.00%
2/19/2013	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2016	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2016	100.00%	100.00%	100.00%	100.00%	77.11%
3/15/2016	100.00%	100.00%	100.00%	75.38%	31.15%
4/15/2016	100.00%	100.00%	69.01%	30.77%	0.00%
5/15/2016	100.00%	58.87%	25.42%	0.00%	0.00%
6/15/2016	78.60%	18.12%	0.00%	0.00%	0.00%
7/15/2016	37.49%	0.00%	0.00%	0.00%	0.00%
8/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
9/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
10/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
11/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
Weighted Average Life to Call (years) [(1)]	**1.99**	**1.99**	**1.99**	**1.99**	**1.99**
Weighted Average Life to Maturity (years)	**3.42**	**3.30**	**3.23**	**3.16**	**3.08**

[(1)] Assumes that an optional purchase of the Loans occurs on the Payment Date occurring in February 2015.

Percent of Initial Note Principal Balance at Various Prepayment Assumptions					
	Class C Notes				
Payment Date	0.00%	20.00%	30.00%	40.00%	50.00%
2/19/2013	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2016	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2016	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2016	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2016	100.00%	100.00%	100.00%	100.00%	78.15%
5/15/2016	100.00%	100.00%	100.00%	78.83%	0.00%
6/15/2016	100.00%	100.00%	71.43%	1.42%	0.00%
7/15/2016	100.00%	57.48%	0.00%	0.00%	0.00%
8/15/2016	96.74%	0.00%	0.00%	0.00%	0.00%
9/15/2016	17.71%	0.00%	0.00%	0.00%	0.00%
10/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
11/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
Weighted Average Life to Call (years) [(1)]	**1.99**	**1.99**	**1.99**	**1.99**	**1.99**
Weighted Average Life to Maturity (years)	**3.58**	**3.45**	**3.38**	**3.31**	**3.22**

[(1)] Assumes that an optional purchase of the Loans occurs on the Payment Date occurring in February 2015.

Percent of Initial Note Principal Balance at Various Prepayment Assumptions					
	Class D Notes				
Payment Date	0.00%	20.00%	30.00%	40.00%	50.00%
2/19/2013	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2013	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2014	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
6/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
7/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
8/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
9/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
10/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
11/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
12/15/2015	100.00%	100.00%	100.00%	100.00%	100.00%
1/15/2016	100.00%	100.00%	100.00%	100.00%	100.00%
2/15/2016	100.00%	100.00%	100.00%	100.00%	100.00%
3/15/2016	100.00%	100.00%	100.00%	100.00%	100.00%
4/15/2016	100.00%	100.00%	100.00%	100.00%	100.00%
5/15/2016	100.00%	100.00%	100.00%	100.00%	99.15%
6/15/2016	100.00%	100.00%	100.00%	100.00%	57.81%
7/15/2016	100.00%	100.00%	97.12%	59.55%	21.12%
8/15/2016	100.00%	89.49%	56.06%	22.52%	0.00%
9/15/2016	100.00%	48.71%	18.94%	0.00%	0.00%
10/15/2016	66.91%	11.67%	0.00%	0.00%	0.00%
11/15/2016	26.78%	0.00%	0.00%	0.00%	0.00%
12/15/2016	0.00%	0.00%	0.00%	0.00%	0.00%
Weighted Average Life to Call (years) [(1)]	**1.99**	**1.99**	**1.99**	**1.99**	**1.99**
Weighted Average Life to Maturity (years)	**3.73**	**3.61**	**3.55**	**3.47**	**3.38**

[(1)] Assumes that an optional purchase of the Loans occurs on the Payment Date occurring in February 2015.

THE LOAN PURCHASE AGREEMENT

The Sellers will sell the Initial Loans on the Closing Date, and additional Loans from time to time thereafter during the Revolving Period, to the Depositor pursuant to the loan purchase agreement, dated as of the Closing Date, among each of the Sellers and the Depositor (the "**Loan Purchase Agreement**"). For further detail on (i) conveyances of Loans from the Sellers to the Depositor and from the Depositor to the Issuer on the Closing Date and from time to time thereafter during the Revolving Period, (ii) Loan repurchase obligations as a consequence of breaches of certain representations and warranties and (iii) other circumstances in which Loans may be added or removed from the Loan Pool, see "*Description of the Loans—Assignment of Loans, Representations and Warranties, Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases*" in this private placement memorandum. The Loan Purchase Agreement may be amended or modified by a written agreement executed by the Depositor and each Seller, with the consent of the Issuer. The Depositor is required to deliver a form of any such amendment to the Rating Agency.

The Issuer has agreed in the Indenture that it will not terminate, amend, waive, supplement or otherwise modify any of, and will not consent to any of the foregoing with respect to, or consent to the assignment by any party of, the Transaction Documents to which it is a party except as described in "*The Indenture—Modifications of Transaction Documents*" in this private placement memorandum.

Notwithstanding the foregoing, in certain cases, the Issuer may amend, modify, waive, supplement or agree to any amendment, modification, supplement or waiver of the terms of the Loan Purchase Agreement without the consent of any Holders of Notes. See "*Risk Factors—The Noteholders Have Limited Control over Amendments, Modifications and Waivers to, and Assignments of, the Indenture and other Transaction Documents*" in this private placement memorandum.

THE SALE AND SERVICING AGREEMENT AND THE BACK-UP SERVICING AGREEMENT

The Loans will be conveyed by the Depositor to the Issuer pursuant to the terms of the sale and servicing agreement, dated as of the Closing Date (the "**Sale and Servicing Agreement**") among the Depositor, the Issuer, the Servicer and the Subservicers. In addition, the Loans will be serviced pursuant to the terms of the Sale and Servicing Agreement. While the Servicer will be a party to the Sale and Servicing Agreement and will be responsible for ensuring that the Loans are serviced in accordance with the terms of the Sale and Servicing Agreement, much of the actual servicing of the Loans will be conducted by the Subservicers pursuant to the Sale and Servicing Agreement. Any actual servicing of the Loans by the Subservicers does not, in any way, relieve the Servicer from any of its obligations to ensure that the Loans are serviced in accordance with the terms and conditions of the Sale and Servicing Agreement.

Set forth below are summaries of the specific terms and provisions pursuant to which the Loans will be conveyed by the Depositor to the Issuer and serviced by the Servicer. The summaries do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the provisions of the Sale and Servicing Agreement.

Conveyance of Loans, Etc.

On the Closing Date, the Depositor will convey to the Issuer the Purchased Assets acquired by the Depositor from the Sellers under the Loan Purchase Agreement on such date, its rights under the Loan Purchase Agreement and certain other assets for a purchase price equal to the aggregate Purchase Price paid by the Depositor to the Sellers in connection with the acquisition of such Purchased Assets under the Loan Purchase Agreement. Such purchase price shall be paid by the Issuer in cash to the extent of proceeds available from the issuance of the Notes and otherwise by delivery of the trust certificate to the Depositor. During the Revolving Period, upon acquisition by the Depositor of additional Loans from the Sellers under the Loan Purchase Agreement, the Depositor may (at its discretion) convey some or all of such additional Loans and the related other Purchased Assets to the Issuer in exchange for cash, Loans owned by the Issuer, an increase in the value of the trust certificate or a combination thereof pursuant to a Payment Date Loan Action or a Renewed Loan Replacement. In connection with any Issuer Loan Exchange or Renewed Loan Replacement, the purchase price paid by the Issuer will be calculated

based on the excess, if any, of the Loan Principal Balance of the Replacement Loans over the Loan Principal Balance of the Exchanged Loans or the Loan Principal Balance of the New Loans over the Loan Principal Balance of the Terminated Loans, respectively. Any such conveyance of additional Loans (other than in connection with a Renewed Loan Replacement) will occur on a Payment Date, and the cut-off date with respect to any such additional Loans will be the end of the corresponding Collection Period. The cut-off date with respect to any New Loans acquired will be the date on which the related Renewed Loan Replacement occurs. While it is anticipated the Depositor will convey to the Issuer all additional Loans it purchases from the Sellers from time to time under the Loan Purchase Agreement, it is not required to do so.

In connection with each conveyance of Loans and other related Purchased Assets by the Depositor to the Issuer under the Sale and Servicing Agreement, the Depositor will make representations and warranties with respect to the conveyed Loans that are parallel to the representations and warranties made by the applicable Seller to the Depositor in connection with the sale of such Loans to the Depositor under the Loan Purchase Agreement In connection with any breach of those representations and warranties, the Depositor will have a repurchase obligation vis-à-vis the Issuer that parallels the repurchase obligation of the applicable Sellers vis-à-vis the Depositor under the Loan Purchase Agreement. Additionally, the conveyances of Loans and other related Purchased Assets by the Depositor to the Issuer under the Sale and Servicing Agreement are subject to the satisfaction of conditions similar to those described above under "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases*" with respect the conveyance of Loans and other related Purchased Assets by the Sellers to the Depositor.

For further detail on (i) conveyances of Loans from the Sellers to the Depositor and from the Depositor to the Issuer on the Closing Date and from time to time during the Revolving Period, (ii) Loan repurchase obligations as a consequence of breaches of certain representations and warranties and (iii) other circumstances in which Loans may be added or removed from the Loan Pool, see "*Description of the Loans—Assignment of Loans, Representations and Warranties, Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases*" in this private placement memorandum.

Servicing of Loans

The Servicer will service and administer the Loans (or cause the Loans to be serviced and administered) in accordance with Springleaf's customary and usual servicing procedures for servicing consumer loans comparable to the Loans, in accordance with the Credit and Collection Policy and all applicable Requirements of Law and in accordance with the Sale and Servicing Agreement. The Servicer will have full power and authority, acting alone or through any party properly designated by it under the Sale and Servicing Agreement, to do any and all things in connection with such servicing and administration which the Servicer may deem necessary or desirable. Generally speaking, the Servicer will not be liable for any action taken or for refraining from taking action in good faith without willful misfeasance, bad faith or gross negligence or reckless disregard of its duties

"**Credit and Collection Policy**" shall mean the credit and collection policies and practices maintained by the Servicer and the Subservicers relating to the Loans, as the same may be amended, supplemented or otherwise modified from time to time. The Servicer has covenanted not to amend, modify, waive or supplement the Credit and Collection Policy after the Closing Date in any manner that could reasonably be expected to result in an Adverse Effect. See "*Risk Factors—Modifications to the Credit and Collection Policy May Result in Changes to the Loan Pool and Servicing of the Loans*" in this private placement memorandum. If the Back-up Servicer is appointed as Successor Servicer, "Credit and Collection Policy" shall mean the customary and usual servicing, administration and collection practices and procedures used by servicing companies of comparable experience to the Successor Servicer for servicing consumer loans comparable to the Loans which the Successor Servicer services for its own account. See "*Risk Factors—Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes*" in this private placement memorandum.

Each Subservicer will be responsible for the servicing and administration of the Loans for which such Subservicer is designated as the Subservicer on the Loan Schedule (which will generally be the Loans sold to the Depositor by such Subservicer, in its capacity as a Seller under the Loan Purchase Agreement); provided, however, that the Servicer may redesignate the Subservicers for particular Loans from time to time. Additional affiliates of

Springleaf may be joined as "Subservicers" to the Sale and Servicing Agreement upon satisfaction of certain conditions, including notice to the Rating Agency, but without consent of the Noteholders.

Each Subservicer will be required to service and administer the related Loans in accordance with the same standard to which the Servicer is subject. As part of its servicing activities under the Sale and Servicing Agreement, the Servicer shall enforce the obligations of each Subservicer thereunder. The Servicer will be entitled to terminate the subservicing of the Loans by any Subservicer under the Sale and Servicing Agreement at any time in its sole discretion. In the event of termination of any Subservicer, all servicing obligations of such Subservicer shall be assumed simultaneously by the Servicer without any act or deed on the part of such Subservicer or the Servicer, and the Servicer either shall service directly the related Loans or shall appoint another Subservicer to service and administer such Loans.

Notwithstanding the appointment of the Subservicers for any such servicing and administration of the related Loans, the Servicer shall remain obligated and solely liable to the Indenture Trustee and the Noteholders for the servicing and administering of the Loans in accordance with the provisions of the Sale and Servicing Agreement to the same extent and under the same terms and conditions as if the Servicer alone were servicing and administering the Loans.

Servicing and Other Compensation and Payment of Expenses

As full compensation for its servicing activities under the Sale and Servicing Agreement, the Servicer will be entitled to receive the Servicing Fee payable in arrears on each Payment Date on or prior to the termination of the Trust pursuant to the terms of the Trust Agreement. The "**Servicing Fee**" for any Payment Date, other than the initial Payment Date, will be an amount equal to the product of (i) 4.86%, multiplied by (ii) the aggregate Loan Principal Balance as of the first day of the related Collection Period, multiplied by (iii) one-twelfth. The Servicing Fee for the initial Payment Date will be an amount equal to the product of (i) 4.86%, multiplied by (ii) the aggregate Loan Principal Balance as of the Initial Cut-Off Date, multiplied by (iii) a fraction having as its numerator the number of days from the Closing Date through the end of the related Collection Period, and as its denominator, 360. The Servicing Fee will be payable to the Servicer solely to the extent that amounts are available for payment in accordance with the terms of the Indenture (including by the Servicer retaining Collections in amount up to the aggregate accrued and unpaid Servicing Fee).

The Servicer shall be required to pay the fees, costs and expenses incurred by the Servicer in connection with its servicing responsibilities under the Sale and Servicing Agreement, including expenses related to enforcement of the Loans, out of its own account and will not be entitled to any payment or reimbursement therefore other than the Servicing Fee.

The Back-up Servicer is entitled to receive, on each Payment Date, as compensation for its activities under the Back-up Servicing Agreement, a fee (the "**Back-up Servicing Fee**"). The Back-up Servicing Fee for any Payment Date is equal to the greater of (x) $10,000 and (y) the product of 0.04% per annum and the aggregate Loan Principal Balance of the Loans as of the first day of the related Collection Period (or, with respect to the first Payment Date, as of the Initial Cut-Off Date). The Back-up Servicing Fee will no longer be payable to the extent that the Back-up Servicer has become the successor servicer.

The Back-up Servicer will be entitled to receive from the Servicer, (i) indemnification payments in respect of losses arising from or otherwise relating to the Back-up Servicer's participation in the transactions described in the Back-up Servicing Agreement, except to the extent that any such losses relate to or arise from the Back-up Servicer's gross negligence, willful misconduct or bad faith (excluding errors in judgment) of the Back-up Servicer in the performance of its duties under the Back-up Servicing Agreement or by reason of reckless disregard of its obligations and duties under the Back-up Servicing Agreement, (ii) reimbursement of reasonable and documented out-of-pocket expenses (including legal fees of external counsel) of the Back-up Servicer incurred in connection with the performance of its duties under the Back-up Servicing Agreement and (iii) reimbursement of its reasonable costs and expenses in connection with the assumption of its servicing obligations after the delivery of a Termination Notice to the Servicer (such costs and expenses, the "**Servicing Transition Costs**"). If the Servicer does not pay any such amounts described in the immediately preceding sentence within sixty (60) days following demand therefor, the Back-up Servicer shall be entitled to receive payment of such unpaid amounts in accordance with the

Priority of Payments. The Back-up Servicer shall be required to pay all expenses (other than Servicing Transition Costs) incurred by it in connection with its activities under the Back-up Servicing Agreement (including taxes imposed on the Back-up Servicer and all expenses incurred in connection with reports delivered thereunder).

The payment of fees and reimbursement of expenses of the Indenture Trustee and the Note Registrar pursuant to the Indenture, the payment of fees and reimbursement of expenses of the Owner Trustee pursuant to the Trust Agreement, the reimbursement of expenses of the Back-up Servicer pursuant to the Back-up Servicing Agreement (other than Servicing Transition Costs) and the payment to the Owner Trustee, the Indenture Trustee and any other Person entitled thereto of any indemnified amounts due and owing from the Issuer pursuant to any Transaction Document from the assets of the Trust Estate payable on a senior basis in accordance with the Priority of Payments are subject to aggregate annual cap of $200,000 for all such amounts during any calendar year; provided, that all such amounts that exceed such cap are payable from the assets of the Trust Estate on a subordinate basis in accordance with the Priority of Payments.

Each of the Servicing Fees and the Back-up Servicing Fees will be paid from collections in respect of the Loans in accordance with the Priority of Payment.

Payments on Loans; Collection Account

Except as otherwise provided below, the Servicer shall deposit Collections into the Collection Account as promptly as possible after the date of processing of such Collections, but in no event later than the second business day following the date of processing. Notwithstanding anything else in the Indenture or the Sale and Servicing Agreement to the contrary, for so long as: (i) no Early Amortization Event or Event of Default has occurred and is continuing; and (ii) the Servicer or, so long as the Performance Support Provider is guaranteeing the obligations of the Servicer pursuant to the Performance Support Agreement, the Performance Support Provider maintains a long term rating of "A" or higher and a short term rating of "A-1" or higher from S&P, as applicable, the Servicer need not make the deposits of Collections into the Collection Account as provided in the preceding sentence, but may make a single deposit in the Collection Account in immediately available funds not later than 11:00 a.m., New York City time, on the business day preceding the immediately succeeding Payment Date in an amount equal to the Collections received during the related Collection Period. If the Servicer fails to make the deposit required by the preceding sentence by 11:00 a.m., New York City time, on the business day preceding the Payment Date, the Indenture Trustee will promptly make a claim for payment of the applicable amounts under the Performance Support Agreement. The Servicer may retain funds constituting Collections in an amount equal to its accrued and unpaid Servicing Fee and shall not be required to deposit such funds in the Collection Account.

Amounts on deposit in the Collection Account may, at the written direction of the Servicer, be invested by the Indenture Trustee in Eligible Investments selected by the Servicer. Pursuant to the Sale and Servicing Agreement, the Servicer shall instruct the Indenture Trustee to make withdrawals and payments from the Collection Account for the purposes of carrying out the Servicer's or the Indenture Trustee's duties under the Indenture and under the Sale and Servicing Agreement.

Duties of the Back-up Servicer

Under the Back-up Servicing Agreement, the Back-up Servicer has agreed to perform certain duties on behalf of the Issuer and the Indenture Trustee, for the benefit of the Noteholders, including: (i) in cooperation and consultation with the Servicer, reviewing the servicing procedures and systems of the Servicer and adopting such changes or other modifications to the systems of the Back-up Servicer or assisting the Servicer to make changes or other modifications, as are reasonably necessary to ensure that the Back-up Servicer is able to perform its duties and obligations during the Servicing Centralization Period, during the Servicing Transition Period and following the Servicing Assumption Date, (ii) upon receipt of the electronic files containing the information necessary for the Servicer to prepare the Monthly Servicer Report (the "**Monthly Data Tape**"), reviewing such Monthly Data Tape to confirm that the information contained therein appears to be complete on its face and that it is in a format reasonably acceptable to the Back-up Servicer and (iii) not less than once per twelve-month period, meeting with the Servicer's management at its corporate headquarters to discuss any material changes to the Servicer's servicing processes and procedures adopted by the Servicer during such twelve-month period.

Servicing Centralization Period

Unless a Servicing Transfer has already occurred, if at any time SLFC and its Affiliates cease all or substantially all origination and servicing activity with respect to personal loans (a "**Servicing Centralization Trigger Event**") and the Indenture Trustee delivers a Servicing Centralization Period Notice to the Back-up Servicer (the period from the Back-up Servicer's receipt of a Servicing Centralization Notice and ending on the receipt by the Back-up Servicer of a Servicing Transfer Notice, the "**Servicing Centralization Period**"), the Back-up Servicer may perform, in addition to the duties described above under "*—Duties of the Back-up Servicer*," the duties listed below and any other actions, in each case to the extent the Back-up Servicer deems necessary in order to ensure its preparedness to act as the Servicer:

1. Hire sufficient personnel and allocate appropriate space and resources as may be necessary in connection with the assumption of the duties of Servicer under the Servicing Agreement.

2. Participate in status meetings with the Servicer and its personnel.

3. Resolve any information technology issues regarding remote access to Springleaf's computer system (including to all scanned Loan Agreements).

4. Confirm that access and control over the Central Lockbox is fully vested with the Back-up Servicer.

5. Negotiate any necessary subservicing or other agreements with third-party servicers, collection agents or other service providers.

6. Negotiate a custodial agreement with terms comparable to those in custodial agreements relating to consumer loan securitization transactions similar to the transaction contemplated by the Transaction Documents with a third-party custodian selected by the Back-up Servicer in its reasonable discretion and confirm that all Loan Agreements constituting instruments or chattel paper are held with such custodian (other than an immaterial number of such documents).

The Servicer has agreed in the Back-up Servicing Agreement that, upon receipt its receipt of a Servicing Centralization Period Notice, (x) to cooperate with the Back-up Servicer in its performance of the duties described above and (y) to do each of the following:

1. to the extent permitted under the Loan Agreements and applicable Requirements of Law, promptly commence, and within six (6) months thereafter complete, the acceleration of the timing of delivery of monthly statements and billing invoices to the Loan Obligors and advance the invoice and payment dates with respect to the Loans, in each case to the earliest date permitted under the related Loan Agreement and applicable Requirements of Law;

2. promptly commence, and within six (6) months thereafter complete, the distribution of written notices to all Loan Obligors instructing them to direct payments to the Central Lockbox or to a Permitted Payment Location;

3. promptly commence, and within six (6) months thereafter complete, the implementation of new procedures regarding acceptance of payments constituting Collections at branch locations of SLFC and the Subservicers as follows: (a) deliver to Loan Obligors that "walk-in" to remit Collections written materials encouraging remittance of Collections to the Central Lockbox or to a Permitted Payment Location and (b) discontinue accepting cash payments at branch locations;

4. to the extent any cash payments constituting Collections are received by the Servicer, promptly (and in any event not less than two (2) Business Days following receipt thereof) remit all such Collections to the Central Lockbox;

5. contact all Loan Obligors of Loans with respect to which one or more required payment is past due not later than seven (7) days after the due date thereof regarding all delinquent payments;

6. not later than six (6) months after receipt of the Servicing Centralization Period Notice, deliver all original Loan Agreements constituting instruments or chattel paper previously held by the Servicer or any Subservicer to a third-party custodian identified by the Back-up Servicer; provided that, with respect to the Loan Agreements delivered to a third-party custodian, such third-party custodian shall provide the Servicer reasonable access to such Loan Agreements; and

7. not later than six (6) months after receipt of the Servicing Centralization Period Notice, scan all Loan Agreements (not previously scanned) into the electronic files maintained at or accessible from the Servicer's headquarters.

A "**Servicing Centralization Period Notice**" is a written notice substantially in the applicable form attached to the Back-up Servicing Agreement from the Indenture Trustee (acting at the written direction of the Required Noteholders) to the Back-up Servicer (with a copy to the Servicer) advising the Servicer and the Back-up Servicer of the occurrence of a Servicing Centralization Trigger Event.

The "**Central Lockbox**" is a post office box and linked deposit account established and maintained on behalf of the Back-up Servicer in the name of the Indenture Trustee for the purpose of receiving Collections after the commencement of the Servicing Centralization Period.

A "**Permitted Payment Location**" is any payment location approved by SLFC operated in conjunction with an established electronic payment service such as Mastercard RPPS, Moneygram or CheckFreePay.

Certain Matters Regarding the Servicer

The primary servicing duties to be performed by the Servicer (or the related Subservicer on behalf of the Servicer) include processing and maintaining the Loans and Loan Agreements, tracking and monitoring the status of the Loans, responding to Loan Obligor inquiries, collection and remittance of principal and interest payments on the Loans, collection of insurance claims, loss mitigation and foreclosure procedures, charging-off Loans as uncollectible and liquidations of Loans and collateral securing such Loans and collecting on deficiency balances. The Servicer (or the related Subservicer on behalf of the Servicer) also will provide certain required data and information to the Back-up Servicer and the Indenture Trustee with respect to the Loans.

The servicing obligations of the Servicer generally will be delegated to the Subservicers. None of the Subservicers will be entitled to any additional compensation from assets of the Trust Estate. Notwithstanding the delegation of its servicing obligations, the Servicer will (until its resignation or removal as Servicer) remain liable under the Sale Servicing Agreement for the servicing of the Loans.

The Sale and Servicing Agreement will provide that neither the Servicer, nor any directors, officers, partners, members, managers, employees or agents of the Servicer in its capacity as Servicer, will be under any liability to the Issuer, the Owner Trustee, the Indenture Trustee, the Noteholders or any other Person for the taking of any action or for refraining from the taking of any action in good faith pursuant to the Sale and Servicing Agreement; *provided*, *however*, that none of the Servicer or any such directors, officers, partners, members, managers, employees or agents of the Servicer, will be protected against any liability that would otherwise be imposed by reason of willful misfeasance, bad faith or negligence in the performance of his or its duties or by reason of reckless disregard of his or its obligations and duties thereunder. The Sale and Servicing Agreement will also provide that neither any Subservicer, nor any directors, officers, partners, members, managers, employees or agents of any Subservicer in its capacity as Subservicer, will be under any liability to the Issuer, the Owner Trustee, the Indenture Trustee, the Noteholders or any other Person for the taking of any action or for refraining from the taking of any action in good faith pursuant to the Sale and Servicing Agreement; *provided*, *however*, that none of any Subservicer or any such directors, officers, partners, members, managers, employees or agents of any Subservicer, will be protected against any liability that would otherwise be imposed by reason of willful misfeasance, bad faith or negligence in the performance of his or its duties or by reason of reckless disregard of his or its obligations and duties thereunder.

The rights and obligations of the Subservicers under the Sale and Servicing Agreement will terminate on a Servicing Transfer Date (including the Servicing Assumption Date). However, any Subservicer may be engaged (and each Subservicer has agreed to reasonably cooperate with the Back-up Servicer or any other successor servicer in arranging any such engagement) by any Successor Servicer, including the Back-up Servicer, to provide servicing and administration of the Loans subject to the direction of such Successor Servicer (including the Back-up Servicer). However, there can be no assurance that any Subservicer will agree to provide such servicing and administration, or be capable of providing such servicing and administration, at the time of such assumption. See "*Risk Factors—Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes*" in this private placement memorandum.

Repurchase Obligations

Under the Sale and Servicing Agreement, the Servicer, each Subservicer and any Successor Servicer by its appointment thereunder will make, with respect to itself only, on the Closing Date (or on the date of the appointment of such Successor Servicer) and shall make on each Addition Date, the following representations and warranties and shall covenant to certain matters, including the following:

- It shall (i) duly satisfy all obligations on its part to be fulfilled under the Sale and Servicing Agreement or in connection with each Loan and will maintain in effect all qualifications required under Requirements of Law in order to service properly each Loan; and (ii) comply in all material respects with the Credit and Collection Policy and all other Requirements of Law in connection with servicing each Loan the failure to comply with which would have an Adverse Effect;

- It shall not permit any amendment, waiver, modification, rescission or cancellation of any Loan, except in accordance with the Credit and Collection Policy, as required by Requirements of Law or as ordered by a court of competent jurisdiction or other Governmental Authority; and

- It shall take no action which, nor omit to take any action the omission of which, would impair, in any material respect, the rights of the Issuer or the Indenture Trustee in any Loan, nor shall it reschedule, revise or defer payments due on any Loan except in accordance with the Credit and Collection Policy or as required by Requirements of Law.

In the event any of the representations, warranties or covenants of the Servicer or any Subservicer set forth above with respect to any Loan is breached, which breach materially adversely affects the interests of the Noteholders in such Loan, and is not cured within thirty (30) days from the date on which the Servicer or the breaching Subservicer is notified by the Issuer, the Indenture Trustee, the Servicer (with respect to any Subservicer) or the Depositor of, or discovered, such breach, then any Loan or Loans to which such event relates shall be repurchased by the Servicer on or prior to the Payment Date immediately following the Collection Period in which such thirty (30) day period expired. The cure or repurchase obligations referred to above will constitute the sole remedy available to the Noteholders or the Indenture Trustee with respect to the Servicer's breach of such representations, warranties and covenants.

The Servicer shall effect any such repurchase by making a deposit into the Collection Account or other applicable Note Account in immediately available funds in an amount equal to the Loan Principal Balance of the Loans to be repurchased as of such date.

Servicer Defaults

"**Servicer Defaults**" under the Sale and Servicing Agreement will consist of:

(a) any failure by the Servicer to make any payment, transfer or deposit or to give instructions or to give notice to the Indenture Trustee to make such payment, transfer or deposit on or before 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 Sale and Servicing Agreement or the Indenture, and which continues unremedied for a period of five (5) Business Days after the earlier of (i) 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 Servicer by the Issuer or the Indenture Trustee, or to the Servicer, the Issuer and the Indenture Trustee by the Required Noteholders and (ii) the actual knowledge of the Servicer thereof; or

(b) failure on the part of the Servicer duly to observe or perform any other covenants or agreements of the Servicer set forth in the Sale and Servicing Agreement or the Indenture, which failure has a material adverse effect on the interests of the Noteholders (as determined by the Required Noteholders) and which continues unremedied for a period of sixty (60) days after the earlier of (i) 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 Servicer by the Issuer or the Indenture Trustee, or to the Servicer, the Issuer and the Indenture Trustee by the Required Noteholders and (ii) the actual knowledge of the Servicer thereof; or

(c) any representation, warranty or certification made by the Servicer in the Sale and Servicing Agreement or the Indenture or in any certificate delivered pursuant to the Sale and Servicing Agreement or the Indenture shall prove to have been incorrect when made or deemed made and such failure has a material adverse effect on the Noteholders (as determined by the Required Noteholders) and which continues unremedied for a period of sixty (60) days after the earlier of (i) 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 Servicer by the Issuer or the Indenture Trustee, or to the Servicer, the Issuer and the Indenture Trustee by the Required Noteholders and (ii) the actual knowledge of the Servicer thereof; or

(d) certain insolvency events with respect to the Servicer and certain actions by or on behalf of the Servicer indicating its insolvency.

