

## OFFERING MEMORANDUM

**\$500,000,000****NISSAN MASTER OWNER TRUST RECEIVABLES, SERIES 2024-A****Nissan Master Owner Trust Receivables***Issuing Entity*

**Nissan Wholesale Receivables Company II LLC**  
*Depositor*

**Nissan Motor Acceptance Company LLC**  
*Servicer/Sponsor*

The issuing entity will issue the following Series 2024-A notes:

	<u>Initial Principal Amount</u>	<u>Interest Rate</u> <sup>(1)</sup>	<u>Expected Final Payment Date</u>	<u>Final Maturity Date</u>
Series 2024-A notes .....	\$500,000,000	SOFR Rate + 0.67%	February 16, 2026	February 15, 2028

<sup>(1)</sup> The Series 2024-A notes will accrue interest at a floating rate based on the SOFR Rate plus a spread. However, the benchmark rate may change in certain situations. For a description of how interest will be calculated, including how the SOFR Rate will be determined by the calculation agent and the circumstances in which the benchmark rate may change, see “*The Notes—Calculation of Floating Rate Interest*”. If the sum of the SOFR Rate plus the spread is less than 0.00% for any accrual period, then the interest rate for the Series 2024-A notes for such accrual period will be deemed to be 0.00%. See “*Risk Factors—Risks related to the issuance of floating rate notes and the uncertainty of SOFR—A decrease in SOFR, including a negative SOFR Rate, may reduce the rate of interest on the Series 2024-A notes to 0.00%*”.

- The primary assets of the issuing entity will consist of a revolving pool of receivables arising from time to time under accounts established in connection with the purchase and financing by retail motor vehicle dealers located in the U.S. of their new, pre-owned and used automobile and light-duty truck inventory.
- The Series 2024-A notes will accrue interest from and including the Series 2024-A issuance date, which is expected to be March 20, 2024.
- The issuing entity will pay interest on the notes on the 15<sup>th</sup> day of each month, or the first business day thereafter if the 15<sup>th</sup> day is not a business day. The first payment date will be April 15, 2024.

**Credit Enhancement:**

- Series 2024-A will have the benefit of an overcollateralization amount as described herein.
- A reserve account will be established for the benefit of the Series 2024-A notes. The reserve account will have an initial balance equal to at least 0.50%, of the initial aggregate principal amount of the Series 2024-A notes.
- The Series 2024-A notes will be included in a group of series, and as a part of this group, the Series 2024-A notes will be entitled in certain circumstances to share in certain excess interest, principal amounts that are allocable to other series in the same group and yield supplement interest collections.

**The notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or any state securities law. Each investor in the Series 2024-A notes (the “notes”) must be a qualified institutional buyer under Rule 144A of the Securities Act (a “QIB”) or a non-U.S. person purchasing outside the United States in accordance with Regulation S of the Securities Act (“Regulation S”). For a description of certain restrictions on transfer, see “*Transfer Restrictions*” in this offering memorandum. Reproduction or further distribution of this confidential offering memorandum is forbidden. Prospective investors should be aware that they may be required to bear the economic risks of this investment for an indefinite period of time. The notes will be sold by the depositor to the initial purchasers, who will offer the notes from time to time in negotiated transactions at varying prices to be determined at the time of sale, when, as and if delivered to and accepted by the initial purchasers and subject to various prior conditions, including the initial purchasers’ right to reject orders in whole or in part.**

The issuing entity is being structured so as not to constitute a “covered fund” as defined in the final regulations issued December 10, 2013, implementing the “Volcker Rule” (Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act).

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities or determined that this offering memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

**BofA Securities**  
**BNP PARIBAS**

**Citigroup**  
**Lloyds Securities**

**Mizuho**  
**US Bancorp**

**MUFG**  
**Wells Fargo Securities**

The date of this offering memorandum is March 13, 2024

**You should review carefully the factors set forth under “Risk Factors” beginning on page 15 of this offering memorandum.**

The main source for payments of the notes are a selected portfolio of receivables created in connection with the purchase and financing of automobiles by dealers located in the U.S. The securities are asset-backed securities issued by, and represent obligations of, the issuing entity only and do not represent obligations of or interests in Nissan Motor Acceptance Company LLC, Nissan Wholesale Receivables Company II LLC, Nissan North America, Inc. or any of their respective affiliates other than the issuing entity. Neither the securities nor the receivables are insured or guaranteed by any governmental agency.

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## **IMPORTANT NOTICE ABOUT INFORMATION PRESENTED IN THIS OFFERING MEMORANDUM**

You should rely only on the information contained in or incorporated by reference into this offering memorandum, including any annexes and appendices hereto. We have not authorized anyone to provide you with other or different information. If you receive any other information, you should not rely on it. We are not offering the Series 2024-A notes in any jurisdiction where the offer is not permitted. We do not claim that the information in this offering memorandum is accurate as of any date other than the date at the bottom of the front cover page.

We have started with two introductory sections in this offering memorandum describing the Series 2024-A notes and the issuing entity in abbreviated form, followed by a more complete description of the terms of the offering of the Series 2024-A notes. The introductory sections are:

- *Summary of Terms*—provides important information concerning the amounts and the payment terms of the Series 2024-A notes and gives a brief introduction to the key structural features of the issuing entity; and
- *Risk Factors*—describes briefly some of the risks to investors in the Series 2024-A notes.

We include cross-references in this offering memorandum to the captions herein under which you can find additional related information. You can find the page numbers on which these captions are located under the Table of Contents in this offering memorandum.

This offering memorandum uses defined terms. Definitions can be found in the “*Glossary*” in this offering memorandum. You can also find a listing of the pages where the principal terms are defined under “*Index of Principal Terms*” beginning on page 146 of this offering memorandum.

In this offering memorandum, the terms “we”, “us” and “our” refer to Nissan Wholesale Receivables Company II LLC.

The information may not be forwarded or provided by you to any other person. An investor or potential investor in the securities (and each employee, representative, or other agent of such person or entity) may disclose to any and all persons, without limitation, the tax treatment and tax structure of the transaction (as defined in United States Treasury Regulation Section 1.6011-4) and all related materials of any kind, including opinions or other tax analyses, that are provided to such person or entity. However, such person or entity may not disclose any other information relating to this transaction unless such information is related to such tax treatment and tax structure.

Whenever we use words like “intends,” “anticipates” or “expects,” or similar words in this offering memorandum, we are making a forward-looking statement, or a projection of what we think will happen in the future. Forward-looking statements are inherently subject to a variety of circumstances, many of which are beyond our control and could cause actual results to differ materially from what we anticipate. Any forward-looking statements in this offering memorandum speak only as of the date of this offering memorandum. We do not assume any responsibility to update or review any forward-looking statement contained in this offering memorandum to reflect any change in our expectation about the subject of that forward-looking statement or to reflect any change in events, conditions or circumstances on which we have based any forward-looking statement, except to the extent required by law.

THIS OFFERING MEMORANDUM DOES NOT CONSTITUTE EITHER (I) AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY NOTES OTHER THAN THE NOTES OFFERED BY THIS OFFERING MEMORANDUM OR (II) AN OFFER OF SUCH NOTES TO ANY PERSON IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH OFFER WOULD BE UNLAWFUL. NEITHER THE DELIVERY HEREOF NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT NO CHANGE IN THE AFFAIRS OF THE ISSUING ENTITY HAS OCCURRED OR THAT THE INFORMATION HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF. THE DEPOSITOR AND THE INITIAL PURCHASERS, AS THE CASE MAY BE, RESERVE THE RIGHT TO REJECT ANY OFFER TO PURCHASE NOTES IN WHOLE OR IN PART, FOR ANY REASON, OR TO SELL LESS THAN THE STATED INITIAL PRINCIPAL AMOUNT OF THE NOTES OFFERED HEREBY.

