

## CARS ALLIANCE AUTO LOAN France 2006-1

With the implementation on July 1<sup>st</sup> of its new methodology “Counterparty and Supporting Obligations Methodology and Assumptions” published on December 6<sup>th</sup> 2010, Standard and Poor’s has downgraded class A and R Notes from AAA to AA-.

Class A notes have entered into a normal amortization period since November 2010, and should be repaid in April 2012 according to the Base Case Scenario (stable Portfolio and 17% CPR).

Considering the remaining short weighted average maturity of the Notes, Diac has chosen not to renegotiate the third parties documentation to adapt to S&P’s new criteria.

Such a decision would have led to a higher swap margin and therefore lower excess spread available as first layer of credit enhancement in the structure, and would have required a long process for obtaining rating confirmation from the other rating agencies.

Moody’s and Fitch Rating have affirmed Cars Alliance Auto Loans France FCC Notes’ rating as Aaa and AAA sf respectively in May 2011, evidencing the strong performance of the underlying portfolio and the increase in credit enhancement due to the beginning of the amortization of the Class A notes.