See "*Risk Factors—Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes*" and "*Risk Factors—The "De-Centralized" Nature of the Servicing May Pose Additional Risks to Investors*" for a description of the risks associated with replacing the Servicer upon the occurrence of a Servicer Default.

Rights Upon Servicer Default

So long as a Servicer Default under the Sale and Servicing Agreement is continuing, the Indenture Trustee may (and upon the written direction of the Required Noteholders shall), by notice then given to the Servicer, the Issuer and the Back-up Servicer (a "**Termination Notice**"), terminate all of the rights and obligations of the Servicer as Servicer under the Sale and Servicing Agreement and the Indenture. The existence of a Servicer Default may be waived with the consent of the Required Noteholders.

On and after the receipt by the Servicer of a Termination Notice, the Servicer shall continue to perform all servicing functions under the Sale and Servicing Agreement until the earlier of (i) the date specified in the Termination Notice or otherwise specified by the Indenture Trustee and (ii) the Servicing Transfer Date. The Indenture Trustee shall as promptly as possible after the giving of a Termination Notice appoint an Eligible Servicer (which shall be the Back-up Servicer unless the Back-up Servicer is then acting as the Servicer) as a successor Servicer (the "**Successor Servicer**"), and such Successor Servicer shall accept its appointment in writing. In the event that a Successor Servicer has not been appointed or has not accepted its appointment at the time when the Servicer ceases to act as Servicer, the Indenture Trustee without further action shall automatically be appointed the Successor Servicer. The Indenture Trustee may delegate any of its servicing obligations to an Affiliate or agent in accordance with the Sale and Servicing Agreement. Notwithstanding the foregoing, the Indenture Trustee shall, if it is legally unable or unwilling so to act, petition a court of competent jurisdiction to appoint any established institution qualifying as an Eligible Servicer as the Successor Servicer under the Sale and Servicing Agreement.

An "**Eligible Servicer**" is the Indenture Trustee, SLFC, the Back-up Servicer or an entity which, at the time of its appointment as Servicer, (i) (a) is either (x) the surviving Person of a merger or consolidation with, or the transferee of all or substantially all of the assets of, SLFC in a transaction otherwise complying with the relevant terms of the Sale and Servicing Agreement or (y) an Affiliate of Springleaf, (b) is servicing a portfolio of consumer loans, (c) is legally qualified (either directly or through a subservicer) and has the capacity to service and administer

the Loans in accordance with the Sale and Servicing Agreement and (d) is qualified to use the software that is then being used to service the Loans or obtains the right to use or has its own software which is adequate to perform its duties under the Sale and Servicing Agreement or (ii) (a) is servicing a portfolio of consumer loans, (b) is legally qualified and has the capacity to service and administer Loans in accordance with the Sale and Servicing Agreement, (c) has demonstrated the ability to service professionally and competently a portfolio of loans which are similar to the Loans in accordance with high standards of skill and care and (d) is qualified to use the software that is then being used to service the Loans or obtains the right to use or has its own software which is adequate to perform its duties under the Sale and Servicing Agreement.

No assurance can be given that the termination of the rights and obligations of the Servicer would not adversely affect the servicing of the Loans, including the loss and delinquency experience of the Loans. See "*Risk Factors—Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes*" in this private placement memorandum. Further, there is no established protocol in the Transaction Documents to appoint a successor Back-up Servicer in the event that the Back-up Servicer becomes successor Servicer under the Sale and Servicing Agreement. Consequently, in the event that after the Back-up Servicer has become the successor Servicer, it is terminated as successor Servicer, the servicing of the Loans, including the delinquency and loss experience of the Loans, could be adversely affected.

Resignation of the Servicer

The Servicer shall not resign from the obligations and duties imposed on it under the Sale and Servicing Agreement except upon a determination (as supported by an opinion of counsel) that (i) the performance of its duties under the Sale and Servicing Agreement is no longer permissible under applicable law and (ii) there is no reasonable action which the Servicer could take to make the performance of its duties under the Sale and Servicing Agreement permissible under applicable law. No resignation shall become effective until a Successor Servicer (which shall be the Back-up Servicer unless the Back-up Servicer is the resigning Servicer) or the Indenture Trustee shall have assumed the responsibilities and obligations of the Servicer in accordance with the Sale and Servicing Agreement (other than in the case of the Back-up Servicer, any such duty or obligation that it is not required to assume under the terms of the Back-up Servicing Agreement). If, within one hundred twenty (120) days of the date of the determination that the Servicer may no longer act as Servicer as described above, the Indenture Trustee is unable to appoint a Successor Servicer, the Indenture Trustee shall serve as Successor Servicer. Notwithstanding the foregoing, the Indenture Trustee shall, if it is legally unable so to act, petition a court of competent jurisdiction to appoint any established institution qualifying as an Eligible Servicer as the Successor Servicer.

The Servicer and each Subservicer may assign (which assignment shall not constitute a "resignation" for purposes of the foregoing paragraph) part or all of its obligations and duties as Servicer or Subservicer under the Sale and Servicing Agreement to an Affiliate of the Servicer or such Subservicer so long as (x) in the case of an assignment by the Servicer, such entity is an Eligible Servicer as of such assignment, (y) the Performance Support Provider shall have fully guaranteed the performance of the obligations and duties of the Servicer or such Subservicer, as applicable, pursuant to the Performance Support Agreement and (z) the Servicer reasonably determines that such assignment will not materially adversely affect the interests of any Class of Noteholders. So long as SLFC remains the Servicer, no Subservicer shall resign from the obligations and duties under the Sale and Servicing Agreement except with the consent of the Servicer.

Assumption of Servicing by the Back-up Servicer

In the event that SLFC is terminated or resigns as Servicer pursuant to the terms of the Sale and Servicing Agreement, the Back-up Servicer, within a commercially reasonable period of time (not to exceed sixty (60) days) after its receipt of a Servicing Transfer Notice (such period, the "**Servicing Transition Period**"), will be (i) the successor in all respects, except as noted below, to SLFC in its capacity as servicer under the Sale and Servicing Agreement and (ii) except as noted below, shall be subject to all the rights, responsibilities, obligations, restrictions, duties, liabilities and termination provisions relating thereto placed on the Servicer by the terms and provisions of the Sale and Servicing Agreement. The date on which such rights, responsibilities and obligations have been so assumed by the Back-up Servicer is referred to herein as the "**Servicing Assumption Date**". The Servicer and the Subservicers are required under the Sale and Servicing Agreement to reasonably cooperate in the transfer of such rights, responsibilities, obligations, restrictions, duties and liabilities to the Back-up Servicer. The Servicing

Assumption Date will occur within a commercially reasonable period of time (not to exceed 60 days) after receipt by the Back-up Servicer of a Servicing Transfer Notice.

The Back-up Servicer, as the successor Servicer, and its successors or assigns, shall have (i) no liability with respect to any obligation which was required to be performed by the predecessor Servicer prior to the date that the successor Servicer becomes the Servicer or any claim of a third party based on any alleged action or inaction of the predecessor Servicer, (ii) no obligation to perform any repurchase or advancing obligations, if any, of the Servicer, (iii) no obligation to pay any taxes required to be paid by the Servicer, (iv) no obligation to pay any of the fees and expenses of any other party involved in this transaction and (v) no liability or obligation with respect to any Servicer indemnification obligations of any prior servicer including the original servicer. Furthermore, the Back-up Servicer as Successor Servicer will not be required to service the Loans in accordance with Springleaf's collection policies, but rather in accordance with the customary and usual servicing, administration and collection practices and procedures used by servicing companies of comparable experience to the Back-up Servicer for servicing consumer loans comparable to the Loans which the Back-up Servicer services for its own account and the Back-up Servicer will not be required to carry out the same activities as described above under "*—Servicing of Loans*" and "*Servicing Standards*" in this private placement memorandum.

In the event that the Back-up Servicer becomes Successor Servicer, the Back-up Servicer will determine at such time how it wishes to carry out the servicing and administration of the Loans, and the Back-up Servicer may elect to centralize some or all of the servicing and administration of the Loans. There can be no assurance that the servicing and administration of the Loans by the Back-up Servicer will not adversely affect the performance of the Loans. See *"Risk Factors—Replacement of the Servicer or Inability to Replace Servicer or Inability of Subservicers to Service the Loans Could Result in Reduced Payments on the Notes"* in this private placement memorandum.

Back-up Servicer Termination Events

"**Back-up Servicer Termination Events**" under the Back-up Servicing Agreement will consist of:

(a) Failure on the part of the Back-up Servicer to duly observe or perform in any material respect any covenant or agreement of the Back-up Servicer set forth in the Back-up Servicing Agreement, which failure continues unremedied for a period of ten (10) Business Days after the date on which a responsible officer of the Back-up Servicer had actual knowledge of such failure or on which written notice of such failure, requiring the same to be remedied, shall have been given to the Back-up Servicer by the Issuer or the Indenture Trustee (acting at the written direction of the Required Noteholders); or

(b) (i) The commencement of an involuntary case under the federal bankruptcy laws, as in effect as of the Closing Date or from time to time thereafter, or another present or future, federal or state bankruptcy, insolvency or similar law and such case is not dismissed within forty five (45) calendar days; or (ii) the entry of a decree or order for relief by a court or regulatory authority having jurisdiction in respect of the Back-up Servicer in an involuntary case under the federal bankruptcy laws, as now or hereafter in effect, or another present or future, federal or state bankruptcy, insolvency or similar law, or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Back-up Servicer or of any substantial part of its properties or ordering the winding up or liquidation of the affairs of the Back-up Servicer; or

(c) The commencement by the Back-up Servicer of a voluntary case under the federal bankruptcy laws, as now or hereafter in effect, or any other present or future, federal or state bankruptcy, insolvency or similar law, or the consent by the Back-up Servicer to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Back-up Servicer or of any substantial part of its property or the making by the Back-up Servicer of an assignment for the benefit of creditors or the failure by the Back-up Servicer generally to pay its debts as such debts become due or the taking of corporate action by the Back-up Servicer in furtherance of any of the foregoing; or

(d) Any representation, warranty or statement of the Back-up Servicer made in the Back-up Servicing Agreement or any certificate, report or other writing delivered by the Back-up Servicer pursuant

to the Back-up Servicing shall prove to be incorrect in any material respect as of the time when the same shall have been made and, within ten (10) Business Days after the Servicer had actual knowledge thereof or written notice thereof shall have been given to a responsible officer of the Back-up Servicer by the Issuer or the Indenture Trustee (acting at the written direction of the Required Noteholders), the circumstances or condition in respect of which such representation, warranty or statement was incorrect shall not have been waived, eliminated or otherwise cured.

Rights upon Back-up Servicer Termination Events

If a Back-up Servicer Termination Event shall occur and be continuing, the Indenture Trustee (acting at the written direction of the Required Noteholders) shall, by notice given in writing to the Back-up Servicer, terminate all of the rights and obligations of the Back-up Servicer under the Back-up Servicing Agreement (except certain rights which expressly survive such termination). The terminated Back-up Servicer will cooperate with the Servicer and the Indenture Trustee in effecting the termination of the responsibilities and rights of the terminated Back-up Servicer under the Back-up Servicing Agreement.

Resignation of the Back-up Servicer

Prior to the time the Back-up Servicer and the Servicer receive a Servicing Transfer Notice, the Back-up Servicer may resign as Back-up Servicer only upon determination that the performance of its duties shall no longer be permissible under applicable law or that compliance with any applicable law would result in a material adverse impact on the Back-up Servicer's financial condition; *provided*, that no such resignation shall be effective until a successor Back-up Servicer acceptable to the Indenture Trustee (acting at the written direction of the Required Noteholders) and the Issuer has been appointed and has assumed the responsibilities of the Back-up Servicer under the Back-up Servicing Agreement. In the event that the Back-up Servicer delivers notice pursuant to the foregoing sentence, the Servicer will cooperate with the Indenture Trustee, and take such actions as the Indenture Trustee may reasonably request, in order to appoint a replacement Back-up Servicer as promptly as possible.

The Back-up Servicer will be permitted to assign its rights and obligations under the Back-up Servicing Agreement with the consent of each other party thereto.

Amendment; Waiver

The Sale and Servicing Agreement

The Sale and Servicing Agreement may be amended by written agreement signed by the Servicer, the Depositor and the Issuer, but without consents of any of the Noteholders, for certain limited purposes (with notice to the Rating Agency); *provided*, however, that such action shall not adversely affect in any material respect the interest of any of the Noteholders as evidenced by an officer's certificate of the Depositor to such effect delivered to the Indenture Trustee and the Issuer. The Sale and Servicing Agreement may also be amended by written agreement signed by the Servicer, the Depositor and the Issuer, but without consent of any of the Noteholders, for any other purpose provided that (i) the Depositor shall have delivered to the Indenture Trustee and the Issuer an officer's certificate, dated the date of any such amendment, stating that the Depositor reasonably believes that such amendment will not have an Adverse Effect and (ii) the Rating Agency Notice Requirement shall have been satisfied with respect to any such amendment. The Sale and Servicing Agreement may be amended by the Servicer, the Depositor and the Issuer, by a written instrument signed by each of them, but without the consent of the Noteholders, upon satisfaction of the Rating Agency Notice Requirement with respect to such amendment (without anything further) as may be necessary or advisable in order to avoid the imposition of any withholding taxes or state or local income or franchise taxes imposed on the Issuer's property or its income.

In connection with any amendment (other than as described in the foregoing paragraph) to the Sale and Servicing Agreement, the consent of the Required Noteholders shall be required; *provided*, however, that no such amendment shall directly or indirectly (i) reduce in any manner the amount of or delay the timing of any distributions (changes in Early Amortization Events that decrease the likelihood of the occurrence thereof shall not be considered delays in the timing of distributions for purposes of this clause) to be made to Noteholders or deposits

of amounts to be so distributed without the consent of each affected Noteholder, (ii) change the definition of or the manner of calculating the interest of any Noteholder without the consent of each affected Noteholder or (iii) reduce the aforesaid percentage required to consent to any such amendment, in each case, without the consent of each Noteholder.

The Required Noteholders may, on behalf of all Noteholders, waive any default by the Depositor, the Issuer, or the Servicer in the performance of their obligations under the Sale and Servicing Agreement and its consequences, except the failure to make any distributions required to be made to Noteholders or to make any required deposits of any amounts to be so distributed (which such default may only be waived by 100% of the affected Noteholders).

The Back-up Servicing Agreement

The Back-up Servicing Agreement may be amended from time to time by the Back-up Servicer, the Servicer, the Issuer and the Indenture Trustee, but without consent of any of the Noteholders, (i) to correct or supplement any provisions therein which may be inconsistent with any other provisions therein, or (ii) to add any other provisions with respect to matters or questions arising under the Back-up Servicing Agreement which shall not be inconsistent with the provisions of the Back-up Servicing Agreement; provided, however, that such action shall not adversely affect in any material respect the interest of any of the Noteholders as evidenced by an Officer's Certificate of Issuer to such effect. Additionally, the Back-up Servicing Agreement may be amended from time to time by the Back-up Servicer, the Servicer, the Issuer and the Indenture Trustee, but without the consent of any of the Noteholders, provided that (i) the Issuer shall have delivered to the Indenture Trustee an Officer's Certificate, dated the date of any such amendment, stating that the Issuer reasonably believes that such amendment will not have an Adverse Effect and (ii) the Rating Agency Notice Requirement shall have been satisfied with respect to any such amendment.

The Back-up Servicing Agreement may also be amended from time to time by the Back-up Servicer, the Servicer, the Issuer and the Indenture Trustee, with the consent of the Required Noteholders, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Back-up Servicing Agreement or of modifying in any manner the rights of the Noteholders.

The Issuer is required to furnish notification of the substance of each such amendment to the Indenture Trustee and each Noteholder, and the Servicer is required to furnish notification of the substance of such amendment to the Rating Agency.

The Issuer has agreed in the Indenture that it will not terminate, amend, waive, supplement or otherwise modify any of, and will not consent to any of the foregoing with respect to, or consent to the assignment by any party of, the Transaction Documents to which it is a party except as described in "*The Indenture—Modifications of Transaction Documents*" in this private placement memorandum.

In certain cases, the Issuer may amend, modify, waive, supplement or agree to any amendment, modification, supplement or waiver of the terms of the Sale and Servicing Agreement or the Back-up Servicing Agreement without the consent of any Holders of Notes. See "*Risk Factors—The Noteholders Have Limited Control over Amendments, Modifications and Waivers to, and Assignments of, the Indenture and other Transaction Documents*" in this private placement memorandum.

THE INDENTURE

General

The Notes will be issued pursuant to the Indenture, to be dated the Closing Date (the "**Indenture**"), among the Issuer, the Indenture Trustee and the Servicer. Set forth below are summaries of the specific terms and provisions pursuant to which the Notes will be issued. The summaries do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the provisions of the Indenture.

The Issuer will grant to the Indenture Trustee for the benefit of the Noteholders all of the Issuer's right, title and interest in and to the Trust Estate, whether now existing or hereafter created.

Any Loan that is to be conveyed to the Depositor pursuant to a Payment Date Loan Action or any Renewed Loan Replacement or Renewed Loan Repurchase or as a result of a Required Loan Repurchase and certain rights relating to such Loan (including rights to future payments in respect thereof) or otherwise will be deemed to be automatically released from the lien of the Indenture without any action being taken by the Indenture Trustee upon payment of the applicable consideration to the Issuer. In addition, in the event that a Loan becomes a Charged-Off Loan, such Charged-Off Loan and certain related rights (including rights to future payments in respect thereof) will be deemed to be automatically released from the lien of the Indenture; provided that all recoveries and other amounts collected by the Issuer, the Depositor or the Servicer with respect to any Charged-Off Loan shall be paid to the Issuer and subject to the lien of the Indenture.

Collection Account; Principal Distribution Account

The Servicer, for the benefit of the Noteholders, will establish and maintain with the Indenture Trustee and in the name of the Indenture Trustee, on behalf of the Issuer, an Eligible Deposit Account bearing a designation clearly indicating that such account is the "Collection Account" and that the funds and other property credited thereto are held for the benefit of the Noteholders (the "**Collection Account**"). Pursuant to the Sale and Servicing Agreement, the Servicer shall instruct the Indenture Trustee to make withdrawals and payments from the Collection Account for the purposes of carrying out the Servicer's or the Indenture Trustee's duties under the Indenture and under the Sale and Servicing Agreement.

In addition, the Servicer, for the benefit of the Noteholders, will establish and maintain with the Indenture Trustee and in the name of the Indenture Trustee, on behalf of the Issuer, a sub-account within the Collection Account bearing a designation clearly indicating that such sub-account is the "Principal Distribution Account" and that the funds and other property credited thereto are held for the benefit of the Noteholders (the "**Principal Distribution Account**"). The Issuer may deposit or cause the deposit into the Principal Distribution Account from time to time of funds available to the Issuer that are not required to be deposited into another Note Account or otherwise allocated or to be held in trust on behalf of any Person in accordance with the Indenture or any other Transaction Document.

An "**Eligible Deposit Account**" is either (a) a segregated account with an Eligible Institution or (b) a segregated trust account with the corporate trust department of a depository institution organized under the laws of the United States or any one of the states thereof, including the District of Columbia (or any domestic branch of a foreign bank), and acting as a trustee for funds deposited in such account, so long as any of the unsecured, unguaranteed senior debt securities of such depository institution shall have a credit rating from each Rating Agency in one of its generic credit rating categories that signifies "BBB" or higher.

An "**Eligible Institution**" is a depository institution organized under the laws of the United States of America or any one of the states thereof, including the District of Columbia (or any domestic branch of a foreign bank), which at all times has (a)(i) a long-term unsecured debt rating of "Baa1" or better by Moody's and (ii) a certificate of deposit rating of "P-2" by Moody's and (b), either (x) a long-term unsecured debt rating of "BBB+" by Standard & Poor's or (y) a certificate of deposit rating of "A-2" by Standard & Poor's. If so qualified, the Indenture Trustee or the Administrator may be considered an Eligible Institution for the purposes of this definition.

On each Payment Date, the Indenture Trustee will make distributions from the Collection Account and the Principal Distribution Account in accordance with the provisions set forth under "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

Reserve Account

The Notes will have the benefit of a reserve account (the "**Reserve Account**") which will be established by the Servicer for the benefit of the Noteholders, with the Indenture Trustee and in the name of the Indenture Trustee, on behalf of the Issuer, on or prior to the Closing Date. Funds on deposit in the Reserve Account, to the extent of

funds on deposit therein, will be available on each Payment Date to pay amounts due and owing on such Payment Date in accordance with the Priority of Payments. On the Closing Date, the Depositor will remit the Required Reserve Account Amount to the Indenture Trustee for deposit to the Reserve Account. On each Payment Date, all amounts on deposit in the Reserve Account will be withdrawn by the Indenture Trustee and, together with any other Available Funds, be applied in accordance with the Priority of Payments. Any amounts remaining after making payments pursuant to clauses (i) through (xi) of the Priority of Payments as described under "*Description of the Notes—Priority of Payments*" in this private placement memorandum on any Payment Date, up to the Required Reserve Account Amount, will be deposited to the Reserve Account on such Payment Date.

All amounts deposited to the Reserve Account will be held in the name of the Indenture Trustee, on behalf of the Issuer, but shall be under the sole dominion and control of the Indenture Trustee for the benefit of the Noteholders, in accordance with the terms and provisions of the Indenture. Amounts on deposit in the Reserve Account may, at the written direction of the Servicer, be invested by the Indenture Trustee in Eligible Investments selected by the Servicer.

The Reserve Account must be an Eligible Deposit Account.

Events of Default

An "**Event of Default**" under the Indenture is the occurrence of any one of the following events:

(a) certain insolvency events with respect to the Issuer or the Depositor and certain actions by or on behalf of the Issuer or the Depositor indicating its insolvency or inability to pay its obligations; or

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

(c) the Issuer or the Depositor shall have become subject to regulation by the SEC as an "investment company" under the Investment Company Act; or

(d) the Depositor or the Issuer shall become taxable as an association or a publicly traded partnership taxable as a corporation under the Internal Revenue Code; or

(e) a default in the payment of any interest on any Class A Note on any Payment Date and such default shall continue for a period of five (5) Business Days; or

(f) a failure to pay the principal balance of all Outstanding Notes of any Class, together with all accrued and unpaid interest thereon, in full on the Stated Maturity Date for such Class; or

(g) 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, or (y) a failure on the part of the Depositor duly to observe or perform any other covenants or agreements of the Depositor set forth in the Sale and Servicing Agreement, which failure, in either case, has a material adverse effect on the interests of the Noteholders (as determined by the Required Noteholders) and which continues unremedied for a period of sixty (60) 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 Depositor, as applicable, by the Indenture Trustee, or to the Issuer or the Depositor, as applicable, and the Indenture Trustee by the Required Noteholders; or

(h) 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 Depositor in the Sale and Servicing Agreement or in any certificate delivered pursuant to the Sale and Servicing 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 Noteholders (as 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 Depositor, as applicable, by the Indenture Trustee, or to the Issuer or the Depositor, as applicable, and the Indenture Trustee by the Required Noteholders; or

(i) the Internal Revenue Service shall file notice of a lien pursuant to Section 430 or Section 6321 of the Internal Revenue Code with regard to the Issuer or the Depositor and such lien shall not have been released within thirty (30) days;

provided, however, that a failure of performance under any of clauses (e), (f) or (g) above for a period of fifteen (15) days (beyond any cure periods provided for therein) shall not constitute an Event of Default if such failure could not be prevented by the exercise of reasonable diligence by the Issuer or the Indenture Trustee and such failure was caused by a Force Majeure Event. For the avoidance of doubt, an Event of Default shall occur in the event that such failure of performance has not been cured as of the expiration of such fifteen (15) day period.

Rights Upon Event of Default

If an Event of Default described in clauses (b) through (i) in "*—Events of Default*" above occurs and is continuing, then the Indenture Trustee will, acting at the direction of the holders holding Notes evidencing more than 50% of the Outstanding Notes (the "**Required Noteholders**"), declare all the Notes, together with accrued or accreted and unpaid interest thereon through the date of acceleration, to be immediately due and payable.

If an Event of Default described in clause (a) in "*—Events of Default*" above occurs and is continuing, then the unpaid principal of all Notes, together with the accrued or accreted and unpaid interest thereon through the date of acceleration, shall automatically become due and payable.

At any time after such declaration of acceleration of maturity has been made and before a judgment or decree for payment of the money due has been obtained by the Indenture Trustee as provided in the Indenture, the Required Noteholders, by written notice to the Issuer and the Indenture Trustee, may rescind and annul such declaration and its consequences if:

(i) the Issuer has paid or deposited with the Indenture Trustee a sum sufficient to pay:

(A) all payments of principal of and interest on the Notes and all other amounts that would then be due hereunder or upon the Notes if the Event of Default giving rise to such acceleration had not occurred; and

(B) all sums paid or advanced by the Indenture Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee and its agents and outside counsel and, if applicable, any such amounts due to the Owner Trustee; and

(ii) all Events of Default, other than the nonpayment of the principal of the Notes that has become due solely by such acceleration, have been cured or waived as provided in the Indenture.

If an Event of Default shall have occurred and be continuing, and the Notes have been accelerated, the Indenture Trustee shall, upon the written direction of the Required Noteholders (unless the Indenture Trustee preserves the Trust Estate in accordance with the Indenture), do one or more of the following: (i) institute proceedings in its own name and as trustee of an express trust for the collection of all amounts then payable on the Notes or under the Indenture, enforce any judgment obtained, and collect from the Issuer, the Trust Estate and from any other obligor upon such Notes in accordance with any such judgment; (ii) sell, on a servicing released basis, Loans, as shall constitute a part of the related Trust Estate (or rights or interest therein), at one or more public or private sales called and conducted in any manner permitted by law; (iii) direct the Issuer to exercise rights, remedies, powers, privileges or claims under the Sale and Servicing Agreement, the Loan Purchase Agreement and the Performance Support Agreement; and (iv) take any other appropriate action to protect and enforce the rights and remedies of the Indenture Trustee or the Noteholders hereunder; provided, however, that the Indenture Trustee may not exercise the remedy described in clause (ii) above or otherwise sell or liquidate the Trust Estate substantially as a whole (in one or more sales), or institute proceedings in furtherance thereof, unless (A) the Holders of 100% of the

aggregate unpaid principal amount of the outstanding Notes direct such remedy, (B) the Indenture Trustee determines that the anticipated proceeds of such sale distributable to the Noteholders are sufficient to discharge in full all amounts then due and unpaid upon the Notes for principal and interest (after giving effect to the payment of any amounts that are senior in priority to such principal and interest) or (C) the Indenture Trustee determines (based on the information provided to it by the Servicer) that the Trust Estate may not continue to provide sufficient funds for the payment of principal of and interest on the Notes as they would have become due if the Notes had not been declared due and payable, and the Indenture Trustee is directed to take such remedy by the Holders of not less than 66 2/3% of the aggregate unpaid principal amount of the Outstanding Notes.

The remedies provided in the Indenture are the exclusive remedies provided to the Noteholders with respect to the Trust Estate and each of the Noteholders (by their acceptance of their respective interests in the Notes) will be deemed to have waived and the Indenture Trustee will have waived pursuant to the Indenture any other remedy that might have been available under the applicable UCC.

If the Indenture Trustee collects any money or property pursuant its exercise of remedies with respect to the Issuer or the Trust Estate following the acceleration of the maturities of the Notes, it will pay out the money or property in accordance with the Priority of Payments or, in the case of an acceleration as a result of an Event of Default due to an insolvency or similar event with respect to the Issuer or the Depositor, as may otherwise be directed by a court of competent jurisdiction.

Waiver of Defaults

The Required Noteholders may, on behalf of all Noteholders, waive in writing any past default with respect to the Notes and its consequences (including an Event of Default), except that:

(a) a default in the payment of the principal or interest in respect of any Note cannot be waived without the consent of each Noteholder of each Outstanding Note affected thereby;

(b) a default as a result of an Insolvency Event with respect to the Issuer or the Depositor cannot be waived without the consent of each Noteholder;

(c) a default in respect of a covenant or provision of the Indenture that under the terms of the Indenture cannot be modified or amended without the consent of the Noteholder of each Outstanding Note or each Noteholder of each Outstanding Note affected thereby without the consent of each such Noteholder; and

(d) an Early Amortization Event cannot be waived without the consent of each Noteholder.

Upon any such written waiver, such default, and any Event of Default arising therefrom, shall cease to exist and shall be deemed to have been cured for every purpose of the Indenture; provided, that no such waiver shall extend to any subsequent or other default or Event of Default or impair any right consequent thereon.