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IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUING ENTITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED WITH AN INVESTMENT IN THE NOTES OFFERED HEREBY. SEE “*RISK FACTORS*” FOR A DESCRIPTION OF CERTAIN RISKS RELATING TO AN INVESTMENT IN THE NOTES. THE NOTES HAVE NOT BEEN APPROVED OR DISAPPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NEITHER CONFIRMED THE ACCURACY NOR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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#### **INFORMATION AS TO PLACEMENT IN THE UNITED STATES**

THIS OFFERING MEMORANDUM IS HIGHLY CONFIDENTIAL AND HAS BEEN PREPARED BY THE DEPOSITOR SOLELY FOR USE IN CONNECTION WITH THE SALE OF THE NOTES. THE DEPOSITOR AND THE INITIAL PURCHASERS 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 STATED INITIAL PRINCIPAL AMOUNT OF THE NOTES. THIS OFFERING MEMORANDUM IS PERSONAL TO EACH OFFEREE TO WHOM IT HAS BEEN DELIVERED BY THE DEPOSITOR, THE INITIAL PURCHASERS OR AN AFFILIATE THEREOF 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 OFFERING MEMORANDUM TO ANY PERSONS 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 ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE DEPOSITOR, IS PROHIBITED. EACH PROSPECTIVE INVESTOR IN THE UNITED STATES, BY ACCEPTING DELIVERY OF THIS OFFERING MEMORANDUM, AGREES TO THE FOREGOING AND TO MAKE NO COPIES OF THIS OFFERING MEMORANDUM OR ANY DOCUMENTS RELATED HERETO AND, IF THE OFFEREE DOES NOT PURCHASE ANY NOTE OR THE OFFERING IS TERMINATED, TO DESTROY OR RETURN ALL COPIES OF THIS OFFERING MEMORANDUM AND ALL DOCUMENTS ATTACHED HERETO TO: NISSAN MOTOR ACCEPTANCE COMPANY LLC, ONE NISSAN WAY, FRANKLIN, TENNESSEE 37067, ATTENTION: TREASURER.

THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT OR ANY STATE SECURITIES LAW. EACH INVESTOR IN THE NOTES MUST BE A “QUALIFIED INSTITUTIONAL BUYER” UNDER RULE 144A OR A NON-U.S. PERSON PURCHASING OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON TRANSFER, SEE “*TRANSFER RESTRICTIONS*” IN THIS OFFERING MEMORANDUM.

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## AVAILABLE INFORMATION

To permit compliance with Rule 144A (“**Rule 144A**”) in connection with the sale of the notes, the issuing entity, pursuant to the Indenture upon the request of a Series 2024-A noteholder or note owner, will be required to furnish to that Series 2024-A noteholder or note owner and any prospective investor designated by such Series 2024-A noteholder or note owner the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the issuing entity is not a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

## REPORT TO NOTEHOLDERS

After the notes are issued, unaudited monthly reports containing information concerning the receivables and the notes will be prepared by Nissan Motor Acceptance Company LLC (“**NMAC**”), as servicer, and sent on behalf of the issuing entity to the indenture trustee, who will, unless and until notes in definitive registered form are issued, forward the same to Cede & Co. (“**Cede**”), as nominee of The Depository Trust Company (“**DTC**”). See “*Sources of Funds to Pay the Notes—Reports to Noteholders*” in this offering memorandum.

The indenture trustee will also make such monthly reports (and, at its option, any additional files containing the same information in an alternative format) available to Series 2024-A noteholders each month via its internet website, which is presently located at <https://pivot.usbank.com>. Assistance in using this Internet website may be obtained by calling the indenture trustee’s customer service desk at (800) 934-6802. The indenture trustee will notify the Series 2024-A noteholders in writing of any changes in the address or means of access to the Internet website where the reports are accessible.

The reports do not constitute financial statements prepared in accordance with generally accepted accounting principles. NMAC, the depositor and the issuing entity do not intend to send any of their financial reports to the beneficial owners of the notes.

## NOTICE TO RESIDENTS OF THE UNITED KINGDOM

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY UK RETAIL INVESTOR IN THE UNITED KINGDOM (“UK”). FOR THESE PURPOSES, A UK RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (AS AMENDED, THE “EUWA”); OR (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (AS AMENDED, THE “FSMA”) AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97 (AS AMENDED), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN ARTICLE 2 OF THE UK PROSPECTUS REGULATION (A “UK QUALIFIED INVESTOR”). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE “UK PRIIPS REGULATION”) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO UK RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY UK RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

THIS OFFERING MEMORANDUM IS NOT A PROSPECTUS FOR THE PURPOSES OF THE UK PROSPECTUS REGULATION. THIS OFFERING MEMORANDUM HAS BEEN PREPARED ON THE BASIS THAT ANY OFFERS OF NOTES IN THE UK WILL BE MADE ONLY TO A UK QUALIFIED INVESTOR. ACCORDINGLY, ANY PERSON MAKING OR INTENDING TO MAKE AN OFFER IN THE UK OF NOTES WHICH ARE THE SUBJECT OF THE OFFERING CONTEMPLATED IN THIS OFFERING MEMORANDUM MAY ONLY DO SO TO ONE OR MORE UK QUALIFIED INVESTORS. NONE OF THE ISSUING ENTITY, THE DEPOSITOR OR ANY OF THE INITIAL PURCHASERS HAS AUTHORIZED, NOR DO THEY AUTHORIZE, THE MAKING OF ANY OFFER OF NOTES IN THE UK OTHER THAN TO UK QUALIFIED INVESTORS. THE EXPRESSION “UK PROSPECTUS REGULATION” MEANS REGULATION (EU) 2017/1129 (AS AMENDED) AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA.

THE NOTES MUST NOT BE OFFERED OR SOLD AND THIS OFFERING MEMORANDUM AND ANY OTHER DOCUMENT IN CONNECTION WITH THE OFFERING AND ISSUANCE OF THE NOTES MUST NOT BE COMMUNICATED OR CAUSED TO BE COMMUNICATED IN THE UK EXCEPT TO PERSONS HAVING PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND QUALIFYING AS INVESTMENT PROFESSIONALS UNDER ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE “ORDER”), OR TO PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE ORDER OR WHO OTHERWISE FALL WITHIN AN EXEMPTION SET FORTH IN SUCH ORDER SUCH THAT SECTION 21(1) OF THE FSMA DOES NOT APPLY TO THE ISSUER OR EXCEPT TO PERSONS TO WHOM THIS OFFERING MEMORANDUM OR ANY OTHER SUCH DOCUMENT MAY OTHERWISE LAWFULLY BE COMMUNICATED OR CAUSED TO BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”).

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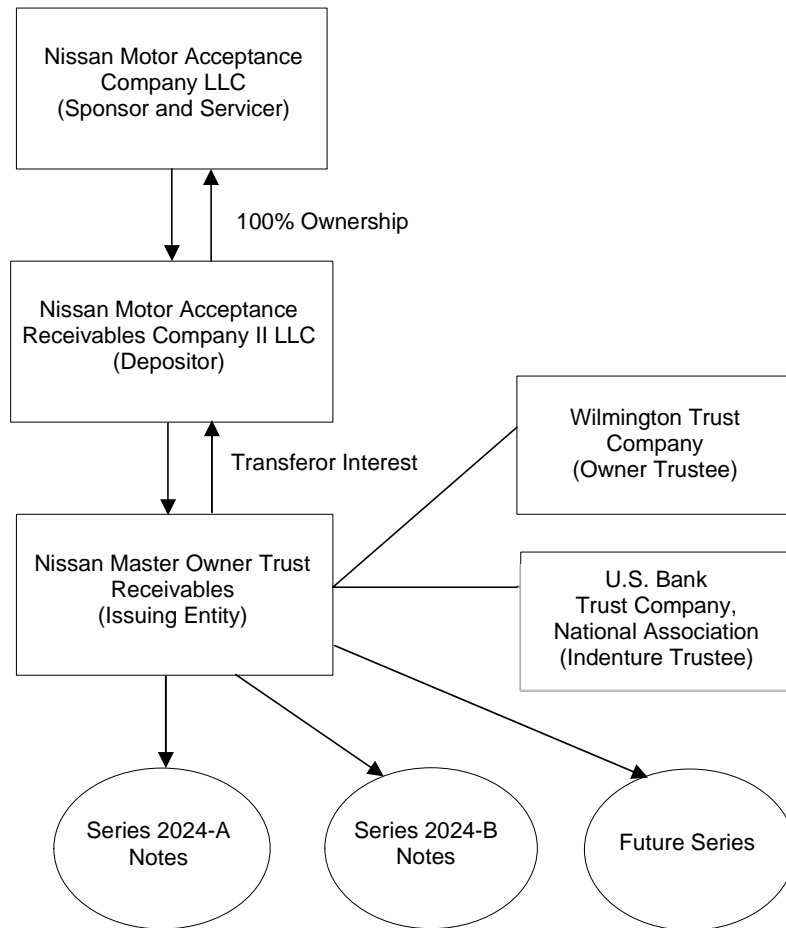
## NOTICE TO RESIDENTS OF THE EUROPEAN ECONOMIC AREA