Limitation on Suits

Subject to the limitations set forth in the Indenture, no Noteholder shall have any right to institute any proceedings, judicial or otherwise, with respect to the Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(a) the Holders of not less than 10% of the aggregate unpaid principal amount of all Outstanding Notes have made written request to the Indenture Trustee to institute such proceeding in its own name as Indenture Trustee under the Indenture;

(b) such Noteholder or Noteholders has previously given written notice to the Indenture Trustee of a continuing Event of Default;

(c) such Noteholder or Noteholders has offered to the Indenture Trustee indemnity reasonably satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Indenture Trustee for sixty (60) days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(e) no direction inconsistent with such written request has been given to the Indenture Trustee during such sixty-day period by Holders of a majority of the aggregate unpaid principal amount of all Outstanding Notes.

In the event the Indenture Trustee receives conflicting or inconsistent requests and indemnity from two (2) or more groups of Noteholders, each representing less than a majority of the Outstanding Amount of the Notes, the Indenture Trustee shall act at the direction of the group representing a greater percentage of the Outstanding Amount of the Notes, or if both groups are equal, the Indenture Trustee in its sole discretion may determine what action, if any, shall be taken, notwithstanding any other provisions of the Indenture.

Annual Compliance Statements

The Issuer will deliver to the Indenture Trustee, no later than April 30th of each year so long as any Note is Outstanding (commencing April 30, 2014), an Officer's Certificate stating, as to the Authorized Officer signing such Officer's Certificate, that:

(a) a review of the activities of the Issuer during the most recently ended fiscal year (or in the case of the fiscal year ending December 31, 2013, the period from the Closing Date to December 31, 2013) and of performance under the Indenture and the Sale and Servicing Agreement has been made under such Authorized Officer's supervision; and

(b) to the best of such Authorized Officer's knowledge, based on such review, the Issuer has materially complied with all conditions and covenants under the Indenture and the Sale and Servicing Agreement throughout such year, or, if there has been a default in its compliance with any such condition or covenant, specifying each such default known to such Authorized Officer and the nature and status thereof.

Governing Law

The Indenture and the Notes provide that they will be governed by, and will be construed in accordance with, the laws of the State of New York applicable to agreements made and to be performed in the State of New York, without reference to its conflicts of laws provisions (other than Section 5-1401 of the General Obligations Laws).

Satisfaction and Discharge of the Indenture

The Indenture will be discharged (except with respect to certain continuing rights specified in the Indenture) when:

(i) either:

(A) all Notes (other than (1) any Notes which have been destroyed, lost or stolen and which have been replaced or paid and (2) any Notes for whose full payment money is held in trust by the Indenture Trustee and thereafter released to the Issuer or discharged from such trust as provided in the Indenture) have been delivered to the Indenture Trustee for cancellation; or

(B) all Notes not theretofore delivered to the Indenture Trustee for cancellation:

(I) have become due and payable; or

(II) are to be called for redemption within one year under arrangements satisfactory to the Indenture Trustee for the giving of notice of redemption by the Indenture Trustee in the name, and at the expense, of the Issuer;

and the Issuer, in the case of (I) or (II) above, has irrevocably deposited or caused to be irrevocably deposited with the Indenture Trustee cash or direct obligations of or obligations guaranteed by the United States of America (which will mature prior to the date such amounts are payable), in trust for such purpose, in an amount sufficient to pay and discharge the entire indebtedness on such Notes in accordance with the Priority of Payments when due and payable or on the applicable final Payment Date (if Notes shall have been called for redemption pursuant to the Indenture), as the case may be;

(ii) the Issuer has paid or caused to be paid all other sums payable hereunder by the Issuer with respect to the Notes and with respect to the Indenture Trustee; and

(iii) the Issuer has delivered to the Indenture Trustee an officer's certificate of the Issuer and an opinion of counsel, each meeting the applicable requirements of the Indenture and each stating that all conditions precedent therein relating to the satisfaction and discharge of the Indenture have been complied with.

All monies deposited with the Indenture Trustee in connection with the satisfaction and discharge of the Indenture shall be held in trust and applied by it, in accordance with the provisions of the Notes and the Indenture, to make payments to the Noteholders for the payment in respect of which such monies have been deposited with the Indenture Trustee, of all sums due and to become due thereon for principal and interest; but such monies need not be segregated from other funds except to the extent required in the Indenture or in the Sale and Servicing Agreement or required by law.

Reports to Noteholders

Not later than the second Business Day preceding each monthly Payment Date, the Servicer shall deliver to the Issuer, the Rating Agency, the Back-up Servicer and the Indenture Trustee a report (the "**Monthly Servicer Report**") setting forth, among other things, the following information for such Payment Date:

(a) the Adjusted Loan Principal Balance for the related Collection Period;

(b) the calculation of each of the components of the Reinvestment Criteria Events as of the end of the related Collection Period and after giving effect to any Payment Date Loan Actions to be taken on the related Payment Date, including, without limitation, the Weighted Average Coupon and the Weighted Average Loan Remaining Term;

(c) the amount of interest to be paid to each class of Notes on such Payment Date;

(d) the amount of Collections for such Collection Period;

(e) the amount on deposit in the Reserve Account as of such Payment Date;

(f) the amount of principal to be paid to each class of Notes and the principal balance for each class of Notes immediately prior to such Payment Date and after giving effect to payments on the Notes on such Payment Date; and

(g) the Monthly Net Loss Percentage as of such Monthly Determination Date.

The Servicer will deliver to the Owner Trustee, the Rating Agency and the Indenture Trustee on or before April 30 of each calendar year, beginning with April 30, 2014, an officer's certificate stating that, based on the review of an Authorized Officer of the Servicer, the Servicer has performed in all material respects all of its obligations under the Sale and Servicing Agreement and other Transaction Documents throughout such calendar year and that no Servicer Default has occurred and is continuing, except as may be noted in such officer's certificate, together with an agreed upon procedures letter delivered by an independent provider with respect to the Servicer's activities under the Transaction Documents.

The Subservicers will make available to the Servicer sufficient information relating to the subservicing of Loans under the Sale and Servicing Agreement so as to enable the Servicer to prepare and deliver the Monthly Servicer Report and the officer's certificate described above. The Subservicers will provide or cause to be provided to the independent service provider selected by the Servicer to furnish such report sufficient information relating to the subservicing of Loans under the Sale and Servicing Agreement, or reasonable access to the premises of such Subservicer, as reasonably required by such independent service provider to furnish such report.

DTC will supply these Monthly Servicer Reports to Noteholders in accordance with its procedures. Since Beneficial Owners will not be recognized as Noteholders of that series, DTC will not forward monthly reports to those owners. Copies of Monthly Servicer Reports may be obtained by Beneficial Owners as provided in the Indenture.

Supplemental Indentures

Supplemental Indentures Without the Consent of the Noteholders. Without the consent of any Noteholders but with prior notice to the Rating Agency, the Issuer, the Servicer and the Indenture Trustee may enter into one or more indentures supplemental to the Indenture only in order to (i) correct or amplify any description of property or to better assure, convey or confirm the lien of the Indenture Trustee in any such property, or to add any additional property to the lien of the Indenture Trustee; (ii) to add to the covenants of the Issuer, for the benefit of the Holders of the Notes, or to surrender any right or power conferred upon the Issuer in the Indenture; (iii) to convey, transfer, assign, mortgage or pledge any property to the Indenture Trustee; (iv) to cure any ambiguity or inconsistency in any way or to make any other provisions with respect to matters or questions arising under the Indenture or in any supplemental indenture that does not adversely affect the interests of any Noteholders in any material respect; or (v) to evidence and provide for the acceptance of the appointment by a successor indenture trustee and additional indenture trustee.

The Issuer, the Servicer and the Indenture Trustee may also, without the consent of any Noteholders but upon satisfaction of the Rating Agency Notice Requirement, enter into an indenture supplemental 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 Noteholders, so long as the Issuer has delivered to the Indenture Trustee an officer's certificate stating that the Issuer reasonably believes that such action will not have an Adverse Effect, and the Issuer has delivered to the Indenture Trustee and the Rating Agency a Tax Opinion addressing such action.

Additionally, the Issuer and the Indenture Trustee may, without the consent of any Noteholders, enter into an indenture supplemental to the Indenture in order to add, modify or eliminate such provisions as may be necessary or advisable in order to enable all or any portion of the Issuer to avoid the imposition of state or local income or franchise taxes imposed on the Issuer's property or its income, so long as (i) the Issuer has delivered to the Indenture Trustee an officer's certificate to the effect that the proposed amendments meet the requirements set forth in the Indenture with respect thereto, (ii) the Rating Agency Notice Requirement has been satisfied, (iii) such amendment does not affect the rights, duties or obligations of the Indenture Trustee under the Indenture without its consent and (iv) the Issuer has delivered to the Indenture Trustee a Tax Opinion addressing such action.

No supplemental indenture that is effectuated as described above in this "*—Supplemental Indentures Without the Consent of the Noteholders*" may result in any change described in (a) through (h) in "*—Supplemental Indentures With the Consent of the Noteholders*" below.

Supplemental Indentures With the Consent of the Noteholders. The Issuer, the Servicer and the Indenture Trustee, also may, with the consent of the holders of not less than a majority of the aggregate unpaid principal amount of the Notes and with prior notice to the Rating Agency, enter into an indenture supplemental to the Indenture so long as the Issuer shall have delivered to the Indenture Trustee a Tax Opinion addressing such action; provided, that no supplemental indenture shall, without the consent of each Noteholder affected thereby:

(a) change the date of payment of any installment of principal of or interest on any Note, or reduce the principal amount thereof, the Interest Rate specified thereon or the redemption price with respect thereto, change the provisions of the Indenture relating to the application of collections on, or the proceeds of the sale of, all or any portion of the Trust Estate to payment of principal of or interest on the Notes, or change any place of payment where, or the coin or currency in which, any Note or any interest thereon is payable or impair the right to institute suit for the enforcement of the provisions of the Indenture requiring the application of funds available therefor to the payment of any such amount due on the Notes on or after the respective due dates thereof;

(b) reduce the percentage of the aggregate unpaid principal amount of all Notes, the consent of the holders of which is required for any such supplemental indenture, or the consent of the holders of which is required for any waiver of compliance with the provisions of the Indenture or defaults hereunder and their consequences as provided for in the Indenture;

(c) reduce the percentage of the aggregate unpaid principal amount of any Notes, the consent of the holders of which is required to direct the Indenture Trustee to sell or liquidate the Trust Estate if the proceeds of such sale would be insufficient to pay the principal amount and accrued but unpaid interest on the Notes;

(d) modify the calculation of the amount of any payment of interest or principal due on any Note on any Payment Date (including the calculation of any of the individual components of such calculation) or to affect the rights of the holders of Notes to the benefit of any provisions for the mandatory redemption of the Notes contained in the Indenture;

(e) modify or alter the provisions of the Indenture prohibiting the voting of Notes held by the Issuer, any other obligor on the Notes, or the Depositor;

(f) permit the creation of any Lien ranking prior to or on a parity with the lien of the Indenture or, except as otherwise permitted or contemplated in the Indenture, terminate the Lien of the Indenture on any part of the Trust Estate or deprive the Holder of any Note of the security provided by the Lien of the Indenture;

(g) modify or alter any provisions (including any relevant definitions) relating to the pro rata treatment of payments to any Class of Notes; or

(h) (w) reduce the Required Overcollateralization Amount or change the manner in which the Adjusted Loan Principal Balance or Payment Date Aggregate Principal Amount is calculated or structured, (x) modify any Reinvestment Criteria Event, Early Amortization Event or Event of Default (or any defined term used therein), (y) modify the provisions relating to the requirements for supplemental indentures or (z) amend or supplement the provisions of permitting monthly deposits of Collections by the Servicer or the provisions permitting the release of Loans from the lien of the Indenture.

Promptly after the execution by the Issuer, the Servicer and the Indenture Trustee of any supplemental indenture, the Indenture Trustee shall mail to the Noteholders written notice setting forth in general terms the substance of such supplemental indenture. Any failure of the Indenture Trustee to mail such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such supplemental indenture.

Modifications of Transaction Documents

The Issuer has agreed in the Indenture that it will not (i) terminate, amend, waive, supplement or otherwise modify any of, or consent to the assignment by any party of, the Transaction Documents to which it is a party, and (ii) to the extent that the Issuer has the right to consent to any termination, waiver, amendment, supplement or other modification of, or any assignment by any party of, any Transaction Document to which it is not a party, give such consent, unless, in each case (a) either (x) such termination, amendment, waiver, supplement or other modification or such assignment, as applicable, would not materially adversely affect the Noteholders, conclusive evidence of which may be established by delivery of a certificate of an officer of the Servicer as to such determination or (y) the Required Noteholders have consented in writing thereto; and (b) the other requirements with respect to such termination, amendment, waiver, supplement or other modification, or such assignment, as applicable, contained in the Transaction Documents have been satisfied. Notwithstanding the foregoing, the Issuer may enter into supplemental indentures to the Indenture as described under "*—Supplemental Indentures*."

See "*Risk Factors—The Noteholders Have Limited Control over Amendments, Modifications and Waivers to, and Assignments of, the Indenture and other Transaction Documents*" and "*—Supplemental Indentures*" in this private placement memorandum.

Compensation of the Indenture Trustee; Indemnification

The Indenture Trustee will be entitled to receive an annual fee in an amount equal to $12,000 as compensation for its activities under the Indenture which will be paid in equal monthly installments by the Issuer in accordance with the Priority of Payments.

In addition to compensation for its services, the Issuer will reimburse the Indenture Trustee and the Note Registrar, in each case in accordance with the Priority of Payments, for all reasonable out-of-pocket expenses (including reasonable fees and out-of-pocket expenses, disbursements and advances of any agents, any co-trustee, counsel, accountants and experts) incurred or made by it (including without limitation expenses incurred in connection with notices or other communications to the Noteholders), disbursements and advances incurred or made by the Indenture Trustee and the Note Registrar in accordance with any of the provisions of the Indenture or any of the Transaction Documents, except any such expense, disbursement or advance as may arise from its negligence or bad faith.

The payment of fees and reimbursement of expenses of the Indenture Trustee and the Note Registrar pursuant to the Indenture, the payment of fees and reimbursement of expenses of the Owner Trustee pursuant to the Trust Agreement, the reimbursement of expenses of the Back-up Servicer pursuant to the Back-up Servicing Agreement (other than Servicing Transition Costs) and the payment to the Owner Trustee, the Indenture Trustee and any other Person entitled thereto of any indemnified amounts due and owing from the Issuer pursuant to any Transaction Document from the assets of the Trust Estate payable on a senior basis in accordance with the Priority of Payments are subject to aggregate annual cap of $200,000 for all such amounts during any calendar year; provided, that all such amounts that exceed such cap are payable from the assets of the Trust Estate on a subordinate basis in accordance with the Priority of Payments.

The Indenture Trustee shall not be liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with the Indenture and/or the direction of the Required Noteholders as to the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee or for exercising any trust or power conferred upon the Indenture Trustee under the Indenture. Generally, the Indenture Trustee shall not be under any obligation to exercise any of the rights or powers vested in it by the Indenture, or to honor the request or direction of any of the Noteholders pursuant to the Indenture to institute, conduct or defend any litigation hereunder in relation hereto, unless such Noteholders shall have offered to the Indenture Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction.

With respect to any indemnity claim (i) the Indenture Trustee shall promptly notify the Issuer and the Servicer thereof (however, failure by the Indenture Trustee to so notify the Issuer and the Servicer shall not relieve the Issuer of its indemnity obligations unless such loss, liability or expense could have been avoided with such

prompt notification and then only to the extent of such loss, expense or liability which could have been so avoided) and (ii) the Issuer shall defend any claim against the Indenture Trustee; provided, however, the Indenture Trustee may have separate counsel and, if it does, the Issuer shall pay the fees and expenses of such counsel.

Resignation and Removal of the Indenture Trustee

The Indenture Trustee, may resign at any time by giving sixty (60) days prior written notice to the Issuer, in which event the Issuer will be obligated to appoint a successor Indenture Trustee as set forth in the Indenture, which successor shall be reasonably satisfactory to the Servicer.

The Issuer shall remove the Indenture Trustee if (i) the Indenture Trustee ceases to have a combined capital and surplus of at least $50,000,000 as set forth in its most recent published annual report of condition, (ii) the rating of its long-term unsecured debt is less than Baa3 by Moody's or less than BBB- by Standard & Poor's, (iii) the Indenture Trustee fails to meet the requirements of Section 26(a)(1) of the Investment Company Act, (iv) the Indenture Trustee is an Affiliate of the Issuer, the Depositor or the initial Servicer, (v) the Indenture Trustee offers or provides credit or credit enhancement to the Issuer, (vi) the Indenture Trustee becomes insolvent or (vii) the Indenture Trustee becomes incapable of acting. If the Issuer removes the Indenture Trustee, the Issuer will be obligated to appoint a successor indenture trustee, which successor shall be reasonably satisfactory to the Servicer.

In addition, the Indenture Trustee may be removed at any time by the Required Noteholders.

Any resignation or removal of the Indenture Trustee and appointment of a successor indenture trustee will not become effective until the acceptance of appointment by the successor Indenture Trustee pursuant to the Indenture. If a successor Indenture Trustee does not take office within thirty (30) days after the retiring Indenture Trustee resigns or is removed, the retiring Indenture Trustee, the Issuer or the Holders of a majority of the aggregate unpaid principal amount of the Notes may petition any court of competent jurisdiction for the appointment of a successor Indenture Trustee.

Direction by Noteholders

Whenever the Indenture or any other Transaction Document requires or permits actions to be taken based on instructions from the Holders of Outstanding Notes evidencing a specified percentage of the Aggregate Note Principal Balance, the Aggregate Note Principal Balance will be calculated as follows (but excluding, in each instance, any Notes which are not considered "Outstanding" for purposes of determining the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture as noted in the definition of "Outstanding" set forth below):

"**Aggregate Note Principal Balance**" shall mean, as of any date of determination, the sum of the aggregate Class A Note Balance, the aggregate Class B Note Balance, the aggregate Class C Note Balance and the aggregate Class D Note Balance, in each case as of such date of determination.

"**Class A Note Balance**" shall initially mean $500,000,000 and thereafter, shall equal the initial Class A Note Balance reduced by all previous payments to the Class A Noteholders in respect of the principal of the Class A Notes that have not been rescinded.

"**Class B Note Balance**" shall initially mean $46,350,000 and thereafter, shall equal the initial Class B Note Balance reduced by all previous payments to the Class B Noteholders in respect of the principal of the Class B Notes that have not been rescinded.

"**Class C Note Balance**" shall initially mean $21,530,000 and thereafter, shall equal the initial Class C Note Balance reduced by all previous payments to the Class C Noteholders in respect of the principal of the Class C Notes that have not been rescinded.

"**Class D Note Balance**" shall initially mean $36,420,000 and thereafter, shall equal the initial Class D Note Balance reduced by all previous payments to the Class D Noteholders in respect of the principal of the Class D Notes that have not been rescinded.

"**Outstanding**" shall mean, as of any date of determination, all Notes previously authenticated and delivered under the Indenture except,

(1) Notes previously cancelled by the Indenture Trustee or delivered to the Indenture Trustee for cancellation; and

(2) Notes for whose payment or redemption money in the necessary amount has been previously deposited with the Indenture Trustee for the holders of such Notes; provided, that if such Notes are to be redeemed, any required notice of such redemption pursuant to the Indenture or provision for such notice satisfactory to the Indenture Trustee has been made; and

(3) Notes that have been paid (rather than exchanged) in connection with a request for replacement of a lost or mutilated Note or in exchange for or in lieu of which other Notes have been authenticated and delivered under the Indenture, other than any such Notes for which there shall have been presented to the Indenture Trustee proof satisfactory to it that such Notes are held by a protected purchaser;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Notes have given any request, demand, authorization, direction, notice, consent or waiver under the Indenture, Notes owned by the Issuer, any other obligor upon the Notes, the Depositor, the Performance Support Provider, the Servicer, any Seller or any Subservicer shall be disregarded and considered not to be Outstanding, except that, in determining whether the Indenture Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes that a responsible officer of the Indenture Trustee, as the case may be, has actual knowledge of being so owned shall be so disregarded. Notes so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Indenture Trustee the pledgee's right so to act for such Notes and that the pledgee is not the Issuer, any other obligor upon the Notes, the Depositor, the Performance Support Provider, the Servicer, any Seller or any Subservicer. In making any such determination, the Indenture Trustee may rely on the representations of the pledgee and shall not be required to undertake any independent investigation.

The Administration Agreement

Pursuant to the Administration Agreement, the Issuer will engage SLFC as Administrator and the Depositor to perform, on behalf of the Issuer, certain of the covenants, duties and obligations of the Issuer under the Indenture and the other Transaction Documents. Notwithstanding such engagement, the Issuer shall remain liable for all such covenants, duties and obligations.

The Administration Agreement shall continue in force until the termination of the Trust Agreement in accordance with its terms. SLFC may resign as Administrator by providing the Issuer with at least 60 days' prior written notice. The Issuer may remove SLFC as Administrator without cause by providing the Administrator with at least 60 days' prior written notice. In addition, the Issuer may remove SLFC as Administrator, effective immediately upon notice if the Administrator defaults in the performance of any of its duties under the Administration Agreement (if not cured within ten days after notice (or, if such default cannot be cured within ten days, the Administrator shall not have given within such time such assurance of cure as shall be reasonably satisfactory to the Issuer); or if an Insolvency Event shall occur with respect to the Administrator.

No resignation or removal of the Administrator described above shall be effective until (i) a successor Administrator shall have been appointed by the Issuer in accordance with the Trust Agreement and (ii) such successor Administrator shall have agreed in writing to be bound by the terms of the Administration Agreement. If a successor Administrator does not take office within 60 days after the retiring Administrator resigns or is removed, the resigning or removed Administrator or the Issuer may petition any court of competent jurisdiction for the appointment of a successor Administrator.

The Administration Agreement may be amended from time to time by the parties thereto, without notice to or the consent of any of the holders of the Notes or the trust certificate, (i) to cure any ambiguity, (ii) to cause the provisions therein to conform to or be consistent with or in furtherance of the statements made with respect to the Notes and the trust certificate, the Issuer or the Administration Agreement in any private placement memorandum, or to correct or supplement any provision therein which may be inconsistent with any other provisions therein, (iii) to make any other provisions with respect to matters or questions arising under the Administration Agreement or (iv) to add, delete, or amend any provisions to the extent necessary or desirable to comply with any requirements imposed by the Internal Revenue Code. No such amendment effected pursuant to clause (iii) of the preceding sentence shall, as evidenced by an Opinion of Counsel (which shall be an expense of the party requesting such amendment and shall not be an expense of the Issuer), adversely affect in any material respect the interests of any Noteholder or the holder of the trust certificate. Prior to entering into any amendment without the consent of holders of the Notes or the trust certificate, the Administrator may require an Opinion of Counsel (at the expense of the party requesting such amendment) to the effect that such amendment is permitted under the Administration Agreement.

The Administration Agreement may also be amended from time to time by the parties thereto with the consent of the Required Noteholders and the holder of the trust certificate for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Administration Agreement or of modifying in any manner the rights of the holders of the Notes or the trust certificate; provided, however, that no such amendment may (i) increase or reduce in any manner the amount of, or accelerate or delay the timing of, collections of payments on the Collateral or payments or distributions, as applicable, that shall be required to be made for the benefit of holders of the Notes or the trust certificate or (ii) reduce the aforesaid percentage of the principal balance of the Notes required to consent to any such amendment, in the case of clause (i) without the consent of the holders of all the Outstanding Notes and the trust certificate, and in the case of clause (ii) without the consent of the holders of all the Outstanding Notes.

THE TRUST AGREEMENT

The following summaries describe certain provisions of the Trust Agreement. The summaries do not purport to be complete and are subject to, and are qualified in their entirety by reference to, the provisions of the Trust Agreement.

Formation of the Trust; Activities

The Issuer is a statutory trust formed under the laws of the State of Delaware pursuant to the Trust Agreement for transactions described herein.

The purpose for which the Issuer is formed is to engage, from time to time, solely in a program of acquiring Loans pursuant to the Sale and Servicing Agreement and issuing Notes under the Indenture and related activities. Without limiting the generality of the foregoing, the Issuer may and has the power and authority to: (i) from time to time authorize and approve the issuance of Notes pursuant to the Indenture without limitation to aggregate amounts and, in connection therewith, determine the terms and provisions of such Notes and of the issuance and sale thereof, including, among other things, (1) preparing and filing all documents necessary or appropriate in connection with the registration of the Notes under the Securities Act, the qualification of indentures under the Trust Indenture Act of 1939 and the qualification under any other applicable federal, foreign, state, local or other governmental requirements, (2) preparing any private placement memorandum or other descriptive material relating to the issuance of the Notes, (3) appointing a paying agent or agents for purposes of payments on the Notes, and (4) arranging for the underwriting, subscription, purchase or placement of the Notes and selecting underwriters, managers and purchasers or agents for that purpose; (ii) from time to time receive payments and proceeds with respect to the assets in the Trust Estate and either invest or distribute those payments and proceeds, (iii) from time to time make deposits to and withdrawals from accounts established under the Indenture; (iv) from time to time execute, deliver, authenticate and issue the trust certificate pursuant to the Trust Agreement; (v) from time to time acquire, hold and sell the Loans and related assets from the Depositor pursuant to the Sale and Servicing Agreement; (vi) from time to time assign, grant a security interest in, grant, transfer, pledge and mortgage the Trust Estate pursuant to the Indenture and hold, manage and distribute to the holder of the trust certificate or the Noteholders pursuant to the terms of the Trust Agreement and the Transaction Documents any portion of the Trust Estate released from the lien of and remitted to the Trust pursuant to, the Indenture; (vii) from time to time make payments

on the Notes; (viii) execute and deliver and perform its obligations under the Transaction Documents to which the Issuer is to be a party; (ix) subject to compliance with the Transaction Documents, to engage, from time to time, in such other activities as may be required in connection with conservation of the assets in the Trust Estate and the making of payments to the Noteholders and distributions to the holder of the trust certificate; and (x) from time to time perform such obligations and exercise and enforce such rights and pursue such remedies as may be appropriate by virtue of the Issuer being party to any of the Transaction Documents and agreements contemplated in clauses (i) through (ix) above.

The Issuer will not engage in any business or activities other than in connection with, or relating to, the purposes specified in the previous paragraph. The operations of the Issuer will be conducted in accordance with the following standards:

(a) The Issuer shall not:

(i) enter into transactions with affiliates unless such transactions are on an arm's-length basis, on commercially reasonable terms and on terms no less favorable than would be obtained in a comparable arm's-length transaction with an unrelated third party and shall otherwise maintain an arm's-length relationship with its Affiliates;

(ii) except in connection with the final disposition of all assets comprising the Trust Estate, dissolve or liquidate, in whole or in part;

(iii) consolidate or merge with or into any other entity or, except as permitted under the Indenture, sell, lease, assign, convey or otherwise transfer all or substantially all of its properties and assets to any Person;

(iv) take any action that it knows shall cause the Issuer to become insolvent;

(v) guarantee or become obligated for the debts of any other Person or hold out its credit as being available to satisfy the obligations of any other Person, except as expressly provided or contemplated in the Transaction Documents;

(vi) hold out its credit as being available to satisfy the obligations of any other Person;

(vii) incur or assume any indebtedness except as contemplated by the Transaction Documents;

(viii) pledge its assets for the benefit of any other Person or make any loans or advances to any entity except as contemplated by the Transaction Documents;

(ix) take any action that shall cause the Issuer to be treated as an association (or publicly traded partnership) taxable as a corporation for U.S. federal income tax purposes;

(x) acquire the obligations or securities of its Affiliates or the Depositor or own any material assets other than the Loans and related assets and any incidental property as may be necessary for the operation of the Trust, except as contemplated by the Transaction Documents; or

(xi) identify itself as a division of any other person or entity.

(b) The Issuer shall:

(i) maintain complete books, records and agreements (including books of account and minutes of meetings and other proceedings) as official records and separate from each other Person;

(ii) Strictly observe all organizational formalities;

(iii) maintain its bank accounts separate from each other Person;

(iv) except as expressly contemplated in the Transaction Documents, not commingle its assets with those of any other Person and hold all of its assets in its own name;

(v) conduct its own business in its own name;

(vi) not have its assets listed on the financial statements of another Person, except as required by U.S. generally accepted accounting principles consistently applied;

(vii) other than as contemplated by the Transaction Documents, pay its own liabilities and expenses only out of its own funds;

(viii) observe formalities required under the Delaware Statutory Trust Act;

(ix) have its own principal executive and administrative office through which its business is conducted (which, however, may be within the premises of and leased from the Depositor or its Affiliates) separate from those of any other Person and allocate fairly and reasonably any overhead expenses that are shared with an affiliate (including, without limitation, telephone and other utility charges, the services of shared employees, consultants and agents, and reasonable legal and auditing expenses), and other items of cost and expense shared between the Trust and any of its affiliates, on the basis of actual use to the extent practicable, and to the extent such allocation is not practicable, on a basis reasonably related to actual use or the value of services rendered;

(x) use separate stationery, invoices, and checks bearing its own name (or under any name licensed pursuant to any trademark license or similar agreement);

(xi) hold itself out as a separate entity from any other Person, including the Depositor, and not conduct any business in the name of any other Person, including the Depositor;

(xii) correct any known misunderstanding regarding its separate identity;

(xiii) not form, acquire or hold any subsidiary (whether corporate, partnership, limited liability company or other) except as permitted under the Transaction Documents;

(xiv) maintain its assets in such a manner that it will not be costly or difficult to segregate, ascertain or identify its individual assets from those of any other Person;

(xv) maintain adequate capital in light of its contemplated business operations, transactions and liabilities; and

(xvi) cause its agents and other representatives to act at all times with respect to it consistently and in furtherance of the foregoing.