THE NOTES ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY EEA RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA. FOR THESE PURPOSES, AN EEA RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF DIRECTIVE 2014/65/EU, AS AMENDED (“**MIFID II**”); OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97 (AS AMENDED), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (III) NOT A QUALIFIED INVESTOR AS DEFINED IN THE EU PROSPECTUS REGULATION (AS DEFINED BELOW) (AN “**EU QUALIFIED INVESTOR**”). CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014, AS AMENDED (THE “**PRIIPS REGULATION**”) FOR OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO EEA RETAIL INVESTORS IN THE EUROPEAN ECONOMIC AREA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE NOTES OR OTHERWISE MAKING THEM AVAILABLE TO ANY EEA RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

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## SUMMARY OF TRANSACTION PARTIES<sup>(1)</sup>



(1) This chart provides only a simplified overview of the relations between the key parties to the transaction. Refer to this offering memorandum for a further description.

## SUMMARY OF TERMS

*This summary highlights selected information from this offering memorandum and may not contain all of the information that you need to consider in making your investment decision. This summary provides an overview of certain information to aid your understanding and is qualified in its entirety by the full description of this information appearing elsewhere in this offering memorandum. You should carefully read this entire offering memorandum to understand all of the terms of the offering.*

<b>Issuing Entity/Trust</b> .....	Nissan Master Owner Trust Receivables (the “ <b>issuing entity</b> ”). The issuing entity was formed by a certificate of trust filed on May 13, 2003 and governed by a trust agreement, dated as of May 13, 2003, as amended and restated as of July 24, 2003, and as further amended and restated on October 15, 2003.
<b>Depositor</b> .....	Nissan Wholesale Receivables Company II LLC (“ <b>NWRC II</b> ” or the “ <b>depositor</b> ”), a Delaware limited liability company and a wholly owned subsidiary of NMAC. The depositor initially will be the sole holder of the residual interest in the issuing entity, or “ <b>transferor interest</b> ,” which will represent the sole beneficial ownership in the issuing entity.
<b>Sponsor, Servicer and Administrator</b> .....	Nissan Motor Acceptance Company LLC (“ <b>NMAC</b> ” or the “ <b>sponsor</b> ”) will be the servicer of the issuing entity’s assets (in such capacity, the “ <b>servicer</b> ”). NMAC will also be the administrator of the issuing entity under an administration agreement (as defined herein) (in such capacity, the “ <b>administrator</b> ”).
<b>Owner Trustee</b> .....	Wilmington Trust Company (the “ <b>owner trustee</b> ”).
<b>Indenture Trustee</b> .....	U.S. Bank Trust Company, National Association (the “ <b>indenture trustee</b> ”).
<b>Initial Outstanding Principal Amount; Series 2024-A</b> .....	The initial outstanding principal amount is \$500,000,000.
<b>Series 2024-A Issuance Date</b> .....	On or about March 20, 2024.
<b>Series 2024-A Cut-Off Date</b> .....	Close of business on January 31, 2024.
<b>Expected Final Payment Date</b> .....	February 16, 2026.
<b>Final Maturity Date</b> .....	February 15, 2028.

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### Offered Notes

The offered notes consist of the Series 2024-A notes, as described on the cover page the “**Series 2024-A notes**” or the “**notes**”.

### Nominal Liquidation Amount

The initial Series 2024-A nominal liquidation amount is \$613,496,000.

The Series 2024-A nominal liquidation amount will equal the portion of the issuing entity’s assets allocable to Series 2024-A. The Series 2024-A notes are secured only by that portion of the issuing entity’s assets that corresponds to the Series 2024-A nominal

liquidation amount. The Series 2024-A nominal liquidation amount as of any date of determination will be equal to the sum of (i) the Series 2024-A invested amount and (ii) the Series 2024-A overcollateralization amount. Each of the Series 2024-A nominal liquidation amount, the Series 2024-A invested amount and the Series 2024-A overcollateralization amount will be subject to reduction and reinstatement as described in this offering memorandum under “*Deposit and Application of Funds—Reduction and Reinstatement of Series Nominal Liquidation Amounts.*”

### **Assets of the Issuing Entity**

The primary assets of the issuing entity will consist of a revolving pool of receivables arising from time to time under accounts established in connection with the purchase and financing by retail motor vehicle dealers located in the U.S. of their new, pre-owned and used automobile and light-duty truck inventory.

On or before the Series 2024-A issuance date, the depositor will have transferred to the issuing entity receivables that, as of the Series 2024-A cut-off date, have an aggregate principal balance of approximately \$2,356,794,183. The number of designated accounts giving rise to those receivables, as of the Series 2024-A cut-off date, was 1,892. See “*The Trust Portfolio*” in this offering memorandum for more information about these receivables and the related designated accounts.

Series 2024-A will be included in excess principal sharing group one and to the extent that available amounts are not needed to make required interest or principal payments on the notes or deposits to the reserve account or accumulation account for Series 2024-A, the excess amounts may be applied, subject to certain limitations, to cover shortfalls of required distributions and deposits for other series that are included in excess principal sharing group one.

The designated accounts constitute a majority of NMAC’s entire U.S. portfolio of dealer floorplan accounts. See “*The Dealer Floorplan Financing Business*” in this offering memorandum for information about all the accounts and related receivables in NMAC’s U.S. portfolio of dealer floorplan accounts.

See “*The Trust Portfolio*” in this offering memorandum for more information regarding the historical and other statistical information relating to all of the dealer accounts that have been designated by the issuing entity.

### **Addition and Removal of Assets from the Issuing Entity**

The depositor may, and in certain cases is required to, designate additional accounts to the issuing entity. See “*Description of the Transfer and Servicing Agreement—Representations and Warranties of the Depositor—Additional Designated Accounts*” in this offering memorandum. Upon designation of any additional accounts, the depositor will transfer to the issuing entity the receivables arising in connection with such additional accounts. The depositor also has the right to redesignate accounts from the issuing entity and in doing so, to either repurchase the outstanding related receivables from the issuing entity or to simply cease conveying to the issuing entity receivables arising in such accounts after the related date of removal. The depositor’s right to redesignate accounts to and from the issuing entity is subject to the conditions described in “*Description of the Transfer and Servicing Agreement—Redesignation of Accounts—Eligible Accounts*” and “*Description of the Transfer and Servicing Agreement—Representations and Warranties of the Depositor—Additional Designated Accounts*” in this offering memorandum.

### **Redesignation of Receivables**

#### *Representations and Warranties:*

If the servicer’s records indicate that an account has become an ineligible account, the depositor will be required to redesignate any such account as a redesignated account. On the redesignation date with respect to any such redesignated account, the depositor will cease to transfer to the issuing entity any receivables arising in connection with such redesignated account.