Prior to the termination of the Indenture in accordance with its terms, the Issuer shall not amend the provisions of the Trust Agreement described in (a) and (b) without the prior written consent of 100% of the Noteholders.

Compensation of the Owner Trustee; Indemnification of the Owner Trustee

Subject to the Priority of Payments, the Issuer will (i) pay to the Owner Trustee on the Payment Date occurring in March of each calendar year, beginning in 2014, a fee for acting as Owner Trustee in an amount equal to $4,000, payable annually in advance, and (ii) reimburse the Owner Trustee for all other reasonable out-of-pocket costs and expenses (including reasonable fees and expenses of outside counsel) incurred by it in connection with its acting as Owner Trustee of the Issuer. Amounts payable to the Owner Trustee described in the foregoing sentence

shall be payable from amounts designated for payment to the Owner Trustee pursuant to the Priority of Payments or from other amounts available to the Issuer that are not subject to the lien of the Indenture.

The Issuer will assume liability for, and indemnify, protect, save and keep harmless the Owner Trustee (in its individual capacity and as the Owner Trustee) and its officers, directors, successors, assigns, legal representatives, agents and servants (the "**Owner Trustee Indemnified Parties**"), from and against any and all liabilities, obligations, losses, damages, penalties, taxes, claims, actions, suits, investigations, proceedings, costs, expenses or disbursements (including reasonable legal fees and expenses) of any kind and nature whatsoever which may be imposed on, incurred by or asserted at any time against an Owner Trustee Indemnified Party (whether or not also indemnified against by any other person) in any way relating to or arising out of (i) the Trust Agreement or any other related documents or the enforcement of any of the terms of any thereof, the administration of the Issuer and the assets of the Issuer or the action or inaction of the Owner Trustee under the Trust Agreement, (ii) any action or inaction taken by the Owner Trustee on behalf of the Issuer in accordance with the Trust Agreement, and (iii) the manufacture, purchase, acceptance, nonacceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any property (including any strict liability, any liability without fault and any latent and other defects, whether or not discoverable), except, in any such case, to the extent that any such liabilities, obligations, losses, damages, penalties, taxes, claims, actions, suits investigations, proceedings, costs, expenses and disbursements are the result of the willful misconduct or gross negligence of either of the Owner Trustee or such Owner Trustee Indemnified Party.

In case any such action, investigation or proceeding will be brought involving an Indemnified Party, the Trust will assume the defense thereof, including the employment of counsel and the payment of all expenses. The Owner Trustee will have the right to employ separate counsel in any such action, investigation or proceeding and to participate in the defense thereof and reasonable counsel fees and expenses of such counsel will be paid by the Trust.

The payment of fees and reimbursement of expenses of the Indenture Trustee and the Note Registrar pursuant to the Indenture, the payment of fees and reimbursement of expenses of the Owner Trustee pursuant to the Trust Agreement, the reimbursement of expenses of the Back-up Servicer pursuant to the Back-up Servicing Agreement (other than Servicing Transition Costs) and the payment to the Owner Trustee, the Indenture Trustee and any other Person entitled thereto of any indemnified amounts due and owing from the Issuer pursuant to any Transaction Document from the assets of the Trust Estate are subject to aggregate annual cap of $200,000 for all such amounts during any calendar year; *provided*, that all such amounts are also payable from the assets of the Trust Estate on a subordinate basis in accordance with the Priority of Payments.

Resignation or Removal of the Owner Trustee

The Owner Trustee may resign at any time without cause by giving at least 30 days' prior written notice to the holder of the trust certificate. In addition, the Directing Holder may at any time remove the Owner Trustee without cause by an instrument in writing delivered to the Owner Trustee. No such removal or resignation will become effective until a successor Owner Trustee, however appointed, becomes vested as Owner Trustee. The Depositor will notify the Rating Agencies promptly after the resignation or removal of the Owner Trustee and promptly after the appointment of a successor Owner Trustee.

Upon the occurrence of a Disqualification Event with respect to the Owner Trustee, the Directing Holder may appoint a successor Owner Trustee by written instrument. If a successor Owner Trustee has not been appointed within 30 days after the giving of written notice of such resignation or the delivery of the written instrument with respect to such removal, the Owner Trustee, the Directing Holder may apply to any court of competent jurisdiction to appoint a successor Owner Trustee to act until such time, if any, as a successor Owner Trustee has been appointed. Any successor Owner Trustee so appointed by such court will immediately and without further act be superseded by any successor Owner Trustee appointed as above provided.

"**Disqualification Event**" means (a) the bankruptcy, insolvency or dissolution of the Owner Trustee, (b) the occurrence of the date of resignation of the Owner Trustee, as set forth in a notice of resignation given pursuant to the Trust Agreement, (c) the delivery to the Owner Trustee of the instrument or instruments of removal referred to in the Trust Agreement (or, if such instruments specify a later effective date of removal, the occurrence

of such later date), or (d) failure of the Owner Trustee to satisfy the following requirements: (i) be a trust company or a banking corporation under the laws of its state of incorporation or a national banking association satisfying the provisions of Section 3807(a) of the Delaware Statutory Trust Act and authorized to exercise corporate trust powers, (ii) have a combined capital and surplus of not less than $50,000,000 (or have its obligations and liabilities irrevocably and unconditionally guaranteed by an affiliated Person having a combined capital and surplus of at least $50,000,000) and be subject to supervision or examination by federal or state banking authorities and (iii) be rated (or have a parent which is rated) at least BBB- by Standard & Poor's.

Amendments

The Trust Agreement may be amended only by a written instrument executed by the Depositor and the Owner Trustee, at the direction of the Administrator or the holder of the trust certificate, but only with the consent of the Directing Holder (such consent to be obtained by the Depositor). The Issuer is required to provide a copy of any such amendment to the holder of the trust certificate, to the Administrator and, for so long as any Notes are outstanding, to the Rating Agency.

The Owner Trustee shall be entitled to require and may conclusively rely on an opinion of counsel that any proposed amendment complies with the terms of the Trust Agreement and a certificate from the holder of the trust certificate that all other conditions precedent to the execution and delivery of such amendment under the Trust Agreement have been met.

THE PERFORMANCE SUPPORT AGREEMENT

Pursuant to the Performance Support Agreement, SLFC agrees in favor of the Depositor, the Issuer and the Indenture Trustee, for the benefit of the Noteholders, to guarantee the full and timely payment, observance and performance of all of the terms, covenants, indemnities, agreements, undertakings and obligations under the Transaction Documents of (i) each Seller, (ii) each Subservicer, (iii) to the extent SLFC is not the Servicer and the Servicer is an Affiliate of SLFC, the Servicer (the "**Springleaf Successor Servicer**") and (iv) to the extent SLFC is not the Administrator and the Administrator is an Affiliate of SLFC, the Administrator.

In addition, under the Performance Support Agreement, SLFC guarantees the full and timely payment, observance and performance of all of the terms, covenants, indemnities, agreements, undertakings and obligations of each of the Sellers under the Loan Purchase Agreement and under the other Transaction Documents, including, without limitation, (a) the obligation of such Seller to repurchase Loans pursuant to the Loan Purchase Agreement and (b) all obligations of such Seller in respect of indemnities under the Loan Purchase Agreement.

The Performance Support Agreement may only be amended, waived or otherwise modified with the prior written consent of each party thereto and the satisfaction of the Rating Agency Notice Requirement. SLFC shall not be permitted to assign its rights, duties or obligations under the Performance Support Agreement.

CERTAIN LEGAL ASPECTS OF THE LOANS

General

The transfer of Loans by the Sellers to the Depositor and by the Depositor to the Issuer, the pledge thereof to the Indenture Trustee, the perfection of the security interests in the Loans, and the enforcement of rights to realize on the collateral, if any, securing the Loans are subject to a number of federal and state laws, including the UCC as codified in various states. Under the UCC as in effect in all states in which Loans are originated, the Loans constitute accounts, instruments, chattel paper or payment intangibles depending upon how they are documented and whether or not there is collateral securing such Loans. The Issuer, Servicer and the Depositor will take necessary actions to perfect the Indenture Trustee's rights in the Loans. If, through inadvertence or otherwise, a third party were to purchase, including the taking of a security interest in, a Loan for new value in the ordinary course of its business and then were to take possession of the instrument, tangible chattel paper or electronic chattel paper, if any, representing the Loan, such third would acquire an interest in the Loans superior to the interests of the Issuer and the Indenture Trustee if the third party acquired the Loans for value and without knowledge that the purchase violates

the rights of the Issuer or the Indenture Trustee, which could cause investors to suffer losses on their Notes. No entity will take any action to perfect the Issuer's or the Indenture Trustee's right in the insurance policies or any proceeds of any insurance policies covering particular items of collateral securing the Loans or any credit life or other credit insurance policies. Therefore, the rights of a third party with an interest in these proceeds could prevail against the rights of the Issuer or the Indenture Trustee prior to the time the Servicer deposits the proceeds into a Note Account and the rights of a third party with an interest in the other rights with respect to the insurance policies could prevail against the rights of the Issuer or the Indenture Trustee

Generally, the rights held by assignees of the Loans, including without limitation, the Issuer and the Indenture Trustee, will be subject to:

- all the terms of the contracts related to or evidencing the Loans and any defense or claim in recoupment arising from the transaction that gave rise to the contracts; and

- any other defense or claim of the Loan Obligor against the assignor of such Loan which accrues before the Loan Obligor receives notification of the assignment. Because none of the Sellers, the Subservicers, the Servicer, the Depositor or the Issuer is obligated to give the obligors notice of the assignment of any of the Loans, the Issuer and the Indenture Trustee, if any, will be subject to defenses or claims of the Loan Obligor against the assignor even if such claims are unrelated to the Loans.

Security Interests in Collateral Securing the Loans

Hard Secured Loans

The Hard Secured Loans are secured by a security interest in an automobile, truck, recreational vehicle, boat or other asset ownership of which is evidenced by a certificate of title issued under applicable state law (a "**Titled Asset**"). Perfection of security interests in Titled Assets is generally governed by the registration or titling laws of the state in which the applicable Titled Asset is registered or titled. In most states, a security interest in a Titled Asset is perfected by noting the secured party's lien on the Titled Asset's certificate of title. In certain states, a security interest in a Titled Asset may only be perfected by electronic recordation, by either a third-party service provider or the relevant state registrar of title, which indicates that the lien of the secured party on the Titled Asset is recorded on the original certificate of title on the electronic lien and title system of the applicable state. As a result, any reference to a certificate of title in this private placement memorandum includes certificates of title maintained in physical form and electronic form. In some states, certificates of title maintained in physical form are held by the obligor and not the lien holder or a third-party servicer. If such Seller, because of clerical errors or otherwise, fails to effect or maintain the notation of the security interest on the certificate of title relating to a Titled Asset, the Issuer may not have a perfected first priority security interest in that Titled Asset.

To the extent the Loans include Hard Secured Loans, the applicable Seller will sell and assign the Hard Secured Loans it has originated or acquired and its security interests in the Titled Assets to the Depositor, which shall convey such Hard Secured Loans and such related security interests to the Issuer, which will grant an interest in the Hard Secured Loans and the security interests in the Titled Assets and related property to the Indenture Trustee on behalf of the Noteholders. Because of the administrative burden and expense, the Sellers, the Depositor, the Servicer, the Subservicers, the Issuer and the Indenture Trustee will not amend any physical or electronic certificate of title to identify the Issuer or Indenture Trustee as the new secured party on the certificates of title. Regardless of whether the certificates of title are amended, UCC financing statements will be filed in the appropriate jurisdictions in order to perfect each transfer or pledge of the Loans, including any Hard Secured Loans, between the Sellers, the Depositor, the Issuer and the Indenture Trustee. In most states, a secured creditor can perfect its security interest in a Titled Asset against creditors and subsequent purchasers without notice only by one or more of the following methods:

- depositing with the applicable state office a properly endorsed certificate of title for the Titled Asset showing the secured party as legal owner or lienholder on the Titled Asset;

- in those states that permit electronic recordation of liens, submitting for an electronic recordation, by either a third-party service provider or the relevant state registrar of titles, which indicates that the lien of the secured party on the Titled Asset is recorded on the original certificate of title on the electronic lien and title system of the applicable state;

- filing a sworn notice of lien with the applicable state office and noting the lien on the certificate of title; or

- if the Titled Asset has not been previously registered, filing an application in usual form for an original registration together with an application for registration of the secured party as legal owner or lienholder, as the case may be.

However, under the laws of most states, a transferee of a security interest in a Titled Asset is not required to reapply to the applicable state office for a transfer of registration when the security interest is sold or transferred by the lienholder to secure payment or performance of an obligation. Accordingly, under the laws of these states, the assignment by the applicable Seller to the Depositor, by the Depositor to the Issuer and by the Issuer to the Indenture Trustee of their respective interests in the Hard Secured Loans effectively conveys the applicable Seller's, the Depositor's and the Issuer's security in the Hard Secured Loans and, specifically, the Titled Assets, without re-registration and without amendment of any lien noted on the certificate of title, and the Indenture Trustee will succeed to the applicable Seller's, the Depositor's and the Issuer's respective rights as secured party. However, a risk exists in not identifying the Indenture Trustee as the new secured party on the certificates of title because the security interest of the Indenture Trustee could be released without such party's consent, another person could obtain a security interest in the applicable Titled Asset that is higher in priority than the interest of such party or such party's status as a secured creditor could be challenged in the event of a bankruptcy proceeding involving any of the Loan Obligor, the Depositor or any Seller.

Although it is not necessary to re-register the Titled Assets to convey the perfected security interest in the Titled Assets to the Indenture Trustee, the Indenture Trustee's security interest could be defeated through fraud, negligence, forgery or administrative error (including by state recording officials) because it may not be listed as legal owner or lienholder on the certificates of title. However, in the absence of these events, the notation of the applicable Seller's lien on the certificates of title generally will be sufficient to protect the Issuer against the rights of subsequent purchasers or subsequent creditors who take a security interest in a Titled Asset.

As of the Closing Date, Springleaf generally takes all action necessary to obtain a perfected security interest in each Titled Asset, however, Springleaf may not take such action in certain cases and, after the Closing Date, may change its business practices with respect to taking such action. If there are any Titled Assets for which the applicable Seller failed to obtain a first priority perfected security interest, the applicable Seller's security interest would be subordinate to, among others, subsequent purchasers and the holders of first priority perfected security interests in these Titled Assets. See "*Risk Factors—The Issuer's Security Interest in the Collateral for the Hard Secured Loans Will not be Noted on the Certificates of Title, which May Cause Losses on the Notes*", "*Risk Factors—Interests of Other Persons in the Collateral for Hard Secured Loans and Insurance Proceeds Could Be Senior to the Issuer's Interest, which May Result in Reduced Payments on the Notes*" and "*Risk Factors—There May be Limited, Insufficient or No Collateral Securing a Loan Obligor's Obligations Under a Loan*" in this private placement memorandum.

Under the Uniform Commercial Code, a perfected security interest in a Titled Asset continues until the earlier of the expiration of four months after the Titled Asset is moved to a new state from the state in which it is initially registered and the date on which the owner reregisters the Titled Asset in the new state. To reregister a Titled Asset, a majority of states require the registering party to surrender the certificate of title. In those states that require a secured party to take possession of the certificate of title to maintain perfection, the secured party would learn of the re-registration through the borrower's request for the certificate of title so it could re-register the Titled Asset. In the case of Titled Assets registered in states that provide for notation of a lien on the certificate of title but which do not require possession, the secured party would receive notice of surrender from the state of re-registration if the security interest is noted on the certificate of title. Thus, the secured party would have the opportunity to re-perfect its security interest in the Titled Asset in the new state. However, these procedural safeguards will not

protect the secured party if, through fraud, forgery or administrative error, the borrower somehow procures a new certificate of title that does not list the secured party's lien. Additionally, in states that do not require the reregistering party to surrender the certificate of title, re-registration could defeat perfection.

Investors in the Notes should not rely on the Titled Assets as a significant source of funds to make payments on the Notes.

Other Secured Loans

The Other Secured Loans are secured by a security interest in furniture, electronic equipment, jewelry, antiques, artwork and other personal property (subject to limitations imposed by applicable law on the taking of non-purchase money security interests in such items). In most states a security interest in such personal property would be perfected under the Uniform Commercial Code in that state by means of the filing of a financing statement or by taking position of the applicable collateral. In most instances, however, the applicable Seller does not perfect its security in collateral securing Other Secured Loans. While an unperfected security interest does take precedence over a subsequently granted unperfected security interest, it is subordinate to any perfected security interest and, typically, to a trustee in bankruptcy for the Loan Obligor. As a consequence, the ability of the applicable Seller to realize upon the collateral may be limited and its right to any proceeds of the disposition of such collateral may be subordinate to that of other creditors of the applicable Loan Obligor. Additionally, Springleaf generally does not foreclose upon collateral securing Other Secured Loans. Investors in the Notes should not rely on the collateral securing any Other Secured Loan.

Competing Liens

Under the laws of most states, statutory liens take priority over even a first priority perfected security interest in collateral. These statutory liens include:

- mechanic's, repairmen's, garagemen's and other liens;
- motor vehicle accident liens;
- towing and storage liens;
- liens arising under various state and federal criminal statutes; and
- liens for unpaid taxes.

The UCC also grants certain federal tax liens priority over a secured party's lien. Additionally, the laws of most states and federal law permit governmental authorities to confiscate personal property under certain circumstances if used in or acquired with the proceeds of unlawful activities. Confiscation may result in the loss of the perfected security interest in the applicable collateral. With respect to the Hard Secured Loans, the Seller and the Depositor will represent and warrant that, as of the Closing Date or Addition Date, as applicable, each security interest in a Titled Asset shall be a valid, binding and enforceable first priority security interest in the Titled Asset. However, liens for repairs or taxes superior to the Indenture Trustee's security interest in any Titled Asset, or the confiscation of a Titled Asset, could arise at any time during the term of the applicable Hard Secured Loan. No notice will be given to the Indenture Trustee or any Noteholder in the event these types of liens or confiscations arise. Moreover, any liens of these types or any confiscation arising after the Closing Date or Addition Date, as applicable, would not give rise to a repurchase obligation of the applicable Seller or the Depositor. See "*—Repurchase Obligation*" below and "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases—Repurchase Obligations*" in this private placement memorandum.

Notice of Sale; Redemption Rights

In the event of a default by a Loan Obligor with respect to a Hard Secured Loan or an Other Secured Loan, some jurisdictions require that the Loan Obligor be notified of the default and be given a time period within which the Loan Obligor may cure the default prior to repossession of the collateral securing the applicable Loan. Generally, this right of reinstatement may be exercised on a limited number of occasions in any one year period. Additionally, in cases where a Loan Obligor objects or raises a defense to repossession to a Titled Asset, or if otherwise required by applicable state law, a court order must be obtained from the appropriate state court, and the financed vehicle must then be recovered in accordance with that order.

The Uniform Commercial Code and other state laws require the secured party to provide the Loan Obligor with reasonable notice concerning the disposition of the collateral securing the Loan including, among other things, the date, time and place of any public sale and/or the date after which any private sale of the collateral may be held and certain additional information if the collateral constitutes consumer goods. In addition, some states also impose substantive timing requirements on the sale of repossessed vehicles or other Titled Assets and/or various substantive timing and content requirements relating to those notices. In some states, after a Titled Asset has been repossessed, the Loan Obligor may reinstate the account by paying the delinquent installments and other amounts due, in which case the Titled Asset is returned to the obligor. The Loan Obligor has the right to redeem the collateral prior to actual sale or entry by the secured party into a contract for sale of the collateral by paying the secured party the unpaid principal balance of the obligation, accrued interest thereon, reasonable expenses for repossessing, holding and preparing the collateral for disposition and arranging for its sale, plus, in some jurisdictions, reasonable attorneys' fees and legal expenses.

Deficiency Judgments and Excess Proceeds

The proceeds of resale of the repossessed Titled Assets generally will be applied first to the expenses of resale and repossession and then to the satisfaction of the indebtedness. While some states impose prohibitions or limitations on deficiency judgments if the net proceeds from resale do not cover the full amount of the indebtedness, a deficiency judgment can be sought in those states that do not prohibit or limit those judgments. However, the deficiency judgment would be a personal judgment against the obligor for the shortfall, and a defaulting Loan Obligor can be expected to have very little capital or sources of income available following repossession. Therefore, in many cases, it may not be useful to seek a deficiency judgment or, if one is obtained, it may be settled at a significant discount. In addition to the notice requirement, the Uniform Commercial Code requires that every aspect of the sale or other disposition, including the method, manner, time, place and terms, be "commercially reasonable." Generally, in the case of consumer goods, courts have held that when a sale is not "commercially reasonable," the secured party loses its right to a deficiency judgment. Generally, in the case of collateral that does not constitute consumer goods, the Uniform Commercial Code provides that when a sale is not "commercially reasonable," the secured party may retain its right to at least a portion of the deficiency judgment.

The Uniform Commercial Code also permits the debtor or other interested party to recover for any loss caused by noncompliance with the provisions of the Uniform Commercial Code. In particular, if the collateral is consumer goods, the Uniform Commercial Code grants the debtor the right to recover in any event an amount not less than the credit service charge plus 10% of the principal amount of the debt. In addition, prior to a sale, the Uniform Commercial Code permits the debtor or other interested person to prohibit or restrain on appropriate terms the secured party from disposing of the collateral if it is established that the secured party is not proceeding in accordance with the "default" provisions under the Uniform Commercial Code.

Occasionally, after resale of a repossessed Titled Asset and payment of all expenses and indebtedness, there is a surplus of funds. In that case, the Uniform Commercial Code requires the creditor to remit the surplus to any holder of a subordinate lien with respect to the Titled Asset or if no subordinate lien holder exists, the Uniform Commercial Code requires the creditor to remit the surplus to the Loan Obligor.

Courts have applied general equitable principles to secured parties pursuing repossession and litigation involving deficiency balances. These equitable principles may have the effect of relieving an obligor from some or all of the legal consequences of a default.

Forfeiture for Drug, RICO and Money Laundering Violations

Federal law provides that property purchased or improved with assets derived from criminal activity or otherwise tainted, or used in the commission of certain offenses, can be seized and ordered forfeited to the United States of America. The offenses which can trigger such a seizure and forfeiture include, among others, violations of the Racketeer Influenced and Corrupt Organizations Act, the Bank Secrecy Act, the anti money laundering laws and regulations, including the USA Patriot Act of 2001 and the regulations issued thereunder, as well as the narcotic drug laws. In many instances, the United States may seize the property even before a conviction occurs.

In the event of a forfeiture proceeding, a secured party may be able to establish its interest in the property by proving that (i) its security interest was granted and perfected before the commission of the illegal conduct from which the assets used to purchase or improve the property were derived or before the commission of any other crime upon which the forfeiture is based, or (ii) the secured party, at the time of the execution of the security agreement, "did not know or was reasonably without cause to believe that the property was subject to forfeiture." However, there can be no assurance that such a defense will be successful.

Servicemembers Civil Relief Act

Generally, under the terms of the Servicemembers Civil Relief Act (the "**Relief Act**"), a Loan Obligor who enters military service after the origination of such Loan Obligor's Loan (including a Loan Obligor who is a member of the National Guard or is in reserve status at the time of the origination of the Loan and is later called to active duty) may not be charged interest, including fees and charges, above an annual rate of 6% during the period of such Loan Obligor's active duty status and for one year thereafter. In addition to adjusting the interest, the lender must forgive any such interest in excess of 6% per annum, unless a court or administrative agency orders otherwise upon application of the lender. It is possible that such action could have an effect, for an indeterminate period of time, on the ability of the Servicer or the related Subservicer to collect full amounts of interest on certain of the Loans. Any shortfall in interest collections resulting from the application of the Relief Act or any amendment to it will make it more likely that, under certain scenarios, amounts received in respect of the Loans and, with respect to the Notes, amounts in the Reserve Account, may be insufficient to pay the Notes all principal and interest to which they are entitled. Further, the Relief Act imposes limitations which may impair the ability of the Servicer or the related Subservicer to foreclose on an affected Loan during the Loan Obligor's period of active duty status and up to nine months thereafter. Thus, in the event that such a Loan goes into default, there may be delays and losses occasioned by the inability to realize upon any collateral in a timely fashion. In addition, the Relief Act provides broad discretion for a court to modify a Loan upon application of the Loan Obligor. Certain states have enacted comparable legislation which may lead to the modification of a Loan or interfere with or affect the ability of the Servicer or the related Subservicer to timely collect payments of principal and interest on, or to foreclose on, Loans of Loan Obligors in such states who are active or reserve members of the armed services or the national guard. For example, California has enacted legislation providing protection substantially similar to that provided by the Relief Act to California national guard members called up for active service by the Governor or President and to reservists called to active duty.

Consumer Protection Laws

Numerous federal and state consumer protection laws and related regulations impose substantial requirements on lenders and servicers involved in consumer finance, including requirements regarding the adequate disclosure of contract terms and limitations on contract terms, collection practices and creditor remedies. These laws include the following (and their implementing regulations):

- federal Truth-in-Lending Act,
- Equal Credit Opportunity Act,
- Fair Credit Reporting Act,
- Federal Trade Commission Act,

- Magnuson-Moss Warranty Act,
- Fair Debt Collection Practices Act,
- Servicemembers Civil Relief Act, and
- Gramm-Leach-Bliley Act.

In addition state consumer protection laws also impose substantial requirements on creditors and servicers involved in consumer finance. The applicable state laws generally regulate:

- allowable rates, fees and charges,
- the disclosures required to be made to Loan Obligors,
- licensing of originators of personal loans,
- debt collection practices,
- origination practices, and
- servicing practices.

These federal and state laws can impose specific statutory liabilities on creditors who fail to comply with their provisions and may affect the enforceability of a personal loan. In particular, a violation of these consumer protection laws may:

- limit the ability of the related Servicer or the Subservicer to collect all or part of the principal of or interest on the Loan,
- subject the Issuer, as an assignee of the Loans, to liability for expenses, damages and monetary penalties resulting from the violation,
- subject the Issuer to an administrative enforcement action, and
- provide the Loan Obligor with set-off rights against the Issuer.

Courts have imposed general equitable principles upon repossession and litigation involving deficiency balances. These equitable principles are generally designed to relieve a consumer from the legal consequences of a default.

In several cases, consumers have asserted that the remedies provided secured parties under the UCC and related laws violate the due process protections provided under the 14th Amendment to the Constitution of the United States. For the most part, courts have upheld the notice provisions of the UCC and related laws as reasonable or have found that the repossession and resale by the creditor does not involve sufficient state action to afford constitutional protection to consumers.

The Consumers' Claims and Defenses Rule, the so-called "Holder-in-Due-Course" rule of the Federal Trade Commission, has the effect of subjecting a seller, and certain related creditors and their assignees in a consumer credit transaction and any assignee of the creditor to all claims and defenses which the debtor in the transaction could assert against the seller of the goods. If a Loan is subject to the requirements of the Holder in Due Course rule, the Issuer or the Indenture Trustee on its behalf will be subject to any claims or defenses that the debtor may assert against a seller.

In several cases, consumers have asserted that the self-help remedies of secured parties under the Uniform Commercial Code and related laws violate the due process protections provided under the 14th Amendment to the Constitution of the United States. Courts have generally upheld the notice provisions of the Uniform Commercial Code and related laws as reasonable or have found that the repossession and resale by the creditor do not involve sufficient state action to afford constitutional protection to obligors.

Repurchase Obligation

Each Seller, as seller of Loans to the Depositor, will make representations and warranties in the Loan Purchase Agreement that each Loan sold by it to the Depositor complies with all requirements of law in all material respects. If any Loan Level Representation proves to be incorrect with respect to any Loan, has certain material adverse effects and is not timely cured, such Seller will be required under the applicable Transaction Documents to repurchase the affected Loan as described under "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusions and Releases—Repurchase Obligations*" in this private placement memorandum. The Sellers are subject from time to time to litigation alleging that the personal loans or its lending practices do not comply with applicable law. The commencement of any such litigation generally would not result in a breach of any of a Seller's representations or warranties.

Certain Matters Relating to Bankruptcy

The Depositor has been structured as a limited purpose entity and will engage only in activities permitted by its organizational documents. The Depositor's organizational documents contain provisions that are intended to reduce the likelihood that the Depositor will file a voluntary petition under the United States Bankruptcy Code (the "**Bankruptcy Code**") or any similar applicable state law. There can be no assurance, however, that the Depositor, or SLFC or any Seller, will not become insolvent and file a voluntary petition under the Bankruptcy Code or any similar applicable state law or become subject to a conservatorship or receivership, as may be applicable in the future.