Notwithstanding the foregoing, NMAC, in the event it elects to exercise its option to redesignate or remove one or more accounts related to receivables that are required to be repurchased under the transaction documents, agrees that it will not, as a result, purchase additional receivables it would not otherwise be required to repurchase in an amount in excess of 10% of the outstanding principal balance of all receivables as of the first day of the prior calendar quarter.

#### *Servicer Repurchases:*

Additionally, the servicer is required to purchase receivables (or, at its option, redesignate the accounts related to such receivables and purchase all

receivables under such accounts) that are materially and adversely affected by a breach by the servicer of certain representations, warranties and covenants. Following the discovery of a breach of any such representations, warranties and covenants, the servicer, unless the breach is cured, will be required to purchase the materially and adversely affected receivable (or, at its option, redesignate the account related to such receivable and purchase all receivables under such account) from the issuing entity. This purchase obligation will constitute the sole remedy available to Series 2024-A noteholders and the issuing entity for any uncured breach by the servicer of those representations and warranties (other than remedies that may be available under federal securities laws or other laws). Any inaccuracy in any of such representations or warranties will be deemed not to constitute a breach of such representation or warranty if such inaccuracy does not affect the ability of the issuing entity to receive and retain payment in full on the receivables.

The reassignment and purchase obligations of the depositor and NMAC are more fully described in “*Description of the Transfer and Servicing Agreement—Representations and Warranties of the Depositor*” and “*Description of the Transfer and Servicing Agreement—Servicer Covenants*” in this offering memorandum.

### **The Accounts**

The designated accounts under which the receivables have been or will be generated arise from revolving credit agreements entered into by NMAC with retail vehicle dealers to finance the purchase of their automobile and light-duty truck inventory. However, the designated accounts themselves, along with any obligations to fund new purchases of vehicles remain owned by NMAC. Additional accounts may be designated to or, under limited circumstances, redesignated away from the issuing entity.

At the time that NMAC designates an account, the account must meet certain eligibility criteria.

### **The Receivables**

The receivables consist primarily of principal and interest payments owing under the designated accounts. Only the receivables arising in connection with the designated accounts are transferred to the issuing entity.

Once NMAC has designated an account, all new receivables arising in connection with that designated account generally will be transferred automatically to the issuing entity unless the account becomes an ineligible account or is redesignated for removal. Accordingly, the total number and amounts of receivables comprising assets of the issuing entity will fluctuate daily as new receivables arise in designated accounts and are transferred to the issuing entity and existing receivables are collected, charged off as uncollectible or otherwise adjusted. NMAC or the servicer may be required to accept reassignment or repurchase of receivables from the issuing entity in specified circumstances, as described under “*Description of the Transfer and Servicing Agreement—Redesignation of Receivables*” and “*Description of the Transfer and Servicing Agreement—Servicer Covenants*” in this offering memorandum.

### **Terms of the Series 2024-A Notes**

#### *Denominations:*

The Series 2024-A notes will be issued in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof.

#### *Per annum interest rates:*

The notes will be issued with an adjustable rate of interest as set forth on the cover page of this offering memorandum.

The Series 2024-A notes will accrue interest at a floating rate based on the SOFR Rate plus a spread. The benchmark rate will be the SOFR Rate, however, the benchmark rate may change in certain situations. For more information on how the SOFR Rate is determined and the circumstances in which the benchmark rate may change, see “*The Notes—Calculation of Floating Rate Interest*” in this offering memorandum. If the sum of the SOFR Rate and the applicable spread set forth above and on the front cover of this offering memorandum is less than 0.00% for any accrual period, then the interest rate for the Series 2024-A notes for such accrual period will be deemed to be 0.00%. See “*Risk Factors—Risks related to the issuance of floating rate notes and the uncertainty of SOFR—A decrease in SOFR, including a negative SOFR Rate, may reduce the rate of interest on the Series 2024-A notes to 0.00%*” and “*The Notes—Calculation of Floating Rate Interest*” in this offering memorandum.

### *Interest Periods and Payments:*

The issuing entity will pay interest on the notes monthly, on the 15<sup>th</sup> day of each month (or, if that day is not a business day, on the next business day), which we refer to as the “**payment date**.” The first payment date is April 15, 2024. On each payment date, payments on the notes will be made to holders of record as of the last business day preceding that payment date (except in limited circumstances where definitive notes are issued), which we refer to as the “**record date**.”

- Interest on the Series 2024-A notes will accrue from and including the prior payment date (or, with respect to the first payment date, from and including the Series 2024-A issuance date) to but excluding the current payment date.
- The issuing entity will pay interest on the Series 2024-A notes on the basis of the actual number of days elapsed during the period for which interest is payable and a 360-day year. This means that the interest due on each payment date for the Series 2024-A notes will be the product of (i) the outstanding principal amount of the Series 2024-A notes before giving effect to any principal payments made on that payment date, (ii) the applicable interest rate and (iii) the actual number of days from and including the prior payment date (or, with respect to the first payment date, from and including the Series 2024-A issuance date) to but excluding the current payment date, divided by 360.
- In addition to the payment of interest due to the noteholders on each payment date, the issuing entity will also pay step-up amounts on the notes after the expected final payment date. The step-up amounts will be the aggregate amount accrued on the outstanding principal amount of the Series 2024-A notes at the applicable step-up rate for that interest period.
- Interest payments on the notes as described above will be made from available interest amounts after the monthly servicing fee has been paid.

For a full description of how interest will be calculated, see “*Description of the Notes—Interest*.”

### *Principal Payments:*

The issuing entity expects to pay the principal of the Series 2024-A notes in full on February 16, 2026, which is the expected final payment date for the Series 2024-A notes. The final maturity date for the Series 2024-A notes is February 15, 2028.

Principal on the Series 2024-A notes may be paid earlier or later than the expected final payment date or in reduced amounts. You will not be entitled to any premium for early or late payment of principal. If an event of default or an early amortization event occurs, principal of your notes may be paid earlier than expected. If the Series 2024-A notes are not paid in full on the expected final payment date, available principal amounts and certain other amounts will continue to be used to pay principal of the Series 2024-A notes until they are paid in full or until the final maturity date, whichever is earlier.

The issuing entity is not expected to accumulate available principal amounts for payment to the Series 2024-A noteholders, but may choose to begin accumulating principal amounts for payments to the Series 2024-A noteholders in the issuing entity’s sole discretion.

Principal collections allocable to the Series 2024-A notes, to the extent not needed to make payments or deposits in respect of the Series 2024-A notes, will be applied to make required principal payments and deposits in respect of the other series of notes in excess principal sharing group one, if any, then entitled to receive principal payments and, to the extent not needed to make such principal payments, will be used to acquire additional receivables, if any, and then, subject to certain exceptions, will be distributed to the depositor, as holder of the transferor interest.

For more information about principal payments, see “*Description of the Notes—Principal*” in this offering memorandum.

### **Revolving Period**

During the revolving period, principal will not be paid on the Series 2024-A notes and principal will not be accumulated for that purpose. Instead, available principal amounts may be used to purchase additional receivables, to cover interest shortfalls on the Series 2024-A notes, to make principal payments on other series of notes, or to make payments to the depositor as holder of the transferor interest. The revolving period will begin on the Series 2024-A

issuance date and will end once the accumulation period, if any, begins. The revolving period will also end if an early amortization period begins, but may recommence under certain limited circumstances if the early amortization event terminates.

During the revolving period, additional receivables arising under the accounts designated to the issuing entity will be transferred to the issuing entity. There is no limit on the number or amounts of additional receivables which may be acquired by the issuing entity during the revolving period, although the new receivables must meet the eligibility criteria described in “*Description of the Transfer and Servicing Agreement—Redesignation of Accounts—Eligible Accounts*” and “*Description of the Transfer and Servicing Agreement—Representations and Warranties of the Depositor—Additional Designated Accounts*” in this offering memorandum and required documentation must be delivered. Additional receivables arising under accounts designated to the issuing entity will be transferred to the issuing entity on each business day until the earlier of the termination of the issuing entity or a bankruptcy of the issuing entity, the depositor, the sponsor, NNA or NML.