The voluntary or involuntary petition for relief under the Bankruptcy Code or any similar applicable state law or the establishment of a conservatorship or receivership, as may be applicable, with respect to SLFC or any Seller should not necessarily result in a similar voluntary application with respect to the Depositor so long as the Depositor is solvent and does not reasonably foresee becoming insolvent either by reason of SLFC's or such Seller's insolvency or otherwise. The Depositor has taken certain steps in structuring the transactions contemplated hereby that are intended to make it unlikely that any voluntary or involuntary petition for relief by SLFC or any Seller under applicable insolvency laws will result in the consolidation pursuant to such insolvency laws or the establishment of a conservatorship or receivership, of the assets and liabilities of the Depositor with those of SLFC or any Seller. These steps include the organization of the Depositor as a limited purpose entity pursuant to its limited liability company agreement containing certain limitations (including restrictions on the limited nature of Depositor's business and on its ability to commence a voluntary case or proceeding under any insolvency law without an affirmative vote of all of its directors, including independent directors).

SLFC, the Sellers and the Depositor believe that subject to certain assumptions (including the assumption that the books and records relating to the assets and liabilities of SLFC and the Sellers will at all times be maintained separately from those relating to the assets and liabilities of the Depositor, the Depositor will prepare its own balance sheets and financial statements and there will be no commingling of the assets of SLFC or any Seller with those of the depositor except as expressly contemplated in the Transaction Documents) the assets and liabilities of the Depositor should not be substantively consolidated with the assets and liabilities of SLFC or any Seller in the event of a petition for relief under the Bankruptcy Code with respect to SLFC or any Seller; and the transfer of Loans by the Sellers to the Depositor should constitute an absolute transfer, and, therefore, such Loans would not be property of the applicable Seller or that entity, as applicable, in the event of the filing of an application for relief by or against such Seller or such entity, as applicable, under the Bankruptcy Code.

Counsel to the Depositor and the Issuer will also render its opinion that:

- subject to certain assumptions, the assets and liabilities of neither the Depositor nor the Issuer would be substantively consolidated with the assets and liabilities of Springleaf or any Seller in the event of a petition for relief under the Bankruptcy Code with respect to Springleaf or such Seller; and

- the transfer of the Loans by each Seller to the Depositor constitutes an absolute transfer and would not be included in such Seller's bankruptcy estate or subject to the automatic stay provisions of the Bankruptcy Code.

If, however, a bankruptcy court or a creditor were to take the view that SLFC or any Seller, on the one hand, and the Depositor or the Issuer, on the other hand, should be substantively consolidated or that the transfer of the Loans from any Seller to the Depositor should be recharacterized as a pledge of such Loans, then you may experience delays and/or shortfalls in payments on the Notes.

FDIC's Avoidance Power under OLA

The Dodd-Frank Wall Street Reform and Consumer Protection Act established the orderly liquidation authority ("**OLA**") under which the FDIC is authorized to act as receiver of a financial company and its subsidiaries defined therein as "covered financial companies." OLA differs from the Bankruptcy Code in several respects. In addition, because the legislation remains subject to clarification through FDIC regulations and has yet to be applied by the FDIC in any receivership, it is unclear what impact these provisions will have on any particular company, including the sponsor, the depositor or the issuer, or such company's creditors. For a company to become subject to OLA, the Secretary of the Treasury (in consultation with the President of the United States) must determine that: (a) the company is in default or in danger of default; (b) the failure of the company and its resolution under the Bankruptcy Code would have serious adverse effects on financial stability in the United States; (c) no viable private sector alternative is available to prevent the default of the company; and (d) an OLA proceeding would mitigate these effects. If the FDIC were to determine that the failure of SLFC, any Seller or Subservicer, the Depositor and/or the Issuer, alone or in combination with the failure of other entities would have serious adverse effects on financial stability in the United States and that the other criteria above is satisfied, then SLFC, such Seller or Subservicer, the Depositor and/or the Issuer could be subject to OLA.

If that occurred, the FDIC could repudiate contracts deemed burdensome to the estate, including secured debt. Springleaf has structured the transfers of the Loans to the Depositor and the Issuer in a manner intended to mitigate the risk of the recharacterization of the transfers as a security interest to secure debt of any Seller. Any attempt by the FDIC to repudiate the transfer of the Loans or to recharacterize the securitization transaction as a secured loan (which the FDIC could then repudiate) could cause delays in payments or losses on the Notes. In addition, if the Issuer were to become subject to OLA, the FDIC could repudiate the debt of the Issuer with the result that Noteholders would have a secured claim in the receivership of the Issuer. Also, if the Issuer were subject to OLA, Noteholders would not be permitted to accelerate the Notes, exercise remedies against the collateral or replace the servicer without the FDIC's consent for 90 days after the receiver is appointed. As a result of any of these events, delays in payments on the Notes and reductions in the amount of those payments could occur.

In addition, and also assuming that the FDIC were appointed receiver of the sponsor or any of their affiliates under OLA, the FDIC could avoid transfers of Loans that are deemed "preferential." Under one potential interpretation of OLA, the FDIC could avoid a Seller's transfer of certain Loans to the Depositor perfected merely upon their transfer (in the case of a sale) or by the filing of a UCC financing statement (in the case of a pledge by the issuing entity). If the transfer were avoided as a preference under OLA, Noteholders would have only an unsecured claim in the receivership for the purchase price of the Loans. On July 15, 2011, the FDIC Board of Directors published a final rule which, among other things, states that the FDIC is interpreting the OLA's provisions regarding the treatment of preferential transfers in a manner comparable to the relevant provisions of the United States Bankruptcy Code so that transferees will have the same treatment under the OLA as they would have in a bankruptcy proceeding. If a court were to conclude, however, that this FDIC rule is not consistent with the statute,

then if a transfer were avoided as a preference under the OLA, Noteholders would have only an unsecured claim in the receivership for the purchase price of the Loans.

Other Limitations

In addition to the laws limiting or prohibiting deficiency judgments, numerous other statutory provisions, including the Bankruptcy Code and similar state laws, may interfere with or affect the ability of a secured party to realize upon collateral or to enforce a deficiency judgment. For example, if an obligor commences bankruptcy proceedings, a bankruptcy court may prevent a creditor from repossessing a titled asset, and, as part of the rehabilitation plan, reduce the amount of the secured indebtedness to the market value of the titled asset at the time of filing of the bankruptcy petition, as determined by the bankruptcy court, leaving the creditor as a general unsecured creditor for the remainder of the indebtedness. A bankruptcy court may also reduce the monthly payments due under a personal loan or change the rate of interest and time of repayment of the personal loan.

Any shortfalls or losses arising in connection with the matters described above, to the extent not covered by amounts payable to the Noteholders from amounts available under a credit enhancement mechanism, could result in losses to the Noteholders.

IRS CIRCULAR 230 NOTICE TO CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES AND ERISA CONSIDERATIONS

To ensure compliance with Internal Revenue Service Circular 230, Noteholders are hereby notified that: (A) any discussion of U.S. federal tax issues in this private placement memorandum is not intended or written by us to be relied upon, and cannot be relied upon by Noteholders for the purpose of avoiding penalties that may be imposed on Noteholders under the Internal Revenue Code; (B) such discussion is written in connection with the promotion or marketing of the transactions or matters addressed herein; and (C) Noteholders should seek advice based on their particular circumstances from an independent tax advisor.

CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a general discussion of certain U.S. federal income tax consequences relating to the purchase, ownership and disposition of the Notes by initial purchasers of the Notes who purchase the Notes upon their original issuance and hold the Notes as capital assets within the meaning of Section 1221 of the Internal Revenue Code. This discussion does not address all of the tax considerations that may be relevant to prospective purchasers in light of their particular circumstances or to persons subject to special rules under federal tax laws, such as certain financial institutions, insurance companies, dealers in securities, tax-exempt entities, certain former citizens or residents of the U.S., persons who hold the Notes as part of a "straddle," "hedging," "conversion" or other integrated transaction, persons who mark their securities to market for U.S. federal income tax purposes, persons whose functional currency is not the U.S. dollar or persons who may be or become subject to the alternative minimum tax. In addition, this discussion does not address the effect of any state, local or foreign tax laws. Accordingly, prospective purchasers are advised to consult their own tax advisors with respect to their individual circumstances.

This discussion is based on the Internal Revenue Code, the Treasury regulations promulgated thereunder and administrative and judicial pronouncements, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect.

For purposes of the following discussion, the term "U.S. Holder" means a beneficial owner of a Note that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the U.S., (ii) a corporation (or other entity subject to U.S. federal income taxation as a corporation) created or organized in or under the laws of the U.S. or of any political subdivision thereof, or (iii) an estate or trust treated as a U.S. person under Section 7701(a)(30) of the Internal Revenue Code. The term "Non-U.S. Holder" means a beneficial owner of a Note other than a U.S. Holder or an entity treated as a partnership for U.S. federal income tax purposes. For the purposes of this discussion, U.S. Holders and Non-U.S. Holders are referred to collectively as "Holders."

Special rules, not addressed in this discussion, may apply to persons purchasing Notes through entities treated for U.S. federal income tax purposes as partnerships, and any such entity purchasing Notes and persons purchasing Notes through such an entity should consult their own tax advisors in that regard.

Except as otherwise noted herein, the discussion below does not address the U.S. federal income tax consequences of the purchase, ownership and disposition of Notes that will initially be retained by the Issuer or conveyed to an affiliate of the Issuer.

Treatment of the Notes as Indebtedness

Sidley Austin LLP, as special tax counsel to the Issuer, will issue an opinion as of the closing date that

- when issued, the Class A Notes and Class B Notes will be characterized as indebtedness for U.S. federal income tax purposes, in each case except to the extent such Notes are retained by the Issuer or conveyed to an affiliate of the Issuer,

- when issued, the Class C Notes should be characterized as indebtedness for U.S. federal income tax purposes, except to the extent such Notes are retained by the Issuer or conveyed to an affiliate of the Issuer, 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 "**Closing Date Tax Opinions**"). In rendering the Closing Date Tax Opinions, special tax counsel will rely on various representations made to it by the Issuer, Springleaf and others. Potential investors should be aware that, as of the date of this private placement memorandum, no transaction closely comparable to that contemplated herein has been the subject of any judicial decision, Treasury regulation or revenue ruling. Although special tax counsel to the Issuer will issue the Closing Date Tax Opinions, the Internal Revenue Service ("**IRS**") may successfully take a contrary position. The Closing Date Tax Opinions are not binding on the IRS or on any court.

The U.S. federal income tax characterization of any Note retained by the Issuer or conveyed to an affiliate of the Issuer will not be determined until the time, if any, that the Note is sold to an unrelated purchaser, based on the law and circumstances existing at that time. Therefore, no opinion is expressed, and no assurances can be given, with respect to the characterization for U.S. federal income tax purposes of such a Note. However, prior to any subsequent sale of such a Note, the Issuer must receive an Opinion of Counsel that such sale (i) will not adversely affect the U.S. federal income tax characterization as debt of any outstanding Notes with respect to which an opinion of counsel was delivered at the time of their original issuance that such Notes would be characterized as debt for U.S. federal income tax purposes, (ii) will not cause or constitute an event in which gain or loss would be recognized by any Holder of outstanding Notes and (iii) will not cause the Issuer to be classified as an association (or a publicly traded partnership) taxable as a corporation for U.S. federal income tax purposes. Unless such subsequently sold Note has a CUSIP number that is different than that of any other Notes outstanding immediately prior to such sale, the Issuer must receive an Opinion of Counsel that, for U.S. federal income tax purposes, such later sold Notes (i) have the same issue price and issue date as do any outstanding Notes that have the same CUSIP number as the Notes being sold and (ii) are not subject to materially different tax treatment than any outstanding Notes that have the same CUSIP number as the Notes being sold. In addition, with respect to any subsequent sale of such a Note that is a Class A Note or Class B Note, the Issuer must receive an Opinion of Counsel that such Class A Note or Class B Note will be characterized as indebtedness for U.S. federal income tax purposes, and, with respect to any subsequent sale of such a Note that is a Class C Note, the Issuer must receive an Opinion of Counsel that such Class C Note should be characterized as indebtedness for U.S. federal income tax purposes.

The Issuer, by entering into the Indenture, and each Holder, by the acceptance of any Note (and each beneficial owner of a Note, by its acceptance of an interest in the applicable Note), agree to treat the Notes for federal, state and local income and franchise tax purposes as indebtedness, and to file all federal, state and local income and franchise tax and information returns and reports required to be filed with respect to any Notes, under

any applicable federal, state or local tax statute or any rule or regulation under any of them, consistent with such characterization.

The Closing Date Tax Opinions will not address the U.S. federal income tax characterization of the Class D Notes and, in the case of the Class C Notes, the Closing Date Tax Opinions will reflect uncertainty as to their U.S. federal income tax characterization. Although as described more fully above the Issuer and each Holder, including Holders of Class C and Class D Notes (and each beneficial owner of a Note), agree to treat the Notes for tax purposes as indebtedness, the IRS may assert that the Notes, or a particular class of Notes, are not properly characterized as indebtedness for U.S. federal income tax purposes. The courts and the IRS have held that, in certain circumstances, indebtedness issued by a thinly capitalized entity should not be treated as indebtedness of that entity for U.S. federal income tax purposes. Although it is not clear that the Issuer should be viewed as being thinly capitalized, the IRS might contend that the Issuer is thinly capitalized and thus the Notes or a class of the Notes, in substance, represent equity of the Issuer. If the IRS were to contend successfully that any class of Notes were not properly treated as indebtedness for U.S. federal income tax purposes, such Notes might be treated as equity interests in the Issuer (any such Notes, "**Recharacterized Notes**"). Because of the subordination of the Class C Notes and the Class D Notes, any such attempted recharacterization more likely would be successful, if at all, with respect to the Class C Notes or the Class D Notes. If any of the Notes were successfully recharacterized as equity interests, the Issuer would be considered to have multiple equity owners (rather than the Depositor being treated as its sole owner) and, if that were the case, it is expected that the Issuer would be classified as a partnership for U.S. federal income tax purposes.

If the Issuer were treated as a partnership, the Issuer generally would not be subject to U.S. federal income tax, but each Holder of Recharacterized Notes would be treated as a partner in such partnership and would be required to separately take into account such Holder's allocable share of income of the Issuer, calculated according to such Holder's respective ownership interest in the Issuer, whether or not corresponding cash payments were received by such partners. In such event, however, the amount, timing and character of income to a Holder of Recharacterized Notes would not generally be expected to materially differ from that which a Holder would receive if such Holder's Notes were not recharacterized. In addition, the Issuer could be required to withhold tax with respect to allocations or distributions on Recharacterized Notes held by non-U.S. Holders, and could be liable for any failure to so withhold. With respect to any Recharacterized Notes, the Issuer and each beneficial owner of such Notes, by acceptance of such Notes (or beneficial interest therein), agree that the Issuer will be treated as a partnership as described above and agree to file all tax returns or reports consistent with such treatment.

If the Class A Notes or the Class B Notes were successfully recharacterized as equity interests, however, the Issuer may be treated as a publicly traded partnership taxable as a corporation. If the Issuer were treated as a publicly traded partnership taxable as a corporation, the Issuer would be subject to U.S. federal income tax at corporate rates on its taxable income, substantially reducing cash flow that would otherwise be available to make payments on the Notes.

If the Issuer were treated as a partnership for U.S. federal income tax purposes, adverse tax consequences might be experienced by Non-U.S. Holders of Recharacterized Notes. In particular, each Non-U.S. Holder of Recharacterized Notes could be required to file a U.S. tax return and could be subject to tax (and withholding) on its share of partnership income at regular U.S. rates and, in the case of a corporation, a 30% branch profits tax. Except as otherwise expressly indicated, the following discussion assumes that the characterizations described in the Closing Date Tax Opinions are correct, and that the Class C Notes and Class D Notes are properly characterized as indebtedness for U.S. federal income tax purposes.

U.S. Holders

Taxation of Interest and Original Issue Discount. Each U.S. Holder of a Note will include in income payments of interest in respect of such Note, in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes, as ordinary interest income.

The issue price of the Class C and the Class D Notes may be less than their stated principal amount by more than a specified *de minimis* amount, such that those Notes (the "**OID Notes**") will be treated as issued with original issue discount ("**OID**") in an amount equal to such difference. A U.S. Holder must generally accrue OID

on a current basis as ordinary income as it accrues over the term of an OID Note (taking into account special rules applicable to debt instruments such as the Notes, the repayment of which may be accelerated by payments on other obligations securing the debt instrument), and pay tax accordingly, without regard to its regular method of accounting for U.S. federal income tax purposes and in advance of the receipt of cash payments attributable to that income.

A U.S. Holder may elect to treat all interest on an OID Note as OID and calculate the amount includible in gross income under the constant yield method described above. The election is to be made for the taxable year in which the OID Note was acquired, and may not be revoked without the consent of the IRS. A U.S. Holder should consult his own tax advisor about this election and about the OID rules, in general.

Principal Payments. The principal payments will generally constitute a tax-free return of capital that will reduce a U.S. Holder's adjusted tax basis in its Notes.

Sale, Exchange, Retirement or Other Disposition of Notes. In general, a U.S. Holder of a Note will have a tax basis in such Note equal to the cost of the Note to such U.S. Holder, reduced by any principal payments. Upon a sale, exchange, retirement or other disposition of a Note, a U.S. Holder will generally recognize gain or loss equal to the difference between the amount realized on the sale, exchange, retirement or other disposition (less any amount realized that is attributable to accrued but unpaid interest, which will constitute ordinary income if not previously included in income) and the U.S. Holder's tax basis in such Note. Any such gain or loss will be long-term capital gain or loss if the U.S. Holder has held the Note for more than one year at the time of disposition. A U.S. Holder that is an individual is entitled to preferential treatment for net long-term capital gains; the ability of a U.S. Holder to utilize capital losses to offset ordinary income is limited, however.

Medicare Tax. Certain U.S. Holders that are individuals, estates or trusts are subject to a 3.8% tax on all or a portion of their "net investment income," which will include all or a portion of their interest income from, and gain from the disposition of, a Note. Any U.S. Holder that is an individual, estate or trust, is urged to consult his or her tax advisors regarding the applicability of such tax to his or her income.

Non-U.S. Holders

Subject to the discussion below under the headings "*—Foreign Account Tax Compliance Act ("FATCA")*" and "*—Backup Withholding and Information Reporting*," the following is a discussion of U.S. federal income tax considerations generally applicable to Non-U.S. Holders:

- payments of principal and interest (including OID) with respect to a Note held by or for a Non-U.S. Holder will not be subject to withholding of U.S. federal income tax, provided that, in the case of interest (including OID), (i) such interest is not received by a bank on an extension of credit made pursuant to a loan agreement entered in the ordinary course of its trade or business, (ii) such Non-U.S. Holder does not own, actually or constructively, 10% or more of the total combined voting power of all of SLFC's classes of stock entitled to vote, (iii) such Non-U.S. Holder is not a controlled foreign corporation, within the meaning of Section 957(a) of the Internal Revenue Code, that is related, directly or indirectly, to SLFC through stock ownership and (iv) the statement requirement set forth in Section 871(h) or Section 881(c) of the Internal Revenue Code (described below) has been fulfilled with respect to such Non-U.S. Holder; and

- a Non-U.S. Holder will generally not be subject to U.S. federal income tax on gain realized on the sale, exchange, retirement or other disposition of a Note, unless (i) such Non-U.S. Holder is an individual who is present in the U.S. for 183 days or more in the taxable year of such sale, exchange, retirement or other 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 U.S. (and, under certain income tax treaties, is attributable to a U.S. permanent establishment maintained by such Non-U.S. Holder).

Sections 871(h) and 881(c) of the Internal Revenue Code require that, in order to obtain the exemption from withholding of U.S. federal income tax described in the first bullet above, either the Non-U.S. Holder or a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary

course of its trade or business (a "Financial Institution") and that is holding the Note on behalf of such Non-U.S. Holder, must file a statement with the withholding agent to the effect that the Non-U.S. Holder is not a U.S. person. Such requirement will be fulfilled if the Non-U.S. Holder certifies on IRS Form W-8BEN (or successor form), under penalties of perjury, that it is not a U.S. person and provides its name and address, or any Financial Institution holding the note on behalf of the Non-U.S. Holder files a statement with the withholding agent to the effect that it has received such a statement from the Non-U.S. Holder (and furnishes the withholding agent with a copy thereof). In addition, in the case of Notes held by a foreign intermediary (other than a "qualified intermediary") or a foreign partnership (other than a "withholding foreign partnership"), the foreign intermediary or partnership, as the case may be, generally must provide a properly executed IRS Form W-8IMY (or successor form) and attach thereto an appropriate certification by each foreign beneficial owner or U.S. payee.

If a Non-U.S. Holder is engaged in a trade or business in the U.S., and if amounts treated as interest (including OID) for U.S. federal income tax purposes on a Note or gain realized on the sale, exchange, retirement or other disposition of a Note are effectively connected with the conduct of such trade or business, the Non-U.S. Holder, although exempt from the withholding of U.S. federal income tax described in the first bullet above, will generally be subject to regular U.S. federal income tax on such effectively connected income or gain in the same manner as if it were a U.S. Holder. In lieu of the certificate described in the preceding paragraph, such Non-U.S. Holder will be required to provide a properly executed IRS Form W-8ECI (or successor form) to the withholding agent in order to claim an exemption from withholding tax. In addition, if such Non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (or such lower rate provided by an applicable treaty) of its effectively connected earnings and profits for the taxable year, subject to certain adjustments.

Foreign Account Tax Compliance Act ("FATCA")

Under recently enacted legislation, foreign financial institutions (which include hedge funds, private equity funds, mutual funds, securitization vehicles and any other investment vehicles regardless of their size) must comply with new information reporting rules with respect to their U.S. account holders and investors bear a new withholding tax on certain U.S. source payments made to them. Generally, if a foreign financial institution or certain other foreign entity does not comply with these reporting requirements, "withholdable payments" made after a certain date to the noncomplying entity will be subject to a new 30% withholding tax. For this purpose, withholdable payments are U.S.-source payments otherwise subject to nonresident withholding tax and also include the entire gross proceeds from the sale of certain equity or debt instruments of U.S. issuers. This new withholding tax will apply regardless of whether the payment would otherwise be exempt from U.S. nonresident withholding tax (*e.g.*, under the portfolio interest exemption or as capital gain).

The new withholding tax discussed above will not apply to withholdable payments made directly to foreign governments, international organizations, foreign central banks of issue and individuals, and the IRS is authorized to provide additional exceptions.

Under the legislation, these new withholding and reporting requirements take effect on January 1, 2013. The IRS has released Treasury regulations, however, providing that these new withholding and reporting requirements generally will not apply to obligations that are issued and outstanding on January 1, 2014.

Prospective purchasers are urged to consult with their tax advisors regarding these new provisions.

Backup Withholding and Information Reporting

U.S. Holders. Under current U.S. federal income tax law, backup withholding at specified rates and information reporting requirements may apply to payments of principal and interest (including OID) made to, and to the proceeds of sale before maturity by, certain noncorporate U.S. Holders of Notes. Backup withholding will apply to a U.S. Holder if:

- such U.S. Holder fails to furnish its Taxpayer Identification Number ("TIN") to the payor in the manner required;

- such U.S. Holder furnishes an incorrect TIN and the payor is so notified by the IRS;

- the payor is notified by the IRS that such U.S. Holder has failed to properly report payments of interest or dividends; or

- under certain circumstances, such U.S. Holder fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the IRS that it is subject to backup withholding for failure to report interest or dividend payments.

Backup withholding does not apply with respect to payments made to certain exempt recipients, including corporations (within the meaning of Section 7701(a) of the Internal Revenue Code), tax-exempt organizations or qualified pension and profit-sharing trusts.

Backup withholding is not an additional tax. Any amounts withheld from a payment under the backup withholding rules will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability and may entitle such U.S. Holder to a refund, provided that certain required information is furnished to the IRS.

U.S. Holders should consult their tax advisors regarding their qualification and eligibility for exemption from backup withholding, and the application of information reporting requirements, in their particular situations.

Non-U.S. Holders. Backup withholding will not apply to payments of principal or interest (including OID) made by the Issuer or its paying agent on a note if a Non-U.S. Holder has provided the required certification under penalties of perjury that it is not a U.S. person or has otherwise established an exemption (absent the Issuer's actual knowledge or reason to know that the Non-U.S. Holder is actually a U.S. Holder). Backup withholding is not an additional tax. Any amounts withheld from a payment under the backup withholding rules will be allowed as a credit against a Non-U.S. Holder's U.S. federal income tax liability and may entitle such Non-U.S. Holder to a refund, provided that certain required information is furnished to the IRS.

The Issuer must report annually to the IRS on IRS Form 1042-S the amount of interest (including OID) paid on the Notes and the amount of tax withheld with respect to those payments. Copies of the information returns reporting those interest payments and withholding may also be made available to the tax authorities in the country in which a Non-U.S. Holder resides under the provisions of an applicable income tax treaty. Information reporting on IRS Form 1099 may also apply to payments made outside the U.S., and payments on the sale, exchange, retirement or other disposition of a Note effected outside the U.S., if payment is made by a payor that is, for U.S. federal income tax purposes,

- a U.S. person;

- a controlled foreign corporation;

- a U.S. branch of a foreign bank or foreign insurance company;

- a foreign partnership controlled by U.S. persons or engaged in a U.S. trade or business; or

- a foreign person, 50% or more of whose gross income is effectively connected with the conduct of a U.S. trade or business for a specified three-year period,

unless such payor has in its records documentary evidence that the beneficial owner is not a U.S. Holder and certain other conditions are met or the beneficial owner otherwise establishes an exemption.

Non-U.S. Holders should consult their tax advisors regarding their qualification and eligibility for exemption from backup withholding, and the application of information reporting requirements, in their particular situations.

STATE AND OTHER TAX CONSEQUENCES

In addition to the U.S. federal income tax consequences described in "*Certain U.S. Federal Income Tax Consequences*" in this private placement memorandum, potential investors should consider the state and local tax consequences of the acquisition, ownership, and disposition of the Notes offered hereunder. State tax law may differ substantially from the corresponding federal tax law, and this discussion does not purport to describe any aspect of the tax laws of any state or other jurisdiction. Therefore, prospective investors should consult their own tax advisors with respect to the various tax consequences of investments in the Notes.

ERISA CONSIDERATIONS

Sections 404 and 406 of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and Section 4975 of the Internal Revenue Code impose fiduciary and prohibited transaction restrictions on the activities of employee benefit plans (as defined in and subject to ERISA) and certain other retirement plans and arrangements described in and subject to Section 4975(e)(1) of the Internal Revenue Code and on various other entities and arrangements, including bank collective investment funds and insurance company general and separate accounts in which such plans are invested (collectively, "**Plans**").

Some plans, including governmental plans (as defined in Section 3(32) of ERISA), plans maintained outside the United States primarily for the benefit of persons substantially all of whom are non-resident aliens as described in Section 4(b)(4) of ERISA and, if no election has been made under Section 410(d) of the Internal Revenue Code, church plans (as defined in Section 3(33) of ERISA) are not subject to the ERISA requirements. Accordingly, assets of these plans may be invested in the Notes without regard to the ERISA considerations described below, subject to the provisions of other applicable federal, state and local law. Any such plan which is qualified and exempt from taxation under Sections 401(a) and 501(a) of the Internal Revenue Code, however, is subject to the prohibited transaction rules set forth in Section 503 of the Internal Revenue Code.

ERISA generally imposes on Plan fiduciaries general fiduciary requirements, including the duties of investment prudence and diversification and the requirement that a Plan's investments be made in accordance with the documents governing the Plan. Any person who has discretionary authority or control with respect to the management or disposition of the assets of a Plan ("**Plan Assets**") and any person who provides investment advice with respect to Plan Assets for a fee is a fiduciary of the investing Plan. If the Loans and other assets included in the Issuer were to constitute Plan Assets, then any party exercising management or discretionary control with respect to those Plan Assets may be deemed to be a Plan "fiduciary," and subject to the fiduciary responsibility provisions of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Internal Revenue Code with respect to any investing Plan. In addition, the acquisition or holding of Notes by or on behalf of a Plan or with Plan Assets, as well as the operation of the Issuer, may constitute or involve a prohibited transaction under ERISA and Section 4975 of the Internal Revenue Code unless a statutory or administrative exemption is available. Further, ERISA prohibits Plans to which it applies from engaging in "prohibited transactions" under Section 406 of ERISA and Section 4975 of the Internal Revenue Code imposes excise taxes with respect to transactions described in Section 4975 of the Internal Revenue Code. These transactions described in ERISA and Section 4975 of the Internal Revenue Code prohibit a broad range of transactions involving Plan Assets and persons who are "parties in interest" as defined in ERISA or "disqualified persons" as defined in Section 4975 of the Internal Revenue Code (collectively, "**Parties in Interest**"), unless a statutory or administrative exemption is available.