### Accumulation Period

The Series 2024-A notes are intended to receive payment in full of all principal thereof on the expected final payment date specified in this offering memorandum. The issuing entity, acting directly or through the administrator, may in its sole discretion elect to declare any date an “**accumulation period commencement date**” by delivering written notice of such election to the indenture trustee, the servicer and each rating agency; *provided, that*, if the issuing entity does not so elect, then there will not be an accumulation period with respect to the Series 2024-A notes. If the issuing entity does declare an accumulation period commencement date, then the accumulation period will begin on such date. Once an accumulation period has commenced, the accumulation period length cannot be changed. If there is an accumulation period, then funds will be deposited into the accumulation account each month during the accumulation period so that the full amount due as principal on the Series 2024-A notes will be available on the expected final payment date. Regardless of whether an accumulation period is declared, the issuing entity may redeem the Series 2024-A notes as described under “*Optional Redemption*” below.

The “**accumulation period**”, if any, will be the period beginning on the accumulation period commencement date, if any, and terminating on the last day of the collection period preceding the payment date on which the Series 2024-A outstanding principal amount is expected to be paid in full.

### Optional Redemption

The issuing entity may permit the depositor to increase the transferor interest by causing the issuing entity to redeem the Series 2024-A notes, in whole but not in part, (x) on any payment date during the note redemption period, including the Series 2024-A expected final payment date, without any make-whole payment and (y) on any payment date prior to the note redemption period occurring after the first anniversary of the Series 2024-A issuance date, or occurring during the early amortization period, with a make-whole payment. The payment date on which the Series 2024-A notes are redeemed will be the “**redemption date**”. The “**note redemption period**” is the period beginning with the second payment date before the Series 2024-A Expected Final Payment Date.

A “**make-whole payment**” means, for any payment of the Series 2024-A outstanding principal amount of a class made on a payment date before the start of the note redemption period as a result of the occurrence of a Series 2024-A redemption date, an amount (not less than zero) equal to the excess of (a) the present value of (i) the amount of all future interest payments that would otherwise accrue on the outstanding amount of the Series 2024-A notes on such date at the at the Series 2024-A Interest Rate on such payment date until the start of the note redemption period and (ii) the principal payment, discounted from the payment date on which such payment would have been made to such payment date monthly on an actual/360 basis at the SOFR rate for the Series 2024-A notes and such payment date over (b) the principal payment.

For more information regarding the optional redemption, you should refer to “*Description of the Notes—Optional Purchase*” in this offering memorandum.

## Early Amortization Period

During the early amortization period, the issuing entity will pay available principal amounts to Series 2024-A noteholders of the Series 2024-A notes on each payment date. The “**early amortization period**” for the Series 2024-A notes begins on the date on which an early amortization event occurs, and ends on the earlier of (i) the last day of the collection period preceding the payment date on which the Series 2024-A notes will be paid in full and (ii) the issuing entity termination date; *provided, that* an early amortization period may terminate and the revolving period with respect to the Series 2024-A notes may recommence if the event giving rise to the beginning of the early amortization period no longer exists, to the extent described in “*Deposit and Application of Funds—Early Amortization Events*” in this offering memorandum.

Payment of the principal of the Series 2024-A notes will begin earlier than expected upon the occurrence of an early amortization event. If an early amortization event that applies to the Series 2024-A notes occurs, the issuing entity will use available principal amounts each month to pay principal of the Series 2024-A notes. For the avoidance of doubt, no make-whole payment will be made with respect to the payment of principal earlier than the Series 2024-A Expected Final Payment Date during the early amortization period unless the issuing entity elects to redeem the Series 2024-A notes, in whole but not in part. See “—*Optional Redemption*” above.

### *Early Amortization Events*

An “**early amortization event**” will occur if:

- the depositor, the issuing entity, the servicer or NMAC, as applicable, fails to make required distributions or deposits on or before the date occurring ten business days after the date the payment or deposit is required to be made or fails to observe or perform in any material respect certain other covenants and agreements, which failure has a material adverse effect on the Series 2024-A noteholders and which continues unremedied for a period of 60 days after written notice of the failure;
- any representation or warranty made by NMAC, as seller, in the receivables purchase agreement or the depositor in the transfer and servicing agreement, or any information required to be delivered by NMAC or the depositor to identify
- the accounts proves to have been incorrect in any material respect when made or delivered, which failure has a material adverse effect on the Series 2024-A noteholders and which continues to be incorrect in any material respect for a period of 60 days after written notice and, as a result, the interests of the Series 2024-A noteholders are materially and adversely affected;
- the Series 2024-A overcollateralization amount is (with certain limited exceptions) less than the required Series 2024-A overcollateralization amount;
- the occurrence of certain events of bankruptcy, insolvency or receivership relating to the issuing entity, depositor, NMAC, NML or NNA which, if involuntary, remain in effect for a period of sixty (60) consecutive days;
- occurrence of a servicer default that adversely affects in any material respect the interests of any Series 2024-A noteholder;
- on any payment date, the average of the Monthly Payment Rates for the three consecutive collection periods preceding such payment date is less than 20.00% and which continues unremedied for a period of 5 business days after written notice of such event;
- for three consecutive payment dates, the amounts on deposit in the excess funding account on each payment date after giving effect to any deposits or distributions on such date exceed 70% of the sum of the invested amounts of all outstanding series;
- the Series 2024-A notes are not paid in full on the expected final payment date;
- the occurrence of an event of default with respect to the Series 2024-A notes under the Indenture and the declaration that the Series 2024-A notes are immediately due and payable pursuant to the Indenture;
- the failure of the depositor to transfer to the issuing entity receivables arising in connection with additional designated Accounts within ten business days of the date required under the transfer and servicing agreement;

- the occurrence of an event of bankruptcy, insolvency or receivership relating to the issuing entity, the depositor or NMAC; and
- the issuing entity or the depositor becomes an investment company required to be registered under the Investment Company Act of 1940.

For a more detailed discussion of early amortization events, see “*Deposit and Application of Funds—Early Amortization Events*” and “*Sources of Funds to Pay the Notes—Early Amortization Events*” in this offering memorandum.

### Events of Default

The occurrence and continuation of any of the following events will be an “**event of default**” with respect to the Series 2024-A notes:

- the issuing entity fails to pay principal on the final maturity date for the Series 2024-A notes;
- the issuing entity fails to pay interest on the Series 2024-A notes when it becomes due and payable and the default continues for a period of 35 consecutive days;
- the bankruptcy, insolvency, conservatorship, receivership, liquidation or similar events relating to the issuing entity which, if involuntary, remain in effect for a period of 90 days;
- the issuing entity fails to observe or perform any covenants or agreements made in the Indenture if the failure materially and adversely affects the interests of the Series 2024-A noteholders and continues for 90 consecutive days after written notice to the issuing entity by the indenture trustee or to the issuing entity and the indenture trustee by Series 2024-A noteholders representing 50% or more of the outstanding principal amount of the Series 2024-A notes; or
- the issuing entity fails to pay any make-whole payments or accrued step-up amounts on a Series 2024-A note on the final maturity date.

If an event of default, other than bankruptcy, insolvency or similar event with respect to the issuing entity that applies to the Series 2024-A notes occurs and continues, the indenture trustee or the holders of at least 66 2/3% of the outstanding principal amount of the Series 2024-A notes may (and with respect to a

bankruptcy, insolvency or similar event, the indenture trustee will automatically) declare the Series 2024-A notes to be immediately due and payable by a written notice to the issuing entity. That declaration may, under limited circumstances, be rescinded by the holders of at least 66 2/3% of the outstanding principal amount of the Series 2024-A notes. No such rescission will affect any subsequent default or impair any right consequent thereto.

After an event of default and the acceleration of the Series 2024-A notes, funds from issuing entity assets allocated to Series 2024-A will be applied to pay interest and principal on the Series 2024-A notes to the extent permitted by law. Interest collections and principal collections will be applied to make monthly interest and principal payments on the Series 2024-A notes until the date on which the Series 2024-A notes are paid in full or until all such assets allocated to Series 2024-A have been exhausted.

If an event of default that applies to the Series 2024-A notes occurs and continues and the Series 2024-A notes are accelerated, the indenture trustee may institute proceedings in its own name for the collection of all amounts then payable on the Series 2024-A notes or take any other appropriate action to protect and enforce the rights and remedies of the indenture trustee and the Series 2024-A noteholders. The indenture trustee may also (or shall, at the direction of the holders of a specified percentage of the outstanding principal amount of the Series 2024-A notes) foreclose on a portion of the issuing entity assets by causing the issuing entity to sell a portion of those assets to permitted purchasers under the Indenture, subject to certain conditions. See “*Description of the Indenture—Events of Default; Rights upon Event of Default*” in this offering memorandum.

### Application of Collections

#### *Interest Collections:*

On each payment date, available interest amounts (subject to certain adjustments) will be applied in the following order of priority:

- to the servicer, any outstanding Series 2024-A Servicer Advance Amount;
- to the servicer, the monthly servicing fee for Series 2024-A;



- to the Series 2024-A noteholders, any accrued and unpaid interest due on the Series 2024-A notes;
- to cover Series 2024-A's share of defaulted amounts, if any, for the related collection period and Series 2024-A's nominal liquidation amount deficit, if any;
- to the reserve account, an amount required to cause the amount of cash on deposit in the reserve account to equal the specified reserve account balance;
- to the Series 2024-A noteholders to pay any make-whole payments and, after the Series 2024-A expected final payment date, any accrued step-up amounts;
- to the Series 2024-A noteholders, on and after the occurrence of an event of default and acceleration of the Series 2024-A notes, to repay the outstanding principal amount of the Series 2024-A notes;
- to cover any shortfalls for other series in excess interest sharing group one;
- to the indenture trustee, any payments in respect of accrued and unpaid fees, expenses and indemnity payments, as applicable, due pursuant to the Indenture but only to the extent that such fees, expenses or indemnity payments have been outstanding for at least 60 days;
- to the owner trustee, any payments in respect of accrued and unpaid fees, expenses and indemnity payments due pursuant to the trust agreement but only to the extent that such fees, expenses or indemnity payments have been outstanding for at least 60 days; and
- with certain limited exceptions, to the holders of the transferor interest.

For a more detailed description of these applications, see “*Deposit and Application of Funds—Application of Available Amounts*” in this offering memorandum.

#### *Principal Collections:*

On each payment date available principal amounts will be applied as follows:

- if available interest amounts, together with shared excess interest amounts and amounts on deposit in the reserve account, are not sufficient to cover interest payments, to pay such shortfall, not to exceed the Series 2024-A overcollateralization amount;
- if Series 2024-A is in an accumulation period, to deposit to the accumulation account an amount equal to the Controlled Deposit Amount, then any remaining amounts will be treated as shared excess principal amounts and will be available to make required principal distributions and deposits for other series of notes in excess principal sharing group one, then to reinvest in additional receivables and thereafter to distribute to the holders of the transferor interest;
- if Series 2024-A is in an early amortization period, to pay all remaining available principal amounts to the Series 2024-A noteholders until the Series 2024-A invested amount is reduced to zero, then any remaining amounts will be treated as shared excess principal amounts and will be available to make required principal distributions and deposits for other series of notes in excess principal sharing group one, then to reinvest in additional receivables and thereafter to distribute to the holders of the transferor interest; and
- if Series 2024-A is not in the accumulation period or an early amortization period, as shared excess principal amounts available to make required principal distributions and deposits for other series of notes in excess principal sharing group one, then to reinvest in additional receivables and thereafter to distribute to the holders of the transferor interest.

For a more detailed description of these applications, see “*Deposit and Application of Funds—Application of Available Amounts*” in this offering memorandum.

#### **Credit Enhancement**

Credit enhancement for the notes will consist of a reserve account, the Series 2024-A overcollateralization amount, shared excess interests amounts, shared excess principal amounts and shared yield supplement interest collections.

The series enhancement described below is the only credit enhancement available for your series. Other than shared collections to the extent described below, you are not entitled to any series enhancement available to any other series that the issuing entity has already issued or may issue in the future. If the credit enhancement is not sufficient to cover all amounts of principal and interest payable on the Series 2024-A notes, the losses will be allocated to the Series 2024-A notes as described in “*Description of the Notes—Series Provisions*”, “*Deposit and Application of Funds—Application of Available Amounts*” and “*Deposit and Application of Funds—Reduction and Reinstatement of Series Nominal Liquidation Amounts*” in this offering memorandum.

*Series 2024-A Overcollateralization Amount:*

Each series of notes issued by the issuing entity will have allocated to that series a ratable portion, called a series allocation percentage, of all of the receivables that are assets of the issuing entity. For a description of the allocation calculations, see “*Deposit and Application of Funds—Allocation Percentages*” in this offering memorandum. As of the Series 2024-A cut-off date, the issuing entity assets allocable to Series 2024-A will equal \$613,496,000, which will exceed the outstanding principal amount of the Series 2024-A notes by \$113,496,000. The amount of that excess is the initial Series 2024-A overcollateralization amount. This overcollateralization amount is intended to protect the Series 2024-A noteholders from the effect of charge-offs on defaulted receivables that are allocated to Series 2024-A and any use of available principal amounts to cover interest shortfalls on the Series 2024-A notes due to defaulted receivables.

Subject to the reductions and reinstatements described below, the Series 2024-A overcollateralization amount will equal the sum of (i) 22.70% of the initial outstanding principal amount of the Series 2024-A notes; *provided, however*, that (A) the depositor may, in its sole discretion, increase this percentage; *provided, further*, that if the depositor voluntarily increases this percentage, then it may, in its sole discretion, upon ten days prior notice to the indenture trustee subsequently decrease the percentage to 22.70% or higher so long as the Rating Agency Condition shall have been satisfied with respect to the Series 2024-A notes and any other outstanding and rated series or class of notes, and (B) this percentage will increase to 26.58% if the average of the monthly payment rates for the three preceding collection periods is less than 30.00% and this percentage will further increase to 30.72% if the

average of the monthly payment rates for the three preceding collection periods is less than 25.00%; *provided, however*, that if this overcollateralization percentage is increased pursuant to this clause, and the average of the monthly payment rates for the three preceding collection periods subsequently increases to 25.00% or more, but less than 30.00%, then the overcollateralization percentage shall decrease to 26.58% and if this overcollateralization percentage is increased pursuant to this clause, and the average of the monthly payment rates for the three preceding collection periods further increases to 30.00% or more, then the overcollateralization percentage shall decrease to 22.70%, and (ii) the incremental overcollateralization amount, which is based on the amount of ineligible receivables, dealer overconcentration amounts and the used vehicle overconcentration amounts in the trust portfolio. The amounts in clauses (i) and (ii) may fluctuate from time to time.

A portion of the collections on the receivables will be allocated to Series 2024-A on the basis of the ratio of the (i) sum of (x) the Series 2024-A invested amount and (y) the Series 2024-A overcollateralization amount to (ii) the aggregate of such amounts for all series. The Series 2024-A overcollateralization amount will be reduced by (i) reallocations of available principal amounts otherwise allocable to the Series 2024-A overcollateralization amount to cover interest shortfalls on the Series 2024-A notes; and (ii) charge-offs resulting from unreimbursed defaults on receivables allocated to Series 2024-A.