Some transactions involving the Issuer might be deemed to constitute prohibited transactions under ERISA and Section 4975 of the Internal Revenue Code with respect to a Plan that purchases the Notes if the Loans and other assets included in the Issuer are deemed to be assets of the Plan. The U.S. Department of Labor ("**DOL**") has promulgated the DOL regulations (29 C.F.R. 2510.3-101, as modified by Section 3(42) of ERISA) concerning whether or not a Plan's assets would be deemed to include an interest in the underlying assets of an entity, including a trust, for purposes of applying the general fiduciary responsibility provisions of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Internal Revenue Code. Under the DOL regulations, generally, when a Plan acquires an "equity interest" in another entity (such as the Issuer), the underlying assets of that entity may be considered to be Plan Assets unless an exception applies. Exceptions contained in the DOL regulations and Section 3(42) of ERISA provide that Plan Assets will not include an undivided interest in each asset of an entity in which the Plan makes an equity investment if: (1) the entity is an operating company; (2) the equity

investment made by the Plan is either a "publicly-offered security," as defined in the DOL regulations, or a security issued by an investment company registered under the Investment Company Act of 1940, as amended; or (3) so-called "benefit plan investors" own less than 25% of the value of each class of equity interests issued by the entity. Under the DOL regulations, Plan Assets will be deemed to include an interest in the instrument evidencing the equity interest of a Plan as well as an interest in the underlying assets of the entity in which a Plan acquires an interest (such as the Loans and other assets included in the Issuer). In addition, the purchase, sale and holding of the Notes by or on behalf of a Plan could be considered to give rise to a prohibited transaction if the Depositor, the Sellers, the Indenture Trustee or any of their respective affiliates is or becomes a Party in Interest with respect to the Plan.

Because the Issuer, the Depositor, the Sellers, the Performance Support Provider, the Initial Purchasers, the Servicer, the Subservicers, the Back-up Servicer, the Note Registrar, the Indenture Trustee and the Owner Trustee may receive certain benefits in connection with the sale of the Offered Notes, the purchase of Notes using Plan Assets over which any of such parties has investment authority might be deemed to be a violation of the prohibited transaction rules of ERISA or Section 4975 of the Internal Revenue Code for which no exemption may be available. Whether or not the Loans and other assets of the Issuer were deemed to include Plan Assets, prior to making an investment in the Notes, prospective Plan investors should determine whether any of the Issuer, the Depositor, the Sellers, the Performance Support Provider, the Initial Purchasers, the Servicer, the Subservicers, the Back-up Servicer, the Note Registrar, the Indenture Trustee and the Owner Trustee is a Party in Interest with respect to such Plan and, if so, whether such transaction is subject to one or more statutory or administrative exemptions. The DOL has granted certain class exemptions which provide relief from certain of the prohibited transaction provisions of ERISA and the related excise tax provisions of the Internal Revenue Code, including, but not limited to: Prohibited Transaction Class Exemption ("**PTCE**") 84-14, which exempts certain transactions effected on behalf of a Plan by a "qualified professional asset manager"; PTCE 90-1, which exempts certain transactions between insurance company separate accounts and Parties in Interest; PTCE 91-38, which exempts certain transactions between bank collective investment funds and Parties in Interest; PTCE 95-60, which exempts certain transactions between insurance company general accounts and Parties in Interest; and PTCE 96-23, which exempts certain transactions effected on behalf of a Plan by an "in-house asset manager." There can be no assurance that any DOL exemption will apply with respect to any particular Plan investment in the Notes or, even if all of the conditions specified therein were satisfied, that any exemption would apply to all prohibited transactions that may occur in connection with such investment.

Although there is no authority directly on point, the Issuer believes that, at the date of this private placement memorandum, the Class A Notes and the Class B Notes should be treated as indebtedness without substantial equity features for purposes of the DOL regulations. The Issuer also believes that, so long as such Notes retain a rating of at least investment grade, such Notes should continue to be treated as indebtedness without substantial equity features for the purposes of the DOL regulations. There is, however, increased uncertainty regarding the characterization of debt instruments that do not carry an investment grade rating. A prospective transferee of the Class A Notes or Class B Notes or any interest therein who is a Plan or is acting on behalf of a Plan, or using Plan Assets to effect such transfer or a plan subject to non-U.S., federal, state or local law that is substantially similar to Section 406 of ERISA or Section 4975 of the Internal Revenue Code ("**Similar Law**") or using assets of such a Plan or a plan subject to Similar Law, is required to provide written confirmation (or in the case of any Book-Entry Notes, will be deemed to have confirmed) that the acquisition, continued holding and disposition of such Offered Notes (or beneficial interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code or result in a non-exempt violation of any Similar Law.

Neither the Class C Notes nor the Class D Notes may be purchased by a Plan or by an entity acting on behalf of a Plan or using Plan Assets or by, or with assets of, a plan subject to Similar Law.

Any fiduciary or other investor of Plan Assets (or assets of a governmental plan, a foreign plan or a church plan) that proposes to acquire or hold the Notes on behalf of or with Plan Assets (or assets of a governmental plan, a foreign plan or a church plan) is encouraged to consult with its counsel with respect to the application of the fiduciary responsibility provisions of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Internal Revenue Code (and in the case of a governmental plan, a foreign plan or a church plan, any additional federal, state or local law considerations) before making the proposed investment.

The sale of the Notes (other than the Class C Notes and the Class D Notes) to a Plan or to a governmental plan, foreign plan or church plan is in no respect a representation by the Depositor or the Indenture Trustee that such an investment meets all relevant legal requirements with respect to investments by Plans or to a governmental plan, foreign plan or church plan generally or any particular plan, or that such an investment is appropriate for plans generally or any particular plan.

LEGAL INVESTMENT

The appropriate characterization of the Notes under various legal investment restrictions, and thus the ability of investors subject to legal restrictions to purchase any Notes, are subject to significant interpretive uncertainties. If you are subject to legal investment laws and regulations or to review by regulatory authorities, you may be subject to restrictions on investing in the Notes and should consult with your own legal advisers to determine whether and to what extent that is the case. No representations are made as to the proper characterization of any Note for legal investment or other purposes or as to the ability of particular investors to purchase any Notes under applicable legal investment restrictions.

CAPITAL REQUIREMENTS DIRECTIVE

The member states of the European Economic Area (as defined below) have implemented Article 122a of the Capital Requirements Directive 2006/48/EC (as amended by Directive 2009/111/EC) (together with implementing measures in each European Economic Area member state, "**Article 122a**") that, among other things, places certain restrictions on the ability of a European Economic Area-regulated credit institution to invest in asset-backed securities. Article 122a requires such credit institutions to only invest in asset-backed securities in respect of which the sponsor or original lender has disclosed to investors that it will retain, on an ongoing basis, a specified minimum net economic interest in the securitization transaction. Prior to investing in an asset-backed security, the credit institution must also be able to demonstrate that, amongst other things, 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 Article 122a.

None of Springleaf, the Depositor nor any of their respective affiliates is obligated to retain a material net economic interest in the securitization described in this private placement memorandum or to provide any additional information that may be required to enable a credit institution to satisfy the due diligence and monitoring requirements of Article 122a.

Failure of a European Economic Area-regulated credit institution (or any other European Economic Area-regulated investor that may become subject to Article 122a) to comply with one or more requirements for an investment in a securitization set forth in Article 122a in any material respect may result in the imposition of a penalty regulatory capital charge on the securities acquired by that credit institution. In addition, Article 122a and any other changes to the regulation or regulatory treatment of asset-backed securities may negatively impact the regulatory position of affected investors and have an adverse impact on the value and liquidity of asset-backed securities such as the notes. Noteholders should analyze their own regulatory position, and are encouraged to consult with their own investment and legal advisors regarding compliance with Article 122a and the suitability of the Notes for investment.

UK SELLING RESTRICTION

The Initial Purchasers have represented to and agreed in the Note Purchase Agreement that:

(a) they have only communicated or caused to be communicated, and 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 Financial Services and Markets Act 2000 in the United Kingdom, as amended from time to time ("**FSMA**")) received by them in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) they have complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

ACCOUNTING CONSIDERATIONS

Various factors may influence the accounting treatment applicable to an investor's acquisition and holding of asset backed securities. Accounting standards, and the application and interpretation of such standards, are subject to change from time to time. Investors are encouraged to consult their own accountants for advice as to the appropriate accounting treatment for the Notes.

USE OF PROCEEDS

The Depositor will apply the net proceeds of the sale of the Notes to the purchase price of the initial Loans transferred to the Issuing Entity on the Closing Date and to fund the Reserve Account with the Required Reserve Account Amount. See "*Method of Distribution*" in this private placement memorandum.

LEGAL MATTERS

The legality of the Securities and certain tax matters will be passed upon for SLFC, Sellers, the Depositor and the Issuer by Sidley Austin LLP and for the Initial Purchasers by Weil, Gotshal & Manges LLP.

METHOD OF DISTRIBUTION

The Notes may only be offered (i) in the United States to Qualified Institutional Buyers and (ii) in the case of the Notes other than the Class C Notes and the Class D Notes, outside of the United States to Non-U.S. Persons in compliance with Regulation S under the Securities Act. Such investors will be required to make or will be deemed to make certain representations with respect to their ability to invest in the Notes. The Notes have not, and will not be, registered under the Securities Act or any state securities laws, and neither the Issuer nor any other person is required to so register or qualify the Notes or to provide registration rights to any investor therein.

Subject to the terms and conditions set forth in a certain note purchase agreement (the "**Note Purchase Agreement**"), dated on or before the Closing Date, among the Depositor, SLFC and Citigroup Global Markets Inc., individually and as representative for the other Initial Purchasers, the Initial Purchasers (i) have agreed, subject to certain conditions, to purchase the Class A Notes and (ii) may purchase all, a portion of or none of the Class B Notes, the Class C Notes and the Class D Notes (collectively, the "**Purchased Notes**") from the Depositor on the Closing Date. The Depositor will retain any of the Class B Notes, Class C Notes and Class D Notes that are not purchased by the Initial Purchasers. The Initial Purchasers intend to offer the Purchased Notes to prospective investors from time to time.

The Purchased Notes are being purchased when, as and if delivered to and accepted by the Initial Purchasers, and subject to prior sale and to the right of the Initial Purchasers to reject any orders in whole or in part. The Initial Purchasers may withdraw, cancel or modify the offering of the Purchased Notes without notice. Sales of the Purchased Notes may be effected from time to time in one or more negotiated transactions or otherwise at varying prices to be determined at the time of sale. The Initial Purchasers may effect such transactions by selling the Purchased Notes to or through sub-agents, and such sub-agents may receive compensation in the form of discounts, concessions or commissions from the Initial Purchasers.

In connection with the sale of the Purchased Notes, the Initial Purchasers may be deemed to have received compensation in the form of discounts, concessions or commissions from the Depositor. Proceeds from the sale of the Purchased Notes will be equal to the aggregate purchase price paid by the Initial Purchasers. The Note Purchase Agreement provides that the Depositor and Springleaf will indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, or contribute to payments required to be made in respect thereof.

There currently is no secondary market for the Purchased Notes, and there can be no assurance that such a market will develop or, if it does develop, that it will continue or will provide investors with a sufficient level of

liquidity of investment. While the Initial Purchasers may make a secondary market in the Purchased Notes, they may discontinue or limit such activities at any time. In addition, the liquidity of the Purchased Notes may be affected by present uncertainties and future unfavorable developments concerning legal investment. Consequently, investors should be aware that they may be required to bear the financial risks of an investment in the Purchased Notes for an indefinite period of time.

The Initial Purchasers may engage in over-allotment transactions, stabilizing transactions, syndicate covering transactions and penalty bids with respect to the Purchased Notes in accordance with Regulation M under the Exchange Act. Over-allotment transactions involve syndicate sales in excess of the offering size, which creates a syndicate short position. Stabilizing transactions permit bids to purchase the Purchased Notes so long as the stabilizing bids do not exceed a specified maximum. Syndicate covering transactions involve purchases of the Purchased Notes in the open market after the distribution has been completed in order to cover syndicate short positions. Penalty bids permit the Initial Purchasers to reclaim a selling concession from a syndicate member when the Purchased Notes originally sold by such syndicate member are purchased in a syndicate covering transaction. Such over-allotment transactions, stabilizing transactions, syndicate covering transactions and penalty bids may cause the prices of the Purchased Notes to be higher than they would otherwise be in the absence of such transactions. None of the Depositor, the Issuer or the Initial Purchasers represent that the Initial Purchasers will engage in any such transactions or that such transactions, once commenced, will not be discontinued without notice at any time.

The Initial Purchasers and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Initial Purchasers and their affiliates from time to time have provided, or in the future may provide, various investment and commercial banking and financial advisory services to SLFC and its affiliates and subsidiaries (including the Issuer), for which they have received, or in the future will receive, customary fees and commissions and they expect to provide these services to SLFC and its affiliates and subsidiaries (including the Issuer) in the future, for which they expect to receive customary fees and commissions. In addition, affiliates of the Initial Purchasers from time to time have acted, or in the future may act, as agents and lenders to SLFC and its affiliates and subsidiaries (including the Issuer) under their respective credit facilities and other asset based and asset backed financing arrangements, or as trustee under the indentures governing their respective senior notes, for which services they have received, or in the future will receive, customary compensation.

In the ordinary course of their various business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of Springleaf and its affiliates. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

RESTRICTIONS ON TRANSFER

The following information relates to the form, transfer and delivery of the Notes. Because of the following restrictions, purchasers of the Notes are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes. Purchasers of the Notes are advised that the Notes are not transferable at any time except in accordance with the following restrictions.

The Class A Notes, the Class B Notes and the Class C Notes will be offered and sold as Book-Entry Notes to QIBs in reliance on Rule 144A initially will be represented by one or more notes in fully-registered, global form, without interest coupons (each, a "**Rule 144A Global Note**"). The Class D Notes will be offered and sold to QIBs in reliance on Rule 144A and issued only in the form of one or more fully-registered Definitive Notes without interest coupons. The Class A Notes and Class B Notes offered and sold outside the United States in reliance on Regulation S will be issued in the form of one or more fully-registered Regulation S temporary global notes, without interest coupons (each, a "**Temporary Regulation S Global Note**"). The Class C Notes and the Class D Notes may not be sold outside the United States in reliance on Regulation S. Beneficial interests in each Temporary

Regulation S Global Note will be exchanged for beneficial interests in a fully registered permanent Regulation S global note, without interest coupons (each, a "**Permanent Regulation S Global Note**" and together with each Temporary Regulation S Global Note, the "**Regulation S Global Notes**") upon the expiration of the Distribution Compliance Period (as defined below) and provided that the applicable transferee is deemed to have represented and warranted that it is not a "U.S. person" (as defined in Regulation S) and such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S and all other applicable securities laws. The Regulation S Global Notes together with the Rule 144A Global Notes are referred to herein as the "**Global Notes**."

The Global Notes will be deposited upon issuance with a custodian for DTC in New York, New York and registered in the name of Cede, as nominee of DTC, in each case for credit to an account of a direct or indirect participant in DTC as described below. Through and including the 40th day after the later of the beginning of the offering to persons other than distributors in reliance upon Regulation S or the Closing Date (that period through and including that 40th day, the "**Distribution Compliance Period**"), beneficial interests in the Regulation S Global Notes may be held only through the Euroclear and Clearstream (as Indirect Participants in DTC) unless transferred to a person that takes delivery through an interest in a Rule 144A Global Note in accordance with the certification requirements described below. Beneficial interests in a Rule 144A Global Note may not be exchanged for beneficial interests in the Regulation S Global Notes at any time except under the limited circumstances described below.

Any ownership interest represented by a beneficial interest in a Rule 144A Global Note may be transferred to another entity who wishes to hold Notes in the form of an interest in a Rule 144A Global Note; provided, that, the applicable transferor and transferee are deemed to have represented and warranted that, among other things, such transfer is being made to a transferee that the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A.

Beneficial interests in a Regulation S Global Note may be exchanged for beneficial interests in a Rule 144A Global Note only if that exchange occurs in connection with a transfer of the note pursuant to Rule 144A and, before the expiration of the Distribution Compliance Period, the transferring Beneficial Owner is deemed to have represented and warranted that, among other things, the transfer is being made to a person who the transferring Beneficial Owner reasonably believes is a QIB within the meaning of Rule 144A, purchasing for its own account or the account of a QIB in a transaction meeting the requirements of Rule 144A and in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

Beneficial interests in a Rule 144A Global Note may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Note whether before or after the expiration of the Distribution Compliance Period, only if the transferring Beneficial Owner is deemed to have represented and warranted that such transfer is being made in accordance with Rule 903 or Rule 904 of Regulation S and that, if that transfer occurs before the expiration of the Distribution Compliance Period, the interest transferred will be held immediately thereafter through Euroclear or Clearstream.

A holder of a beneficial interest in a Temporary Regulation S Global Note must provide Euroclear or Clearstream, as the case may be, with a certification in the form required by the Indenture certifying that the beneficial owner of the interest in that Global Note is not a "U.S. person" (as defined in Regulation S), and Euroclear or Clearstream, as the case may be, must provide to the Indenture Trustee (or a paying agent appointed by the Indenture Trustee) a certification in the form required by the Indenture, before (i) the payment of principal of, interest on or any other payment with respect to that holder's beneficial interest in such Temporary Regulation S Global Note and (ii) any exchange of that beneficial interest for a beneficial interest in a Permanent Regulation S Global Note.

Each direct or indirect holder of a Class C Note, by acceptance of a Class C Note, and each beneficial owner of a Class C Note or interest therein, by acceptance of beneficial ownership in a Class C Note or interest therein, will be deemed to represent and warrant that: (A) either (I) it is not and will not become for U.S. federal income tax purposes a partnership, Subchapter S corporation or grantor trust (each such entity a "**flow-through entity**") or (II) if it is or becomes a flow-through entity, then (x) none of the direct or indirect beneficial owners of any of the interests in such flow-through entity has or ever will have more than 50% of the value of its interest in such flow-through entity attributable to the interest of such flow-through entity in the Notes, other interest (direct or indirect) in the Issuer, or any interest created under the Indenture and (y) it is not and will not be a principal purpose

of the arrangement involving the investment of such flow-through entity in any Note to permit any partnership to satisfy the 100 partner limitation of Section 1.7704-1(h)(1)(ii) of the Treasury Regulations necessary for such partnership not to be classified as a publicly traded partnership under the Internal Revenue Code, (B) it will not sell, assign, transfer, pledge or otherwise convey any participating interest in any Note or any financial instrument or contract the value of which is determined by reference in whole or in part to any Note, (C) it is not acquiring and will not sell, transfer, assign, participate, pledge or otherwise dispose of any Note(s) (or interest therein) or cause any Note(s) (or interest therein) to be marketed on or through an "established securities market" within the meaning of Section 7704(b) of the Internal Revenue Code, including, without limitation, an interdealer quotation system that regularly disseminates firm buy or sell quotations, (D) it does not and will not beneficially own a Class C Note (or any beneficial interest therein) in an amount that is less than the minimum denomination for such Class C Note, and (E) it will not transfer a Class C Note (or any beneficial interest therein) unless it first obtains written representations and warranties from the transferee to the effect of those set forth in clauses (A) through (E) hereof. Any transfer of a Class C Note (or any beneficial interest therein) that does not comply with the foregoing requirements will be deemed null and void *ab initio.*

No Class D Note may be transferred and no transfer (or purported transfer) of all or any part of any Class D Note (or any beneficial interest therein) shall be effective, unless (i) no fewer than five (5) business days prior to the proposed transfer date, the purchaser provides the Indenture Trustee and the Note Registrar a certificate containing its representations and warranties made for the benefit of the Issuer that: (I) includes the representations and warranties listed in clauses (A) through (C) in the immediately preceding paragraph, and (II) it is a "United States person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code, and (ii) the Note Registrar determines that, after such transfer, there would be no more than 20 holders of the Class D Notes. The proposed transfer shall become effective unless, within three (3) business days of receiving the purchaser's certificate with its representations and warranties, the Note Registrar informs the appropriate party that one or both of the conditions described in clauses (i) and (ii) of the preceding sentence are not satisfied. Any transfer of a Class D Note (or any beneficial interest therein) that does not comply with the foregoing requirements will be deemed null and void *ab initio*.

Each purchaser of Notes that represent a beneficial interest in a Global Note will be deemed to have represented and agreed, and each purchaser of a definitive note will be required to certify to the Indenture Trustee and Note Registrar in writing, among other things to be set forth in the Indenture, that:

(a) (1) the purchaser is a QIB and is acquiring such Notes for its own account or as a fiduciary or agent for others (which others also must be QIBs) for investment purposes and not for distribution in violation of the Securities Act, and it is able to bear the economic risk of an investment in the Notes and has such knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of purchasing the Notes, or (2) solely in the case of Class A Notes, Class B Notes, the purchaser is not a "U.S. person" (as defined in Regulation S) (and is not purchasing for the account or benefit of a "U.S. person" as defined in Regulation S), is outside the United States, and is acquiring the Notes pursuant to an exemption from registration in accordance with Rule 903 or Rule 904 of Regulation S;

(b) the purchaser understands that the Notes are being offered only in a transaction that does not require registration under the Securities Act and, if such purchaser decides to resell, pledge or otherwise transfer such Notes, then it agrees that it will resell, pledge or transfer such Notes only (1) so long as such Notes are eligible for resale pursuant to Rule 144A, to a person who the seller reasonably believes is a QIB acquiring the Notes for its own account or as a fiduciary or agent for others (which others must also be QIBs) to whom notice is given that the resale or other transfer is being made in reliance on Rule 144A or (2) solely in the case of Class A Notes and Class B Notes, to a purchaser who is not a "U.S. person" (as defined in Regulation S) (and is not purchasing for the account or benefit of a "U.S. person" as defined in Regulation S), is outside the United States, and is acquiring the Notes pursuant to an exemption from registration under the Securities Act in accordance with Rule 903 or Rule 904 of Regulation S, and, in each case, in accordance with any applicable United States state securities or "Blue Sky" laws or any securities laws of any other jurisdiction;

(c) unless the relevant legend set out below has been removed from the relevant Notes, the purchaser shall notify each transferee of the Notes that (1) such Notes have not been registered under the

Securities Act, (2) the holder of such Notes is subject to the restrictions on the resale or other transfer thereof described in paragraph (b) above, and (3) such transferee shall be deemed to have represented (i) as to its status as a QIB purchasing the Notes in reliance on Rule 144A or, solely in the case of Class A Notes and Class B Notes, as not a "U.S. person" (as defined in Regulation S) (and as to it not purchasing for the account or benefit of a "U.S. person" as defined in Regulation S) and as outside the United States, acquiring the Notes pursuant to an exemption from registration under the Securities Act in accordance with Rule 903 or Rule 904 of Regulation S, as the case may be, (ii) if such transferee is a QIB, that such transferee is acquiring the Notes for its own account or as a fiduciary or agent for others (which others also must be QIBs) and (iii) that such transferee shall be deemed to have agreed to notify its subsequent transferees as to the foregoing;

(d) in the case of the Class C Notes and Class D Notes, (A) either (I) the purchaser is not and will not become for U.S. federal income tax purposes a partnership, Subchapter S corporation or grantor trust (each such entity a "**flow-through entity**") or (II) if the purchaser is or becomes a flow-through entity, then (x) none of the direct or indirect beneficial owners of any of the interests in such flow-through entity has or ever will have more than 50% of the value of its interest in such flow-through entity attributable to the interest of such flow-through entity in the Class C or Class D Notes, any other Notes, other interest (direct or indirect) in the Issuer, or any interest created under the Indenture and (y) it is not and will not be a principal purpose of the arrangement involving the investment of such flow-through entity in any Class C or Class D Note to permit any partnership to satisfy the 100 partner limitation of Section 1.7704-1(h)(1)(ii) of the Treasury Regulations necessary for such partnership not to be classified as a publicly traded partnership under the Internal Revenue Code, (B) the purchaser will not sell, assign, transfer, pledge or otherwise convey any participating interest in any Note or any financial instrument or contract the value of which is determined by reference in whole or in part to any Note, (C) it is not acquiring and will not sell, transfer, assign, participate, pledge or otherwise dispose of any Class C or Class D Note(s) (or interest therein) or cause any Class C or Class D Note(s) (or interest therein) to be marketed on or through an "established securities market" within the meaning of Section 7704(b) of the Internal Revenue Code, including, without limitation, an interdealer quotation system that regularly disseminates firm buy or sell quotations, (D) in the case of the Class C Notes, it does not and will not beneficially own a Class C Note (or any beneficial interest therein) in an amount that is less than the minimum denomination for such Note, (E) in the case of the Class C Notes, it will not transfer a Class C Note (or any beneficial interest therein) unless it first obtains written representations and warranties from the transferee to the effect of those set forth in clauses (A) through (E) hereof, and (F) in the case of the Class D Notes, the purchaser is a "United States person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code;

(e) such purchaser, and each person for which it is acting, understands that any sale or transfer to a person that does not comply with the requirements set forth herein will be null and void *ab initio*;

(f) either (x) the purchaser is not acquiring the Note (or any interest therein) with the assets of (1) an "employee benefit plan", as defined in Section 3(3) of ERISA, that is subject to Title I of ERISA, (2) a "plan," as defined in Section 4975(e)(1) of the Internal Revenue Code that is subject to Section 4975 of the Internal Revenue Code, (3) an entity whose underlying assets include "plan assets" by reason of such employee benefit plan's or plan's investment in the entity (within the meaning of Department of Labor Regulation 29 C.F.R. 2510.3-101, as modified by section 3(42) of ERISA), or (4) any governmental, church, non-U.S. or other plan that is subject to any non-U.S., federal, state or local law that is substantially similar to Section 406 of ERISA or Section 4975 of the Internal Revenue Code ("**Similar Law**"); or (y) the purchaser is acquiring Class A Notes or Class B Notes and the acquisition, continued holding and disposition of such Notes (or any interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA, Section 4975 of the Internal Revenue Code or result in a non-exempt violation of Similar Law; and

(g) (1) the purchaser understands that each Rule 144A Note will bear the following legend, with (A) the italicized language in brackets to be included only in the Class A Notes and the Class B Notes, (B) the underscored language in brackets to be included only in the Class C Notes and (C) the bolded language in brackets to be included only in the Class D Notes, unless, in any case, determined otherwise in accordance with applicable law:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY UNITED STATES STATE SECURITIES OR "BLUE SKY" LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, AS A MATTER OF U.S. LAW, MAY NOT BE OFFERED OR SOLD IN VIOLATION OF THE SECURITIES ACT OR SUCH OTHER LAWS. THIS NOTE, AND ANY BENEFICIAL INTEREST HEREIN, MAY BE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF $100,000 AND $1,000 INCREMENTS IN EXCESS THEREOF. THE HOLDER HEREOF, BY PURCHASING OR ACCEPTING THIS NOTE, IS HEREBY DEEMED TO HAVE AGREED FOR THE BENEFIT OF THE ISSUER AND THE INITIAL PURCHASERS THAT IT WILL RESELL, PLEDGE OR OTHERWISE TRANSFER THIS NOTE, AS A MATTER OF U.S. LAW, ONLY *[(1)]* SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE, PURSUANT TO RULE 144A PROMULGATED UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER, AS DEFINED IN RULE 144A (A "QUALIFIED INSTITUTIONAL BUYER"), THAT IS ACQUIRING THIS NOTE FOR ITS OWN ACCOUNT OR AS A FIDUCIARY OR AGENT FOR OTHERS (WHICH OTHERS MUST ALSO BE QUALIFIED INSTITUTIONAL BUYERS) TO WHOM NOTICE IS GIVEN THAT THE RESALE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, *[OR (2) TO A PERSON WHO IS NOT A "U.S. PERSON" (AS DEFINED IN REGULATION S PROMULGATED UNDER THE SECURITIES ACT ("REGULATION S")) OUTSIDE THE UNITED STATES ACQUIRING THIS NOTE IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S,]* IN EACH CASE IN ACCORDANCE WITH ANY UNITED STATES STATE SECURITIES OR "BLUE SKY" LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION.

EACH NOTEHOLDER OR BENEFICIAL OWNER, BY ACCEPTANCE OF THIS NOTE, OR, IN THE CASE OF A BENEFICIAL OWNER, A BENEFICIAL INTEREST IN THIS NOTE, WILL BE DEEMED TO REPRESENT AND WARRANT THAT *[EITHER (I)]* IT IS NOT AND IS NOT ACTING ON BEHALF OF, OR USING THE ASSETS OF (A) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE, (C) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY (WITHIN THE MEANING OF DEPARTMENT OF LABOR REGULATION 29 C.F.R. 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA) OR (D) ANY GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN THAT IS SUBJECT TO ANY NON-U.S., FEDERAL, STATE OR LOCAL LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE ("SIMILAR LAW") *[OR (II) ITS ACQUISITION, CONTINUED HOLDING, AND DISPOSITION OF THIS NOTE (OR BENEFICIAL INTEREST HEREIN) WILL NOT GIVE RISE TO A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION OR VIOLATION OF ANY SIMILAR LAW]*.