Reductions in the Series 2024-A overcollateralization amount will result in a reduced amount of collections on the receivables that are allocated and available to make payments on the Series 2024-A notes. If the Series 2024-A overcollateralization amount is reduced to zero, then charge-offs will instead reduce the Series 2024-A invested amount and you may incur a loss on your notes. In addition, if the Series 2024-A overcollateralization amount is reduced to zero, principal collections will no longer be available to cover interest shortfalls.

*Reserve Account:*

A reserve account will provide credit enhancement for the Series 2024-A notes to the extent described in this offering memorandum. The issuing entity will deposit an amount equal to 0.50% of the initial Series 2024-A invested amount, into the reserve account on the Series 2024-A issuance date. The amount targeted to be on deposit in the reserve account at any time will equal this original amount.

#### *Shared Excess Interest Amounts:*

Your series will be included in a group of series referred to as excess interest sharing group one. To the extent that available interest amounts are not needed to make required distributions or deposits for your series, these excess funds will be applied to cover shortfalls of required interest distributions and deposits for other series that are included in excess interest sharing group one, if any. In addition, you may receive the benefits of excess interest amounts allocated from other series in excess interest sharing group one, if any. See “*Deposit and Application of Funds—Shared Excess Interest Amounts*” in this offering memorandum.

#### *Shared Excess Principal Amounts:*

Your series will also be included in a group of series referred to as excess principal sharing group one. To the extent that available principal amounts are not needed to make any required distributions or deposits for your series, these funds will be applied to cover shortfalls of required principal distributions and deposits for other series in principal sharing group one, if any. Any reallocation for this purpose will not reduce the Series 2024-A nominal liquidation amount. In addition, you may receive the benefits of excess principal amounts allocated from other series in excess principal sharing group one, if any. See “*Deposit and Application of Funds—Shared Excess Principal Amounts*” in this offering memorandum.

#### *Yield Supplement Interest Collections:*

Your series may also in certain circumstances receive an additional portion of the available transferor principal amounts in the form of yield supplement interest collections. The yield supplement interest collections, if any, will be payable in accordance with the order of priority outlined above under “*Application of Collections—Interest Collections*”.

The “**yield supplement interest collections**”, for any day or collection period for which the Supplemental Subordinated Percentage is greater than zero, will be the lesser of (a) the product of (i) the available transferor principal amounts and (ii) the Series 2024-A Floating Allocation Percentage and (b) the product of (i) the Supplemental Subordinated Percentage and (ii) the excess of (x) the Series 2024-A Initial Outstanding Principal Amount over (y) the product of the Series 2024-A Allocation Percentage for such day or collection period and all net investment earnings on amounts (if any) on deposit in the collection

account and the excess funding account on such date or collection period.

#### **Other Series of Notes**

The issuing entity has previously issued various variable funding warehouse and term series notes, and may from time to time issue additional series of notes or additional notes of one or more existing series (including additional notes of this series) without giving you prior notice of or asking you to consent to, the issuance of such additional series of notes or additional notes of an existing series. Such additional series may have terms that are different from the terms relating to your notes, so long as the issuance of that additional series meets the conditions described in “*Description of the Notes—New Issuances*” in this offering memorandum.

On the Series 2024-A issuance date, no other series of notes that have been issued by the issuing entity remain outstanding, but the issuing entity will issue the Series 2024-B notes simultaneously with the Series 2024-A notes.

The following sets forth the principal characteristics of the series of notes that will be issued by the issuing entity that will be outstanding after the Series 2024-A Issuance Date.

#### *Series 2024-B Notes*

Principal Amount	\$500,000,000
Expected Final Payment Date	February 15, 2027
Final Maturity Date	February 15, 2029
Series Issuance Date	March 20, 2024
Excess interest sharing group designation	One
Excess principal sharing group designation	One

#### **Collections and Allocations**

The servicer will collect payments on the receivables and, at the times specified in this offering memorandum, deposit these collections into a collection account. The servicer will separately report interest collections, principal collections and the amount of receivables that are written off as uncollectible, called the “**defaulted amount**”.

During each month, the servicer will allocate interest collections, principal collections and the defaulted amount among your series and other outstanding series of notes that the issuing entity has issued. The

amounts so allocated will be further allocated by the servicer between the Series 2024-A noteholders and the holders of the transferor interest.

The amounts allocated to your series will be determined based generally on the size of the Series 2024-A nominal liquidation amount compared with the aggregate series nominal liquidation amounts of all outstanding series of notes. This amount will then be further allocated between the Series 2024-A noteholders and the holders of the transferor interest, which will be based generally on the size of the Series 2024-A nominal liquidation amount compared with your series' pro rata share of the pool balance, which is the total amount of the principal receivables owned by the issuing entity net of certain specified reductions. This calculation will differ when allocating principal collections depending on whether Series 2024-A is in a revolving period, an accumulation period, if any, or an early amortization period. For a description of the allocation calculations, see *"Deposit and Application of Funds—Allocation Percentages"* in this offering memorandum.

The Series 2024-A invested amount on the Series 2024-A issuance date will be \$500,000,000, which is the same as the initial outstanding principal amount of the Series 2024-A notes. The initial Series 2024-A nominal liquidation amount, which is equal to the sum of the Series 2024-A invested amount and the Series 2024-A overcollateralization amount on the Series 2024-A issuance date, will be \$613,496,000, which will exceed the outstanding principal amount of the Series 2024-A notes by \$113,496,000. If the Series 2024-A nominal liquidation amount declines, amounts allocated and available to make required distributions and deposits for Series 2024-A and to make required payments to you may be reduced. For a description of the events that may lead to these reductions, see *"Deposit and Application of Funds—Allocation Percentages"* and *"Deposit and Application of Funds—Reduction and Reinstatement of Series Nominal Liquidation Amounts"* in this offering memorandum.

### **Transferor Interest**

The interest that represents the right to receive all cash flows from the issuing entity's assets not required to make payments on the notes or to credit enhancement providers, the indenture trustee, the owner trustee or the servicer or which are not otherwise allocable to noteholders is the transferor interest. The transferor interest will fluctuate based on the principal amount of receivables, the amount of

notes outstanding and the overcollateralization amount allocated to each series of notes. The transfer and servicing agreement requires the depositor to transfer to the issuing entity receivables arising in connection with additional accounts if, as of the last day of any collection period, the adjusted pool balance falls below the required participation amount. The **"required participation amount"** for each outstanding series will generally equal the sum of the following amounts: (i) the product of (x) the Required Participation Percentage for such series and (y) the Invested Amount for such series and (ii) the Overcollateralization Amount for such series (subject to increase and decrease by the depositor as described under *"Deposit and Application of Funds—Required Participation Percentage"*) multiplied by (y) the respective invested amount for such series and (ii) the sum of the required overcollateralization amounts of all outstanding series. The Required Participation Percentage for Series 2024-A is 100%. Other series may specify different "required participation amounts" applicable to that series. The depositor may (subject to various limitations) sell all or part of its interest in the transferor interest through the issuance of a supplemental interest.

### **Servicing Fees**

The servicer will be entitled to receive a monthly fee in an amount, and payable, as specified in *"Description of the Notes—Servicing Compensation and Payment of Expenses"* in this offering memorandum. The monthly servicing fee will be payable on each payment date from available interest amounts on deposit in the collection account and will be paid to the servicer prior to the payment of interest on the notes.

### **Tax Status**

On the Series 2024-A issuance date, Mayer Brown LLP, tax counsel to the issuing entity, will deliver an opinion, subject to the assumptions and qualifications therein, to the effect that (i) the Series 2024-A notes (other than Series 2024-A notes beneficially owned by (A) the issuing entity or a person treated as the same person as the issuing entity for U.S. federal income tax purposes, (B) a member of an expanded group (as defined in Treasury Regulation Section 1.385-1(c)(4) or any successor regulation then in effect) that includes the issuing entity or a person considered to be the same person as the issuing entity for United States federal income tax purposes, (C) a "controlled partnership" (as defined in Treasury Regulation Section 1.385-1(c)(1) or any successor regulation then in effect) of such expanded group or

(D) a disregarded entity owned directly or indirectly by a person described in preceding clause (B) or (C)) will be classified as debt for U.S. federal income tax purposes and (ii) the issuing entity will not be characterized as an association (or a publicly traded partnership) taxable as a corporation.