[EACH DIRECT OR INDIRECT HOLDER OF A CLASS C NOTE, BY ACCEPTANCE OF A CLASS C NOTE, AND EACH BENEFICIAL OWNER OF A CLASS C NOTE OR INTEREST THEREIN, BY ACCEPTANCE OF BENEFICIAL OWNERSHIP IN A CLASS C NOTE OR INTEREST THEREIN, WILL BE DEEMED TO REPRESENT AND WARRANT THAT: (A) EITHER (I) IT IS NOT AND WILL NOT BECOME FOR U.S. FEDERAL INCOME TAX PURPOSES A PARTNERSHIP, SUBCHAPTER S CORPORATION OR GRANTOR TRUST (EACH SUCH ENTITY A "**FLOW-THROUGH ENTITY**") OR (II) IF IT IS OR BECOMES A FLOW-THROUGH ENTITY, THEN (X) NONE OF THE DIRECT OR INDIRECT BENEFICIAL OWNERS OF ANY OF THE INTERESTS IN SUCH FLOW-THROUGH ENTITY HAS OR EVER WILL HAVE MORE THAN 50% OF THE VALUE OF ITS INTEREST IN SUCH FLOW-THROUGH ENTITY ATTRIBUTABLE TO THE INTEREST OF SUCH FLOW-THROUGH ENTITY IN THE NOTES OR INTERESTS THEREIN, OTHER INTEREST (DIRECT OR INDIRECT) IN THE ISSUER, OR ANY INTEREST CREATED UNDER THE INDENTURE AND (Y) IT IS NOT AND WILL NOT BE A PRINCIPAL PURPOSE OF

THE ARRANGEMENT INVOLVING THE INVESTMENT OF SUCH FLOW-THROUGH ENTITY IN ANY NOTE TO PERMIT ANY PARTNERSHIP TO SATISFY THE 100 PARTNER LIMITATION OF SECTION 1.7704-1(h)(1)(ii) OF THE TREASURY REGULATIONS NECESSARY FOR SUCH PARTNERSHIP NOT TO BE CLASSIFIED AS A PUBLICLY TRADED PARTNERSHIP UNDER THE INTERNAL REVENUE CODE, (B) IT WILL NOT SELL, ASSIGN, TRANSFER, PLEDGE OR OTHERWISE CONVEY ANY PARTICIPATING INTEREST IN ANY NOTE OR ANY FINANCIAL INSTRUMENT OR CONTRACT THE VALUE OF WHICH IS DETERMINED BY REFERENCE IN WHOLE OR IN PART TO ANY NOTE, (C) IT IS NOT ACQUIRING AND WILL NOT SELL, TRANSFER, ASSIGN, PARTICIPATE, PLEDGE OR OTHERWISE DISPOSE OF ANY NOTE(S) (OR INTEREST THEREIN) OR CAUSE ANY NOTE(S) (OR INTEREST THEREIN) TO BE MARKETED ON OR THROUGH AN "ESTABLISHED SECURITIES MARKET" WITHIN THE MEANING OF SECTION 7704(b) OF THE INTERNAL REVENUE CODE, INCLUDING, WITHOUT LIMITATION, AN INTERDEALER QUOTATION SYSTEM THAT REGULARLY DISSEMINATES FIRM BUY OR SELL QUOTATIONS, (D) IT DOES NOT AND WILL NOT BENEFICIALLY OWN A CLASS C NOTE (OR ANY BENEFICIAL INTEREST THEREIN) IN AN AMOUNT THAT IS LESS THAN THE MINIMUM DENOMINATION FOR SUCH CLASS C NOTE, AND (E) IT WILL NOT TRANSFER A CLASS C NOTE (OR ANY BENEFICIAL INTEREST THEREIN) UNLESS IT FIRST OBTAINS WRITTEN REPRESENTATIONS AND WARRANTIES FROM THE TRANSFEREE TO THE EFFECT OF THOSE SET FORTH IN CLAUSES (A) THROUGH (E) HEREOF. ANY TRANSFER OF A CLASS C NOTE (OR ANY BENEFICIAL INTEREST THEREIN) THAT DOES NOT COMPLY WITH THE FOREGOING REQUIREMENTS WILL BE DEEMED NULL AND VOID *AB INITIO*.]

[**NO CLASS D NOTE MAY BE TRANSFERRED AND NO TRANSFER (OR PURPORTED TRANSFER) OF ALL OR ANY PART OF ANY CLASS D NOTE (OR ANY BENEFICIAL INTEREST THEREIN) SHALL BE EFFECTIVE, UNLESS (i) NO FEWER THAN FIVE (5) BUSINESS DAYS PRIOR TO THE PROPOSED TRANSFER DATE, THE PURCHASER PROVIDES THE INDENTURE TRUSTEE AND THE NOTE REGISTRAR A CERTIFICATE CONTAINING ITS REPRESENTATIONS AND WARRANTIES MADE FOR THE BENEFIT OF THE ISSUER THAT: (A) EITHER (I) IT IS NOT AND WILL NOT BECOME FOR U.S. FEDERAL INCOME TAX PURPOSES A PARTNERSHIP, SUBCHAPTER S CORPORATION OR GRANTOR TRUST (EACH SUCH ENTITY A "FLOW-THROUGH ENTITY") OR (II) IF IT IS OR BECOMES A FLOW-THROUGH ENTITY, THEN (X) NONE OF THE DIRECT OR INDIRECT BENEFICIAL OWNERS OF ANY OF THE INTERESTS IN SUCH FLOW-THROUGH ENTITY HAS OR EVER WILL HAVE MORE THAN 50% OF THE VALUE OF ITS INTEREST IN SUCH FLOW-THROUGH ENTITY ATTRIBUTABLE TO THE INTEREST OF SUCH FLOW-THROUGH ENTITY IN THE NOTES, OTHER INTEREST (DIRECT OR INDIRECT) IN THE ISSUER, OR ANY INTEREST CREATED UNDER THE INDENTURE AND (Y) IT IS NOT AND WILL NOT BE A PRINCIPAL PURPOSE OF THE ARRANGEMENT INVOLVING THE INVESTMENT OF SUCH FLOW-THROUGH ENTITY IN ANY NOTE TO PERMIT ANY PARTNERSHIP TO SATISFY THE 100 PARTNER LIMITATION OF SECTION 1.7704-1(h)(1)(ii) OF THE TREASURY REGULATIONS NECESSARY FOR SUCH PARTNERSHIP NOT TO BE CLASSIFIED AS A PUBLICLY TRADED PARTNERSHIP UNDER THE INTERNAL REVENUE CODE, (B) IT WILL NOT SELL, ASSIGN, TRANSFER, PLEDGE OR OTHERWISE CONVEY ANY PARTICIPATING INTEREST IN ANY NOTE OR ANY FINANCIAL INSTRUMENT OR CONTRACT THE VALUE OF WHICH IS DETERMINED BY REFERENCE IN WHOLE OR IN PART TO ANY NOTE, (C) IT IS NOT ACQUIRING AND WILL NOT SELL, TRANSFER, ASSIGN, PARTICIPATE, PLEDGE OR OTHERWISE DISPOSE OF ANY NOTE(S) (OR INTEREST THEREIN) OR CAUSE ANY NOTE(S) (OR INTEREST THEREIN) TO BE MARKETED ON OR THROUGH AN "ESTABLISHED SECURITIES MARKET" WITHIN THE MEANING OF SECTION 7704(b) OF THE INTERNAL REVENUE CODE, INCLUDING, WITHOUT LIMITATION, AN INTERDEALER QUOTATION SYSTEM THAT REGULARLY DISSEMINATES FIRM BUY OR SELL QUOTATIONS, AND (D) IT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE INTERNAL REVENUE CODE, AND (ii) THE NOTE REGISTRAR DETERMINES THAT, AFTER SUCH TRANSFER, THERE WOULD BE NO MORE THAN 20 HOLDERS OF THE CLASS D NOTES. THE PROPOSED TRANSFER SHALL BECOME EFFECTIVE UNLESS,**

WITHIN THREE (3) BUSINESS DAYS OF RECEIVING THE PURCHASER'S CERTIFICATE WITH ITS REPRESENTATIONS AND WARRANTIES, THE NOTE REGISTRAR INFORMS THE APPROPRIATE PARTY THAT ONE OR BOTH OF THE CONDITIONS DESCRIBED IN CLAUSES (i) AND (ii) OF THE PRECEDING SENTENCE ARE NOT SATISFIED. ANY TRANSFER OF A CLASS D NOTE (OR ANY BENEFICIAL INTEREST THEREIN) THAT DOES NOT COMPLY WITH THE FOREGOING REQUIREMENTS WILL BE DEEMED NULL AND VOID *AB INITIO*.]

THIS NOTE AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES UNDERTAKEN OR REPRESENTED BY THE HOLDER, FOR RESALES AND OTHER TRANSFERS OF THIS NOTE, TO REFLECT ANY CHANGE IN, OR TO MAKE USE OF OTHER, APPLICABLE LAWS OR REGULATIONS (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS NOTE AND ANY BENEFICIAL OWNER OF ANY INTEREST THEREIN SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF OR THEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS NOTE AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON) AND AGREES TO TRANSFER THIS NOTE ONLY IN ACCORDANCE WITH SUCH RELATED DOCUMENTATION AS SO AMENDED OR SUPPLEMENTED AND IN ACCORDANCE WITH APPLICABLE LAW IN EFFECT AT THE DATE OF SUCH TRANSFER.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE INDENTURE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE MAY BE REDUCED FROM TIME TO TIME BY DISTRIBUTIONS ON THIS NOTE ALLOCABLE TO PRINCIPAL. ACCORDINGLY, FOLLOWING THE INITIAL ISSUANCE OF THIS NOTE, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE MAY BE DIFFERENT FROM THE INITIAL PRINCIPAL AMOUNT SHOWN BELOW. ANYONE ACQUIRING THIS NOTE MAY ASCERTAIN THE CURRENT OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE BY INQUIRY OF THE INDENTURE TRUSTEE. ON THE DATE OF THE INITIAL ISSUANCE OF THIS NOTE, THE INDENTURE TRUSTEE IS WELLS FARGO BANK, NATIONAL ASSOCIATION.

THIS NOTE IS NOT AN OBLIGATION OF, AND IS NOT INSURED OR GUARANTEED BY, ANY GOVERNMENTAL AGENCY, SPRINGLEAF FINANCE CORPORATION, TENTH STREET FUNDING LLC, ANY TRUSTEE OR ANY AFFILIATE OF ANY OF THE FOREGOING.

THE HOLDER OF THIS NOTE, BY ACCEPTANCE OF THIS NOTE, AND EACH OWNER OF A BENEFICIAL INTEREST HEREIN, AGREES TO TREAT THE NOTES AS INDEBTEDNESS FOR APPLICABLE UNITED STATES FEDERAL, STATE, AND LOCAL INCOME AND FRANCHISE TAX LAW AND FOR PURPOSES OF ANY OTHER TAX IMPOSED ON, OR MEASURED BY, INCOME."

(2) The purchaser understands that each Regulation S Notes will bear the following legend unless determined otherwise in accordance with applicable law:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), ANY UNITED STATES STATE SECURITIES OR "BLUE SKY" LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION, AND, AS A MATTER OF U.S. LAW, PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING OF THE NOTES AND THE CLOSING OF THE OFFERING OF THE NOTES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A "U.S. PERSON" (AS DEFINED IN REGULATION S PROMULGATED UNDER THE SECURITIES ACT) EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IN ACCORDANCE WITH RULE 903 OR 904 UNDER REGULATION S PROMULGATED UNDER THE SECURITIES ACT AND PURSUANT TO AND IN ACCORDANCE WITH ANY UNITED STATES STATE SECURITIES OR "BLUE SKY" LAWS OR ANY SECURITIES LAWS OF ANY OTHER JURISDICTION. THIS NOTE, AND ANY BENEFICIAL INTEREST HEREIN, MAY BE TRANSFERRED ONLY IN MINIMUM DENOMINATIONS OF $100,000 AND $1,000 INCREMENTS IN EXCESS THEREOF.

EACH NOTEHOLDER OR BENEFICIAL OWNER, BY ACCEPTANCE OF THIS NOTE, OR, IN THE CASE OF A BENEFICIAL OWNER, A BENEFICIAL INTEREST IN THIS NOTE, WILL BE DEEMED TO REPRESENT AND WARRANT THAT EITHER (I) IT IS NOT AND IS NOT ACTING ON BEHALF OF, OR USING THE ASSETS OF (A) AN "EMPLOYEE BENEFIT PLAN," AS DEFINED IN SECTION 3(3) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO TITLE I OF ERISA, (B) A "PLAN" AS DEFINED IN SECTION 4975(e)(1) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "INTERNAL REVENUE CODE"), THAT IS SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE, (C) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF SUCH EMPLOYEE BENEFIT PLAN OR PLAN'S INVESTMENT IN THE ENTITY (WITHIN THE MEANING OF DEPARTMENT OF LABOR REGULATION 29 C.F.R. 2510.3-101, AS MODIFIED BY SECTION 3(42) OF ERISA) OR (D) ANY GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN THAT IS SUBJECT TO ANY NON-U.S., FEDERAL, STATE OR LOCAL LAW THAT IS SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE ("SIMILAR LAW") OR (II) THE PURCHASER IS ACQUIRING CLASS A NOTES OR CLASS B NOTES AND ITS ACQUISITION, CONTINUED HOLDING AND DISPOSITION OF SUCH NOTES (OR BENEFICIAL INTEREST THEREIN) WILL NOT GIVE RISE TO A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE INTERNAL REVENUE CODE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY SIMILAR LAW.

THIS NOTE AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES UNDERTAKEN OR REPRESENTED BY THE HOLDER, FOR RESALES AND OTHER TRANSFERS OF THIS NOTE, TO REFLECT ANY CHANGE IN, OR TO MAKE USE OF OTHER, APPLICABLE LAWS OR REGULATIONS (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO RESALES OR OTHER TRANSFERS OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS NOTE AND ANY BENEFICIAL OWNER OF ANY INTEREST THEREIN SHALL BE DEEMED, BY ITS ACCEPTANCE OR PURCHASE HEREOF OR THEREOF, TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT (EACH OF WHICH SHALL BE CONCLUSIVE AND BINDING ON THE HOLDER HEREOF AND ALL FUTURE HOLDERS OF THIS NOTE AND ANY NOTES ISSUED IN EXCHANGE OR SUBSTITUTION THEREFOR, WHETHER OR NOT ANY NOTATION THEREOF IS MADE HEREON) AND AGREES TO TRANSFER THIS NOTE ONLY IN ACCORDANCE WITH SUCH RELATED DOCUMENTATION AS SO AMENDED OR SUPPLEMENTED AND IN ACCORDANCE WITH APPLICABLE LAW IN EFFECT AT THE DATE OF SUCH TRANSFER.

UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE INDENTURE TRUSTEE OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT,

AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE MAY BE REDUCED FROM TIME TO TIME BY DISTRIBUTIONS ON THIS NOTE ALLOCABLE TO PRINCIPAL. ACCORDINGLY, FOLLOWING THE INITIAL ISSUANCE OF THIS NOTE, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE MAY BE DIFFERENT FROM THE INITIAL PRINCIPAL AMOUNT SHOWN BELOW. ANYONE ACQUIRING THIS NOTE MAY ASCERTAIN THE CURRENT OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE BY INQUIRY OF THE INDENTURE TRUSTEE. ON THE DATE OF THE INITIAL ISSUANCE OF THIS NOTE, THE INDENTURE TRUSTEE IS WELLS FARGO BANK, NATIONAL ASSOCIATION.

THIS NOTE IS NOT AN OBLIGATION OF, AND IS NOT INSURED OR GUARANTEED BY, ANY GOVERNMENTAL AGENCY, SPRINGLEAF FINANCE CORPORATION, TENTH STREET FUNDING LLC, ANY TRUSTEE OR ANY AFFILIATE OF ANY OF THE FOREGOING.

THE HOLDER OF THIS NOTE, BY ACCEPTANCE OF THIS NOTE, AND EACH OWNER OF A BENEFICIAL INTEREST HEREIN, AGREES TO TREAT THE NOTES AS INDEBTEDNESS FOR APPLICABLE UNITED STATES FEDERAL, STATE, AND LOCAL INCOME AND FRANCHISE TAX LAW AND FOR PURPOSES OF ANY OTHER TAX IMPOSED ON, OR MEASURED BY, INCOME.

Upon the transfer, exchange or replacement of a Rule 144A Note or a Regulation S Note bearing the applicable legends set forth above, or upon specific request for removal of the legends, the Indenture Trustee will deliver only replacement Rule 144A Notes or Regulation S Notes, as the case may be, that bear such applicable legends, or will refuse to remove such applicable legends, unless there is delivered to the Issuer, the Indenture Trustee and the Note Registrar such satisfactory evidence (which may include a legal opinion) as may reasonably be required by the Issuer, the Indenture Trustee and the Note Registrar that neither the applicable legends nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

Transfers of interests in the Notes represented by Global Notes within the European clearing systems will be in accordance with the usual rules and operating procedures of the relevant European clearing system.

The laws of some states of the United States require that certain persons receive individual certificates in respect of their holding of Notes. Consequently, the ability to transfer interests in a Global Note to such persons will be limited. Because the European clearing systems only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in a Global Note to pledge such interest to persons or entities which do not participate in the relevant European clearing system, or otherwise take actions in respect of such interest, may be affected by the lack of a definitive note representing such interest.

Although each of the European clearing systems has agreed to the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants and account holders of Clearstream and Euroclear, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Indenture Trustee or the Note Registrar will have any responsibility for the performance by any European clearing system or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their respective operations.

RATINGS

It is a condition of the issuance of the Notes that they receive at least the ratings set forth in the Notes Table by the Rating Agency. The ratings reflect the assessment of the Rating Agency, based on various prepayment and loss assumptions, of the likelihood of the ultimate payment of principal and the timely payment of interest on the Notes. The ratings address structural, legal and issuer related aspects associated with the Notes, including the nature of the Loans. While the ratings address the likelihood of receipt by holders of the ultimate payment of principal and the timely payment of interest due on the Notes, such ratings do not represent any assessment of any interest shortfalls resulting from prepayments, the timing of receipt by holders of the principal due on the Notes or the corresponding effect on yield to investors.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating organization. Each security rating should be evaluated independently of any other security rating. In the event that any of the ratings initially assigned to the Notes are subsequently lowered for any reason, no person or entity is obligated to provide any additional credit support or credit enhancement with respect to the Notes.

The Issuer has not requested that any rating agency rate the Notes other than the Rating Agency. If another rating agency were to rate the Notes, such rating agency may assign ratings different from the ratings described above.

GLOSSARY OF TERMS

"Addition Date" shall mean the effective date of the conveyance of Additional Loans, as specified in the applicable Additional Loan Assignment, if any, which shall, in each case, be not earlier than the first day of the Collection Period immediately following the Collection Period in which such Additional Loan was originated; provided, that the Addition Date with respect to any New Loan originated in connection with a Renewed Loan Replacement shall be the date such Renewed Loan Replacement was effected.

"Additional Cut-Off Date" shall mean (i) with respect to the Loan Purchase Agreement and each Additional Loan, the Cut-Off Date specified in the related Additional Loan Assignment and (ii) with respect to the Sale and Servicing Agreement and each Additional Loan, the Cut-Off Date specified in the related Additional Loan Assignment, if any, which shall, in each case be the last day of the Collection Period prior to the applicable Addition Date; provided, that, the Additional Cut-Off Date with respect to any New Loan originated in connection with a Renewed Loan Replacement shall be the date such Renewed Loan Replacement was effected.

"Additional Loan" shall mean (i) with respect to the Loan Purchase Agreement, each additional non-revolving personal loan (including any New Loan or any loan that becomes a Replacement Loan) that is sold to the Depositor pursuant to the Loan Purchase Agreement and (ii) otherwise, each additional non-revolving personal loan (including any New Loan or any loan that becomes a Replacement Loan) that is acquired by the Issuer pursuant to the Sale and Servicing Agreement.

"Additional Loan Assignment" shall mean (i) with respect to the Loan Purchase Agreement, a written assignment substantially in the applicable form attached to the Loan Purchase Agreement pursuant to which a Seller designates and assigns Additional Loans to the Depositor, and (ii) with respect to the Sale and Servicing Agreement, a written assignment substantially in the applicable form attached to the Sale and Servicing Agreement pursuant to which the Depositor designates and assigns Additional Loans to the Issuer.

"Additional Loan Assignment Schedule" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases —Repurchase Obligations*" in this private placement memorandum.

"Adjusted Loan Principal Balance" shall mean, with respect to any Collection Period, an amount equal to the Loan Principal Balance of all Loans in the Trust Estate, other than Charged-Off Loans and Excluded Loans, in each case, as of the last day of such Collection Period.

"Administration Agreement" shall mean the Administration Agreement dated as of February 19, 2013, among the Issuer, the Depositor and the Administrator.

"Administrator" shall mean the Person acting in such capacity from time to time pursuant to the Administration Agreement, which shall initially be SLFC.

"Adverse Effect" shall mean, with respect to any action, that such action will (a) result in the occurrence of an Early Amortization Event or an Event of Default or (b) materially and adversely affect the amount or timing of distributions to be made to the Noteholders for any Class pursuant to the Sale and Servicing Agreement or the Indenture.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Aggregate Note Principal Balance" shall have the meaning specified under the heading "*The Indenture—Direction by Noteholders*" in this private placement memorandum.

"Assignment and Assumption Agreement" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases —Repurchase Obligations*" in this private placement memorandum.

"Authorized Officer" shall mean:

(a) with respect to the Issuer, any officer of the Owner Trustee who is authorized to act for the Owner Trustee in matters relating to the Issuer and who is identified on the list of Authorized Officers, containing the specimen signature of each such Person, delivered by the Owner Trustee to the Indenture Trustee on the Closing Date (as such list may be modified or supplemented from time to time thereafter) and any officer of the Administrator who is authorized to act for the Administrator in matters relating to the Issuer and who is identified on the list of Authorized Officers (containing the specimen signatures of such officers) delivered by the Administrator to the Indenture Trustee on the Closing Date (as such list may be modified or supplemented from time to time thereafter);

(b) with respect to the Depositor, any officer of the Depositor who is authorized to act for the Depositor in matters relating to the Depositor and who is identified on the list of Authorized Officers (containing the specimen signature of each such Person) delivered by the Depositor to the Indenture Trustee on the Closing Date (as such list may be modified or supplemented from time to time thereafter);

(c) with respect to the Servicer, any Servicing Officer;

(d) with respect to a Seller or any Subservicer, any Vice President or more senior officer; and

(e) with respect to the Indenture Trustee, any Responsible Officer.

"Available Funds" shall have the meaning specified under the heading "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

"Back-up Servicer" shall mean, initially, Wells Fargo Bank, N.A., and at any other time, the Person then acting as "Back-up Servicer" pursuant to the Back-up Servicing Agreement.

"Back-up Servicing Agreement" shall mean the back-up servicing agreement among the Issuer, the Servicer and the Back-up Servicer, pursuant to which the Back-up Servicer has agreed to perform the back-up servicing duties specified therein for the benefit of the Issuer and the Noteholders.

"Back-up Servicing Fee" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing and Other Compensation and Payment of Expenses*" in this private placement memorandum.

"Bankruptcy Loan" shall mean, to the extent reflected on the servicing systems of the Servicer, any Loan (a) with respect to which, as of the applicable Cut-Off Date, all or any portion of the Loan Principal Balance thereof has been discharged or is involved in any bankruptcy or court-ordered restructuring proceeding and has not been reaffirmed by the related Loan Obligor, or (b) the Loan Obligor of which has filed, or there has been filed against such Loan Obligor, voluntary or involuntary proceedings under the United States Bankruptcy Code or any other Debtor Relief Laws and such Loan has not been reaffirmed by the Loan Obligor in that proceeding.

"Beneficial Owner" shall have the meaning specified under the heading "*Description of the Notes—Book-Entry Notes and Definitive Notes*" in this private placement memorandum.

"Book-Entry Notes" shall have the meaning specified under the heading "*Description of the Notes—Book-Entry Notes and Definitive Notes*" in this private placement memorandum.

"Business Day" shall mean any day other than (a) a Saturday or Sunday or (b) any other day on which banking institutions in New York, New York, Minneapolis, Minnesota or any other city in which the principal

executive offices of the Servicer or the Depositor, as the case may be, are located, are authorized or obligated by law, executive order or governmental decree to be closed or on which the fixed income markets in New York, New York are closed.

"Certificate of Trust" means the certificate of trust of the Trust filed with the Office of the Secretary of State of the State of Delaware pursuant to the Delaware Statutory Trust Act.

"Charged-Off Loan" shall mean any Loan (i) that was 180 or more days past due (as reflected on the records of the Servicer) or (ii) the entire Loan Principal Balance of which has been charged-off in accordance with the Credit and Collection Policy; provided, that determinations of charged-off status with respect to any Loan shall be made as of the last day of the Collection Period in which the event or circumstance giving rise to the charged-off classification occurs.

"Class" shall mean the Class A Notes, the Class B Notes, the Class C Notes or the Class D Notes, as the context may require.

"Class A Interest Rate" means 2.58% *per annum*.

"Class A Monthly Interest Amount" means, for any Payment Date, the amount of interest accrued during the related Interest Period at the Class A Interest Rate on the Class A Note Balance as of the close of business on the immediately preceding Payment Date (calculated on the basis of a 360-day year consisting of twelve 30-day months).

"Class A Note" means any one of the 2.58% Class A Notes executed by the Owner Trustee on behalf of the Issuer and authenticated by the Indenture Trustee in accordance with the terms of the Indenture.

"Class A Note Balance" shall initially mean $500,000,000.00 and thereafter, shall equal the initial Class A Note Balance reduced by all previous payments to the Class A Noteholders in respect of the principal of the Class A Notes that have not been rescinded.

"Class B Interest Rate" means 3.57% *per annum*.

"Class B Monthly Interest Amount" means, for any Payment Date, the amount of interest accrued during the related Interest Period at the Class B Interest Rate on the Class B Note Balance as of the close of business on the immediately preceding Payment Date (calculated on the basis of a 360-day year consisting of twelve 30-day months).

"Class B Note" means any one of the 3.57% Class B Notes executed by the Owner Trustee on behalf of the Issuer and authenticated by the Indenture Trustee, in accordance with the terms of the Indenture.

"Class B Note Balance" shall initially mean $46,350,000.00 and thereafter, shall equal the initial Class B Note Balance reduced by all previous payments to the Class B Noteholders in respect of the principal of the Class B Notes that have not been rescinded.

"Class C Interest Rate" means 5.00% *per annum*.

"Class C Monthly Interest Amount" means, for any Payment Date, the amount of interest accrued during the related Interest Period at the Class C Interest Rate on the Class C Note Balance as of the close of business on the immediately preceding Payment Date (calculated on the basis of a 360-day year consisting of twelve 30-day months).

"Class C Note" means any one of the 5.00% Class C Notes executed by the Owner Trustee on behalf of the Issuer and authenticated by the Indenture Trustee, in accordance with the terms of the Indenture.

"Class C Note Balance" shall initially mean $21,530,000.00 and thereafter, shall equal the initial Class C Note Balance reduced by all previous payments to the Class C Noteholders in respect of the principal of the Class C Notes that have not been rescinded.

"Class D Interest Rate" means 5.00% *per annum*.

"Class D Monthly Interest Amount" means, for any Payment Date, the amount of interest accrued during the related Interest Period at the Class D Interest Rate on the Class D Note Balance as of the close of business on the immediately preceding Payment Date (calculated on the basis of a 360-day year consisting of twelve 30-day months).

"Class D Note" means any one of the 5.00% Class D Notes executed by the Owner Trustee on behalf of the Issuer and authenticated by the Indenture Trustee, in accordance with the terms of the Indenture.

"Class D Note Balance" shall initially mean $36,420,000.00 and thereafter, shall equal the initial Class D Note Balance reduced by all previous payments to the Class D Noteholders in respect of the principal of the Class D Notes that have not been rescinded.

"Clearstream" shall mean Clearstream Banking, *société anonyme*, a professional depository incorporated under the laws of Luxembourg, and its successors.

"Closing Date" shall mean February 19, 2013.

"Closing Date Tax Opinion" shall have the meaning specified in this private placement memorandum under the heading "*Certain U.S. Federal Income Tax Consequences—Treatment of the Notes as Indebtedness*."

"Collection Account" shall have the meaning specified under the heading "*The Indenture—Collection Account; Principal Distribution Account*" in this private placement memorandum.

"Collection Period" shall mean, with respect to each Payment Date, the preceding calendar month; provided, however, that the initial Collection Period will commence on the day immediately following the Initial Cut-Off Date.

"Collections" shall mean all amounts collected on or in respect of the Loans after the applicable Cut-Off Date, including scheduled loan payments (whether received in whole or in part, whether related to a current, future or prior due date, whether paid voluntarily by a Loan Obligor or received in connection with the realization of the amounts due and to become due under any defaulted Loan or upon the sale of any property acquired in respect thereof), all partial prepayments, all full prepayments, recoveries, or any other form of payment.

"Conveyance Papers" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release—Repurchase Obligations*" in this private placement memorandum.

"Corporate Trust Office" shall have the meaning (a) when used in respect of the Owner Trustee, the address of the Owner Trustee at Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890, Attn: Corporate Trust Administration, and (b) when used in respect of the Indenture Trustee, the address of the Indenture Trustee at Wells Fargo Center, Sixth and Marquette Avenue, Minneapolis, MN 55479, Attn: Asset Backed Securities Department.

"Credit and Collection Policy" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing of Loans*" in this private placement memorandum.

"Cut-Off Date" shall mean the Initial Cut-Off Date or any Additional Cut-Off Date, as applicable.

"Debtor Relief Laws" shall mean (i) the United States Bankruptcy Code and (ii) all other applicable liquidation, conservatorship, bankruptcy, moratorium, arrangement, receivership, insolvency, reorganization, suspension of payments, adjustment of debt, marshalling of assets or similar debtor relief laws of the United States, any state or any foreign country from time to time in effect affecting the rights of creditors generally.

"Definitive Notes" shall mean, for any Class, the Notes issued in fully registered, certificated form issued to the owners of such Class or their nominee.

"Delaware Statutory Trust Act" means Chapter 38 of Title 12 of the Delaware Code, 12 Del. Code § 3801 et seq., as the same may be amended from time to time.

"Delinquent Loan" shall mean a Loan which is more than 60 days past due as reflected in the records of the Servicer or the applicable Subservicer in accordance with the Credit and Collection Policy.

"Depositor" shall mean Tenth Street Funding LLC, a limited liability company formed and existing under the laws of the State of Delaware, and its successors and permitted assigns.

"Directing Holder" means (i) so long as the Indenture shall not have terminated, the Required Noteholders, and (ii) in all other instances, the holder of the trust certificate.

"Distribution Compliance Period" shall have the meaning specified under the heading "*Restrictions on Transfer*" in this private placement memorandum.

"Dollars", "$" or "U.S. $" shall mean (a) United States dollars or (b) denominated in United States dollars.

"Early Amortization Event" shall have the meaning specified under the heading "*Description of the Notes—Interest Payments and Principal Payments*" in this private placement memorandum.

"Eligible Deposit Account" shall have the meaning specified under the heading "*The Indenture—Collection Account; Principal Distribution Account*" in this private placement memorandum.

"Eligible Institution" shall have the meaning specified under the heading "*The Indenture—Collection Account; Principal Distribution Account*" in this private placement memorandum.

"Eligible Investments" shall mean book-entry securities, negotiable instruments or securities represented by instruments in bearer or registered form which have maturities of no later than the Business Day immediately prior to the next succeeding Payment Date (unless payable on demand, in which case such securities or instruments may mature on such next succeeding Payment Date) and which evidence:

(a) direct obligations of, and obligations fully guaranteed as to timely payment by, the United States of America;

(b) demand deposits, time deposits or certificates of deposit (having original maturities of no more than 365 days) of depository institutions or trust companies incorporated under the laws of the United States of America or any state thereof (or domestic branches of foreign banks) and subject to supervision and examination by federal or state banking or depository institution authorities; provided that at the time of the Issuer's investment or contractual commitment to invest therein, the short-term debt rating of such depository institution or trust company will be rated "A-2" or higher by the Rating Agency;

(c) commercial paper (having remaining maturities of no more than 30 days) having, at the time of the Issuer's investment or contractual commitment to invest therein, a rating not lower than "A-2" from the Rating Agency;

(d) investments in money market funds rated "AA-mg" or higher by the Rating Agency or otherwise approved in writing by the Rating Agency;

(e) demand deposits, time deposits and certificates of deposit which are fully insured by the Federal Deposit Insurance Corporation;

(f) notes or bankers' acceptances (having original maturities of no more than 365 days) issued by any depository institution or trust company referred to in (b) above;

(g) time deposits, other than as referred to in clause (e) above, with a Person (i) the commercial paper of which is rated "A-2" or higher by the Rating Agency or (ii) that has a long-term unsecured debt rating of "BBB+" or higher by the Rating Agency; or

(h) any other investments approved in writing by the Rating Agency.

Eligible Investments may be purchased by or through the Indenture Trustee or any of its Affiliates.

"Eligible Loan" shall mean a Loan that: (i) is not categorized as a Bankruptcy Loan, (ii) is either an interest-bearing loan or a Precompute Loan, in either case, with a fixed rate of interest, (iii) is not secured by real estate, (iv) is denominated in U.S. dollars, (v) for which the maturity date had not occurred as of the related Cut-Off Date, (vi) is not more than thirty days past due as of the related Cut-Off Date as reflected in the records of the Servicer or the applicable Subservicer in accordance with the Credit and Collection Policy, (vii) does not constitute an Excluded Loan, (viii) is not a Revolving Loan, (ix) is an Unsecured Loan, a Hard Secured Loan or an Other Secured Loan; and (x) if originated by a Seller or an Affiliate thereof, was originated in accordance with the Credit and Collection Policy.

"Eligible Servicer" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Rights Upon Servicer Default*" in this private placement memorandum.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"Euroclear" shall mean the Euroclear System.

"Euroclear Operator" shall mean Euroclear Bank S.A./N.V., as operator of Euroclear, and its successor and assigns in such capacity.

"Event of Default" shall have the meaning specified under the heading "*The Indenture—Events of Default*" in this private placement memorandum.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Exchanged Loan" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release—Payment Date Loan Actions*" in this private placement memorandum.

"Exchanged Loan Consideration" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release— Payment Date Loan Actions*" in this private placement memorandum.

"Excluded Loan" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release— Payment Date Loan Actions*" in this private placement memorandum.

"First Priority Principal Payment" shall have the meaning specified under the heading "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

"Force Majeure Event" shall mean an event that occurs as a result of an act of God, an act of the public enemy, acts of declared or undeclared war (including acts of terrorism), public disorder, rebellion, sabotage, epidemics, landslides, lightning, fire, hurricane, earthquakes, floods or similar causes.

"Fourth Priority Principal Payment shall have the meaning specified under the heading "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

"Global Note" shall have the meaning specified under the heading "*Restrictions on Transfer*" in this private placement memorandum.

"Governmental Authority" shall mean any federal, state, municipal, national, local or other governmental department, court, commission, board, bureau, agency, intermediary, carrier or instrumentality or political subdivision thereof, or any entity or officer exercising executive, legislative, judicial, quasi-judicial, regulatory or administrative functions of or pertaining to any government or any court, in each case, whether of the United States or a state, territory or possession thereof, a foreign sovereign entity or country or jurisdiction or the District of Columbia.

"Hard Secured Loan" shall mean a Loan that is, as of the date of the origination thereof, secured by a lien on one or more Titled Assets.

"Indenture" shall mean the Indenture, dated as of February 19, 2013, among the Issuer, the Indenture Trustee and the Servicer, as the same may be amended, supplemented or otherwise modified from time to time.

"Indenture Trustee" shall mean Wells Fargo Bank, N.A., in its capacity as indenture trustee under the Indenture, its successors in interest and any successor indenture trustee under the Indenture.

"Initial Cut-Off Date" shall mean January 31, 2013.

"Initial Loan" shall mean any non-revolving personal loan designated as such under the Loan Purchase Agreement on the Closing Date and which the applicable Seller shall represent and warrant is an Eligible Loan, as identified on the Loan Schedule as of the Closing Date.

"Initial Note Principal Balance" shall mean $604,300,000.00.

"Initial Purchasers" shall mean Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated and RBS Securities Inc.

"Insolvency Event" with respect to any Person, shall occur if (i) such Person shall file a petition or commence a Proceeding (A) to take advantage of any Debtor Relief Law or (B) for the appointment of a trustee, conservator, receiver, liquidator, or similar official for or relating to such Person or all or substantially all of its property, or for the winding up or liquidation of its affairs, (ii) such Person shall consent or fail to object to any such petition filed or Proceeding commenced against or with respect to it or all or substantially all of its property, or any such petition or Proceeding shall not have been dismissed or stayed within sixty (60) days of its filing or commencement, or a court, agency, or other supervisory authority with jurisdiction shall have decreed or ordered relief with respect to any such petition or Proceeding, (iii) such Person shall admit in writing its inability to pay its debts generally as they become due, (iv) such Person shall make an assignment for the benefit of its creditors, (v) such Person shall voluntarily suspend payment of its obligations, or (vi) such Person shall take any action in furtherance of any of the foregoing.

"Interest Period" shall mean, with respect to any Payment Date, the period from the Payment Date immediately preceding such Payment Date to but excluding such Payment Date (or, in the case of the first Payment Date, the period from and including the Closing Date to but excluding such Payment Date).

"Interest Rate" shall mean, with respect to the Class A Notes, the Class A Interest Rate, with respect to the Class B Notes, the Class B Interest Rate, with respect to the Class C Notes, the Class C Interest Rate and with respect to the Class D Notes, the Class D Interest Rate.

"Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended.

"Investment Company Act" shall mean the Investment Company Act of 1940, as amended.

"Issuer" shall mean the Springleaf Funding Trust 2013-A, a statutory trust organized and existing under the laws of the State of Delaware, and its successors and permitted assigns.

"Issuer Loan Exchange" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release— Payment Date Loan Actions*" in this private placement memorandum.

"Issuer Loan Exclusion" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release— Payment Date Loan Actions*" in this private placement memorandum.

"Issuer Loan Release" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release— Payment Date Loan Actions*" in this private placement memorandum.

"Lien" shall mean, with respect to any property, any mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, equity interest, encumbrance, lien (statutory or other), preference, participation interest, priority or other security agreement or preferential arrangement of any kind or nature whatsoever relating to that property, including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing and the filing of any financing statement under the UCC or comparable law of any jurisdiction to evidence any of the foregoing.

"Loan" shall mean any Initial Loan or Additional Loans, but excluding any Loan that has been reassigned to the applicable Seller pursuant to the Loan Purchase Agreement or otherwise.

"Loan Agreement" shall mean, with respect to any Loan, all agreements between the applicable Seller and the related Loan Obligor prior to the applicable Cut-Off Date containing the terms and conditions applicable to such Loan and any applicable truth in lending disclosure statements related thereto, in each case, as amended and in effect from time to time, representative copies of which have been made available to the Depositor and will be delivered to the Depositor upon request.

"Loan Level Representations" shall have the meaning set forth in "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases—Renewed Loan Replacements—Repurchase Obligations*" in this private placement memorandum.

"Loan Obligor" shall mean any maker, co-maker, guarantor, or other obligor with respect to a Loan. In respect of each Loan, if there is more than one Loan Obligor (husband and wife, for example), references herein to Loan Obligor shall mean any or all of such Loan Obligors, as the context may require.

"Loan Principal Balance" shall mean as of any determination date with respect to (a) a Loan other than a Precompute Loan, the outstanding principal balance of such Loan and (b) a Loan that is a Precompute Loan, the calculated principal balance of such Precompute Loan, which is generally equal to the present value of future cash flows on such Precompute Loan discounted based upon the weighted average percentage rate applicable to such Precompute Loan. The Loan Principal Balance of any Loan a portion of which has been charged-off in accordance with the Credit and Collection Policy shall be reduced by the portion so charged-off.

"Loan Purchase Agreement" shall mean the Loan Purchase Agreement, dated as of February 19, 2013, among the Sellers party thereto and the Depositor.

"Loan Schedule" shall mean a complete schedule prepared by the Servicer on behalf of the Sellers and the Depositor identifying all Loans sold by a Seller to the Depositor on the Initial Closing Date, and which Loans, in turn, are sold by the Depositor to the Issuer on the Initial Closing Date, as such schedule is updated or supplemented from time to time, including, without limitation, in connection with any Additional Loan Assignment or any reassignment to the Depositor pursuant to the Sale and Servicing Agreement and to the applicable Seller pursuant to the Loan Purchase Agreement or otherwise. The Loan Schedule may take the form of a computer file, a microfiche list, or another tangible medium that is commercially reasonable. The Loan Schedule shall identify each Loan by loan number, Loan Principal Balance as of the applicable Cut Off Date and Seller/Subservicer.

"Monthly Determination Date" shall mean the 12th day of each calendar month, or if such 12th day is not a Business Day, the next succeeding Business Day.

"Monthly Net Loss Percentage" shall mean, for any Monthly Determination Date, the product of (i) the quotient (expressed as a percentage) of (I) the sum of (x) the aggregate principal balance of all Loans that became Charged-Off Loans during the related Collection Period and (y) the aggregate amount by which the Loan Principal Balance of any Loans (other than Charged-Off Loans) were reduced due to being charged-off in accordance with the Credit and Collection Policy during the related Collection Period and (II) the Adjusted Loan Principal Balance of all Loans in the Trust Estate immediately prior to the commencement of such Collection Period times (ii) twelve (12).

"Monthly Servicer Report" shall have the meaning specified under the heading "*The Indenture—Reports to Noteholders*" in this private placement memorandum.

"New Loan" shall mean in connection with any Renewal, the new personal loan entered into between the applicable Seller and the Loan Obligor to refinance the related Terminated Loan.

"Note" shall mean a note issued by the Issuer pursuant to the Indenture and described in this private placement memorandum.

"Note Account" shall mean the Collection Account, the Principal Distribution Account or the Reserve Account, as applicable.

"Note Purchase Agreement" shall mean that certain Note Purchase Agreement dated as of February 13, 2013, among the Issuer, the Depositor, the Servicer and the Initial Purchasers.

"Note Register" shall mean the register maintained pursuant to the Indenture in which the Notes are registered.

"Note Registrar" shall mean the entity (which shall either by the Indenture Trustee or an entity appointed by the Indenture Trustee) which acts as note registrar and in such capacity shall provide for the registration of Notes, and transfers and exchanges of Notes as provided in the Indenture.

"Noteholder" or "Holder" shall mean the Person in whose name a Note is registered in the Note Register, or such other Person deemed to be a "Noteholder" or "Holder" pursuant to the Indenture.

"Officer's Certificate" shall mean, except to the extent otherwise specified, a certificate signed by an Authorized Officer of the Issuer, the Depositor, the Servicer, as Seller, a Subservicer or the Indenture Trustee, as applicable.

"Opinion of Counsel" shall mean a written opinion of counsel, who may be counsel for, or an employee of, the Person providing the opinion and who shall be reasonably acceptable to the Person to whom the opinion is to be provided; provided, however, that any Tax Opinion or other opinion relating to U.S. federal income tax matters shall be an opinion of nationally recognized tax counsel.

"Other Secured Loan" shall mean a Loan that is, as of the date of the origination thereof, secured by untitled consumer assets constituting personal property, such as furniture, electronic equipment or other household goods, subject to limitations imposed by applicable law on the taking of non-purchase money security interests in such items.

"Outstanding" shall have the meaning specified under the heading "*The Indenture—Direction by Noteholders*" in this private placement memorandum.

"Overcollateralization Event" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release— Payment Date Loan Actions*" in this private placement memorandum.

"Owner Trustee" shall mean Wilmington Trust, National Association, not in its individual capacity but solely in its capacity as owner trustee under the Trust Agreement, its successors in interest and any successor owner trustee under the Trust Agreement.

"Payment Date" shall mean the 15th day of each calendar month, or if such 15th day is not a Business Day, the next succeeding Business Day; provided, that the first Payment Date will be March 15, 2013.

"Payment Date Aggregate Principal Balance" means, for any Payment Date, the aggregate Payment Date Loan Principal Balance for all Loans in the Payment Date Loan Pool for such Payment Date.

"Payment Date Loan Action" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release— Payment Date Loan Actions*" in this private placement memorandum.

"Payment Date Loan Pool" means, for any Payment Date, (i) all Loans that (x) constitute part of the Trust Estate and are not Charged-Off Loans, in each case, as of the end of the Collection Period relating to such Payment Date, (y) do not cease to be part of the Trust Estate as a result of any Payment Date Loan Actions on such Payment Date and (z) do not become Excluded Loans as a result of any Payment Date Loan Actions on such Payment Date or any prior Payment Date, and (ii) all Loans that are added to the Trust Estate on such Payment Date pursuant to a Payment Date Loan Action.

"Payment Date Loan Principal Balance" means, for any Loan and any Payment Date, the Loan Principal Balance of such Loan as of the end of the related Collection Period.

"Performance Support Agreement" shall mean the performance support agreement dated as of February 19, 2013, by Springleaf in favor of the Indenture Trustee in respect of the obligations of the Sellers, the Servicer (so long as it is an Affiliate of Springleaf), the Administrator (so long as it is an Affiliate of Springleaf) and each Subservicer (so long as it is an Affiliate of Springleaf) under the Transaction Documents.

"Permanent Regulation S Global Note" shall have the meaning specified under the heading "*Restrictions on Transfer*" in this private placement memorandum.

"Person" shall mean any legal person, including any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, governmental entity or other entity of any nature.

"Precompute Loan" shall mean any Loan reflected as such on the records of the Servicer or the applicable Subservicer.

"Principal Distribution Account" shall have the meaning specified under the heading "*The Indenture—Collection Account; Principal Distribution Account*" in this private placement memorandum.

"Proceeding" shall mean any suit in equity, action at law or other judicial or administrative proceeding.

"Purchase Price" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release*" in this private placement memorandum.

"Purchased Assets" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release*" in this private placement memorandum.

"QIB" shall mean a "qualified institutional buyer" as defined in Rule 144A.

"Rating Agency" shall mean S&P.

"Rating Agency Notice Requirement" shall mean, with respect to any action, that each Rating Agency shall have received ten (10) days' written notice thereof and shall not have notified the Depositor, the Servicer, the Owner Trustee and the Indenture Trustee in writing (including by means of a press release) within such 10-day period that such action will result in a reduction or withdrawal of the then existing rating of the Notes.

"Reassigned Loans" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release—Payment Date Loan Actions*" in this private placement memorandum.

"Record Date" shall mean, with respect to any Payment Date, the last Business Day of the month immediately preceding the month of such Payment Date; provided, that the first Record Date shall be the Closing Date.

"Registered Noteholder" shall mean the Holder of a Definitive Note.

"Regular Principal Payment Amount" shall have the meaning specified under the heading "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

"Regulation S" shall mean Regulation S promulgated under the Securities Act.

"Regulation S Global Note" shall have the meaning specified under the heading "*Restrictions on Transfer*" in this private placement memorandum.

"Regulation S Note" means any Note offered and sold in reliance on Regulation S of the Securities Act.

"Reinvestment Criteria Event" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases—Payment Date Loan Actions*" in this private placement memorandum.

"Released Loan" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release— Payment Date Loan Actions*" in this private placement memorandum.

"Renewal" shall mean with respect to any Loan in the Trust Estate, a transaction in which a new non-revolving personal loan originated pursuant to a Loan Agreement is entered into between a Seller and a Loan Obligor, which new non-revolving personal loan (x) refinances such Loan in full and (y) may also extend additional financing to such Loan Obligor.

"Renewed Loan Replacement" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release—Renewed Loan Replacements*" in this private placement memorandum.

"Renewed Loan Repurchase" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Release—Renewed Loan Repurchases*" in this private placement memorandum.

"Replacement Loan" shall have the meaning specified under the heading "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations; Renewals, Exclusions and Releases—Payment Date Loan Actions*" in this private placement memorandum.

"Repurchase Price" shall have the meaning set forth in "*Description of the Loans—Assignment of Loans; Representations and Warranties; Repurchase Obligations, Substitutions, Renewals, Exclusion and Releases—Renewed Loan Replacements—Repurchase Obligations*" in this private placement memorandum.

"Required Noteholders" shall mean, at any time, the Holders of Notes evidencing more than 50% of the Outstanding Notes.

"Required Overcollateralization Amount" shall mean $57,946,616.78.

"Required Reserve Account Amount" shall mean $6,622,470.49.

"Requirements of Law" shall mean, for any Person, (a) any certificate of incorporation, certificate of formation, articles of association, bylaws, limited liability company agreement, or other organizational or governing documents of that Person and (b) any law, treaty, statute, regulation, or rule, or any determination by a Governmental Authority or arbitrator, that is applicable to or binding on that Person or to which that Person is subject. This term includes usury laws, the Truth in Lending Act, and Regulation Z and Regulation B of the Board of Governors of the Federal Reserve System.

"Reserve Account" shall have the meaning specified under the heading "*Description of the Notes—Reserve Account*" in this private placement memorandum.

"Reserve Account Draw Amount" shall have the meaning specified under the heading "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

"Responsible Officer" shall mean, with respect to the Indenture Trustee, any officer within the Corporate Trust Office of the Indenture Trustee, as the case may be, including any Vice President, Assistant Vice President, Assistant Treasurer, Assistant Secretary, or any other officer of the Indenture Trustee customarily performing functions similar to those performed by any of the above designated officers, and also, with respect to a particular matter, any other officer to whom such matter is referred because of such officer's knowledge of and familiarity with the particular subject, in each case having direct responsibility for the administration of the Indenture and the other Transaction Documents on behalf of the Indenture Trustee.

"Revolving Credit Agreement" shall mean the Revolving Credit Agreement dated as of February 19, 2013, between Springleaf and the Depositor.

"Revolving Loan" shall mean any personal loan which (i) is reflected as a "revolving loan" on the records of the Servicer or the applicable Subservicer and (ii) arises under a loan account pursuant to which the loan obligor may request future advances or draws pursuant to the applicable loan agreement; provided, that, upon the irrevocable termination or expiration of the ability of the related loan obligor to request additional advances or draws under such loan, such loan shall no longer be a "Revolving Loan".

"Revolving Period" shall mean the period beginning at the close of business on the Closing Date and ending on the close of business on the earlier of (i) the Revolving Period Termination Date and (ii) the Business Day immediately preceding the day on which an Early Amortization Event or an Event of Default is deemed to have occurred; provided, that the Revolving Period shall be reinstated upon the occurrence of either of the following: (x) (1) the Revolving Period terminated due to the occurrence of an Early Amortization Event under clause (a) of the definition thereof, and such Early Amortization Event shall have been cured as of three (3) consecutive Monthly

Determination Dates and (2) no other event that would have caused the Revolving Period to terminate shall have occurred on or prior to, and be continuing as of, such reinstatement; or (y) (1) the Revolving Period terminated due to the occurrence of an Early Amortization Event under clause (b) of the definition thereof, and there subsequently occurs a Payment Date with respect to which no Reinvestment Criteria Event exists and (2) no other event that would have caused the Revolving Period to terminate shall have occurred on or prior to, and be continuing as of, such reinstatement; provided, further that, in the event that the Revolving Period is reinstated on any Payment Date, such reinstatement shall be given effect for purposes of determining any distributions and allocations to occur on such Payment Date pursuant to the Priority of Payments and other distribution provisions of the Indenture. For purposes of this definition, "cured" means that the circumstances that would constitute an Early Amortization Event do not exist.

"Revolving Period Termination Date" shall mean January 31, 2015, it being understood that such date falls within the Revolving Period.

"Rule 144A" shall mean Rule 144A promulgated under the Securities Act.

"Rule 144A Global Note" shall have the meaning specified under the heading "*Restrictions on Transfer*" in this private placement memorandum.

"Rule 144A Note" shall mean any offered and sold to a QIB pursuant to Rule 144A of the Securities Act.

"S&P" and "Standard & Poor's" shall mean Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, or any successor.

"Sale and Servicing Agreement" shall mean the Sale and Servicing Agreement, dated as of February 19, 2013, among the Depositor, the Servicer, the Subservicers party thereto and the Issuer.

"SEC" shall mean the United States Securities and Exchange Commission.

"Second Priority Principal Payment" shall have the meaning specified under the heading "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Seller" or "Sellers" shall mean the Persons identified in Schedule I to the Loan Purchase Agreement, and any Affiliate of SLFC which becomes party to the Loan Purchase Agreement as a "Seller" after the Closing Date.

"Servicer" shall mean (i) initially Springleaf, in its capacity as Servicer pursuant to the Sale and Servicing Agreement and any Person that becomes the successor thereto pursuant to the Sale and Servicing Agreement, and (ii) after any Servicing Transfer Date, the Successor Servicer.

"Servicer Defaults" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicer Defaults*" in this private placement memorandum.

"Servicing Fee" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing and Other Compensation and Payment of Expenses*" in this private placement memorandum.

"Servicing Officer" shall mean any officer of the Servicer or an attorney in fact of the Servicer who in either case is involved in, or responsible for, the administration and servicing of the Loans and whose name appears on a list of servicing officers furnished to the Owner Trustee and the Indenture Trustee by the Servicer, as such list may from time to time be amended.

"Servicing Assumption Date" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Assumption of Servicing by the Back-up Servicer*" in this private placement memorandum.

"Servicing Centralization Period" have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement–Servicing Centralization Period*" in this private placement memorandum.

"Servicing Transfer" shall mean that all authority and power of the Servicer under the Sale and Servicing Agreement shall have passed to and been vested in the Successor Servicer appointed by the Indenture Trustee pursuant to the Sale and Servicing Agreement.

"Servicing Transfer Date" shall mean the date on which a Successor Servicer has assumed all of the duties and obligations of the Servicer under the Sale and Servicing Agreement (other than in the case of the Back-up Servicer, any such duty or obligation that it is not required to assume under the terms of the Back-up Servicing Agreement) after the termination of the Servicer.

"Servicing Transfer Notice" shall mean a written notice substantially in the applicable form attached to the Back-up Servicing Agreement from the Indenture Trustee to the Back-up Servicer, which the Indenture Trustee will send upon the delivery of a Termination Notice to the Servicer pursuant to the Sale and Servicing Agreement.

"Servicing Transition Period" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Assumption of Servicing by the Back-up Servicer*" in this private placement memorandum.

"Servicing Transition Costs" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Servicing and Other Compensation and Payment of Expenses*" in this private placement memorandum.

"Similar Law" shall mean any non-U.S., federal, state or local law that is substantially similar to Section 406 of ERISA or Section 4975 of the Internal Revenue Code.

"SLFC" shall mean Springleaf Finance Corporation, an Indiana corporation.

"Springleaf" shall mean SLFC, together with its subsidiaries (other than the Depositor and the Issuer).

"Springleaf Risk Level" shall have the meaning specified under the heading "*Underwriting Standards – Determining Applicant Risk Level and Springleaf Risk Scoring Model*" in this private placement memorandum.

"Springleaf Risk Scoring Model" shall have the meaning specified under the heading "*Underwriting Standards – Determining Applicant Risk Level and Springleaf Risk Scoring Model*" in this private placement memorandum.

"Standard & Poor's" and "S&P" shall mean Standard & Poor's Rating Services, a Standard & Poor's Financial Services LLC business, and its successors.

"State" shall mean any of the fifty (50) states in the United States of America or the District of Columbia.

"Stated Maturity Date" shall mean with respect to all Classes of Notes, September 15, 2021.

"Statistical Cut-Off Date" shall mean December 31, 2012.

"Subservicer" shall mean (i) prior to any Servicing Transfer Date, each subservicer identified in Schedule I of the Sale and Servicing Agreement, in its capacity as a Subservicer pursuant to the Sale and Servicing Agreement, and any Affiliate of SLFC which becomes party to the Sale and Servicing Agreement as a "Subservicer" after the

Closing Date, and (ii) after any Servicing Transfer Date, any subservicers appointed by the Successor Servicer, which may include some or all of the subservicers referred to in the foregoing clause (i).

"Successor Servicer" shall mean the successor servicer appointed in accordance with the Sale and Servicing Agreement.

"Tax Opinion" shall mean, with respect to any action, an Opinion of Counsel to the effect that, for U.S. federal income tax purposes, (a) such action will not adversely affect the tax characterization as debt of any Note of any Outstanding Class with respect to which an Opinion of Counsel was delivered at the time of its original issuance as to the characterization of such Note as debt for U.S. federal income tax purposes, (b) such action will not cause or constitute an event in which gain or loss would be recognized by any Noteholder, and (c) such action will not cause the Issuer to be deemed to be an association (or publicly traded partnership) taxable as a corporation.

"Temporary Regulation S Global Note" shall have the meaning specified under the heading "*Restrictions on Transfer*" in this private placement memorandum.

"Terminated Loan" shall mean the Loan that is refinanced in connection with a Renewal in respect of such Loan.

"Termination Notice" shall have the meaning specified under the heading "*The Sale and Servicing Agreement and the Back-up Servicing Agreement—Rights Upon Servicer Default*" in this private placement memorandum.

"Third-Party Originated Loan" shall have the meaning specified under the heading "*Underwriting Standards*" in this private placement memorandum.

"Third Priority Principal Payment" shall have the meaning specified under the heading "*Description of the Notes—Priority of Payments*" in this private placement memorandum.

"Titled Asset" shall mean a motor vehicle, boat, titled trailer or other asset for which, under applicable State law, a certificate of title is issued and any security interest therein is required to be perfected by notation on such certificate of title.

"Transaction Documents" shall mean the Certificate of Trust, the Trust Agreement, the Note Purchase Agreement, the Loan Purchase Agreement, the Revolving Credit Agreement, the Sale and Servicing Agreement, the Indenture, the Performance Support Agreement, the Administration Agreement, the Back-up Servicing Agreement, and such other documents and certificates delivered in connection the foregoing.

"Trust" shall mean the Trust established by the Trust Agreement.

"Trust Agreement" shall mean the Amended and Restated Trust Agreement relating to the Issuer, to be dated as of the Closing Date, between the Depositor and the Owner Trustee.

"Trust Estate" shall have the meaning specified under the heading "*Description of the Notes*" in this private placement memorandum.

"UCC" shall mean the Uniform Commercial Code of the applicable jurisdiction.

"United States Bankruptcy Code" shall mean Title 11 of the United States Code, 11. U.S.C. §§ 101 et seq., as amended.

"Unsecured Loan" shall mean a Loan that is, as of the date of the origination thereof, not secured.

"Weighted Average Coupon" shall mean, with respect to any Payment Date, the weighted average coupon (based on the coupon or, in the case of discount Loans, the effective coupon based on the discount rate set forth in

the applicable Loan Agreements) of all Loans in the Payment Date Loan Pool, determined based upon the Loan Principal Balance and coupon of such Loans as of the last day of the related Collection Period.

"Weighted Average Loan Remaining Term" shall mean, with respect to any Payment Date, the weighted average remaining term to maturity (as set forth in the applicable Loan Agreements) of all Loans in the Payment Date Loan Pool, determined based upon the Loan Principal Balance and remaining term to maturity of such Loans as of the last day of the related Collection Period.