You should refer to “*Certain Federal Income Tax Considerations*” in this offering memorandum, including the discussion under “*Certain Federal Income Tax Considerations—Tax Consequences to U.S. Holders of Notes—Net Investment Income*.”

*We encourage you to consult your own tax advisor regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of the Series 2024-A notes and the tax consequences arising under the laws of any state or other taxing jurisdiction.*

### **Certain Investment Considerations**

The issuing entity is not registered or required to be registered as an “investment company” under the Investment Company Act of 1940, as amended. The issuing entity is relying on the exemption or exclusion from the definition of “investment company” set forth in Section 3(c)(5) of the Investment Company Act of 1940, as amended, or Rule 3a-7 under the Investment Company Act of 1940, as amended, although other exceptions or exclusions may be available to the issuing entity. The issuing entity will be structured so as not to constitute a “covered fund” as defined in the final regulations issued December 10, 2013 implementing the “Volcker Rule” (Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act).

### **Certain ERISA Considerations**

Subject to the considerations discussed under “*Certain U.S. Employee Benefit Plan Considerations*,” the Series 2024-A notes may be acquired with the assets of 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, a “plan” as defined in Section 4975(e)(1) of the Internal Revenue Code of 1986, as amended (the “**Code**”) that is subject to Section 4975 of the Code, or any entity deemed to hold plan assets of either of the foregoing (each a “**Benefit Plan Investor**”), as well as “governmental plans” (as defined in Section 3(32) of ERISA), any other employee benefit plans or plans that are not subject to Title I of ERISA or Section 4975 of the Code and any entity deemed to

hold plan assets of the foregoing (collectively, with Benefit Plan Investors, referred to as “**Plans**”). Fiduciaries of Plans are urged to carefully review the matters discussed in this offering memorandum and consult with their legal advisors before making a decision to invest in the Series 2024-A notes. See “*Certain U.S. Employee Benefit Plan Considerations*.”

### **The Offering**

The Series 2024-A notes are being offered only to qualified institutional buyers (each a “**QIB**,” and, collectively “**QIBs**”) within the meaning of Rule 144A (“**Rule 144A**”) of the Securities Act of 1933, as amended (the “**Securities Act**”) and to non-U.S. persons outside the United States in accordance with Regulation S under the Securities Act (“**Regulation S**”).

BofA Securities, Inc., Citigroup Global Markets Inc., Mizuho Securities USA LLC, MUFG Securities Americas Inc., BNP Paribas Securities Corp., Lloyds Securities Inc., U.S. Bancorp Investments, Inc. and Wells Fargo Securities, LLC (in such capacity, the “**initial purchasers**”) expect to deliver the Series 2024-A notes to purchasers on the Series 2024-A issuance date. The initial purchasers will sell the Series 2024-A notes in individually negotiated transactions.

Except as otherwise provided under “*The Notes—Definitive Notes*”, the Series 2024-A notes sold in reliance on Rule 144A will be evidenced by one or more notes, in fully registered, global form without coupons, deposited with the indenture trustee, as agent for DTC, and registered in the name of Cede & Co. (“**Cede**”), as nominee of DTC. Series 2024-A notes offered and sold in reliance on Regulation S will be represented by one or more notes in fully registered, global form, without interest coupons, deposited with the indenture trustee, as agent for DTC, and registered in the name of Cede, as nominee of DTC. So long as DTC, or its nominee, is the registered owner or holder of a book-entry note, DTC or the nominee, as the case may be, will be considered the sole owner or holder of the applicable Series 2024-A notes represented by a book-entry note for all purposes (including the payment of principal of and interest on the Series 2024-A notes and the giving of instructions or directions under the Indenture) under the Indenture and such Series 2024-A notes. Unless DTC notifies the issuing entity that it is unwilling or unable to continue as depository for a book-entry note, it ceases to be a “Clearing Agency” registered under the Exchange Act or one of

the other events described under “*The Notes—Definitive Notes*” in this offering memorandum occurs, owners of a beneficial interest in a book-entry note will not be entitled to have any portion of a book-entry note registered in their names, will not receive or be entitled to receive physical delivery of the Series 2024-A notes in certificated form and will not be considered to be the owners or holders of any Series 2024-A notes under the Indenture.

## Ratings

It is a condition to the issuance of the Series 2024-A notes that, on the Series 2024-A issuance date, the Series 2024-A notes receive at least the following ratings from Fitch Ratings, Inc. (“**Fitch**”) and Moody’s Investors Service, Inc. (“**Moody’s**”) and, together with Fitch, the “**Hired Agencies**”):

Series	Moody’s	Fitch
2024-A	Aaa (sf)	AAA (sf)

The ratings of the Series 2024-A notes will address the likelihood of payment of principal of, and interest on, the Series 2024-A notes according to their terms. Although the hired rating agencies are not contractually obligated to do so, we believe that each hired rating agency rating the Series 2024-A notes will monitor the ratings using its normal surveillance procedures. Any hired rating agency may change or withdraw an assigned rating at any time. In addition, a rating agency not hired by the sponsor to rate the transaction may provide an unsolicited rating that differs from (or is lower than) the ratings provided by the hired rating agencies. Any rating action taken by a rating agency, whether hired or otherwise, may not necessarily be taken by any other rating agency. No transaction party will be responsible for monitoring any changes to the ratings on the Series 2024-A notes. See “*Risk Factors—Risks related to certain features of the notes and financial market disruptions—A reduction, withdrawal or qualification of the ratings on your notes, or the issuance of unsolicited ratings on your notes or a potential rating agency conflict of interest and regulatory scrutiny of the rating agencies could adversely affect the market value of your notes and/or limit your ability to resell your notes*” in this offering memorandum.

## Credit Risk Retention

The depositor, a wholly-owned subsidiary of NMAC, is the current holder of the transferor interest. The transferor interest is the residual interest in the issuing entity, and represents the right to receive all cash flows from the issuing entity’s assets not required to make payments on the notes or to credit enhancement providers, the indenture trustee, the owner trustee or the servicer or which are not otherwise allocable to noteholders. NMAC, through its ownership of the depositor, intends to retain an interest in the transaction in the form of the transferor interest.

Pursuant to the SEC’s credit risk retention rules, codified at 17 C.F.R. Part 246 (“**Regulation RR**”), NMAC, as sponsor, is required to retain an economic interest in the credit risk of the receivables, either directly or through a majority-owned affiliate (or in the case of retention of a seller’s interest, a wholly-owned affiliate). NMAC intends to satisfy this obligation through the retention by the depositor, its wholly-owned affiliate, of a “seller’s interest” in an amount not less than 5% of the aggregate principal amount of the notes of each outstanding series, excluding any notes and amounts in the accumulation account, if any, held to maturity by NMAC or its wholly-owned affiliates, calculated in accordance with Regulation RR. The required seller’s interest, which has been structured to meet the requirements for a qualifying “seller’s interest” under Regulation RR, will be held by the depositor in the form of the transferor interest. The material terms of the transferor interest are described in this offering memorandum under “*Description of the Trust Agreement—Transferor Interest.*”

The portion of the depositor’s retained economic interest that is intended to satisfy the requirements of Regulation RR will not be transferred or hedged except as permitted under Regulation RR.

## EU Securitization Regulation and UK Securitization Regulation

None of NMAC, the depositor, the initial purchasers or any of their affiliates will retain or commit to retain a 5% material net economic interest with respect to the transaction described in this offering memorandum in accordance with the EU Securitization Regulation or the UK Securitization Regulation (each as defined below) or makes or intends to make any representation or agreement that it or any other party is undertaking or will undertake to take or refrain from taking any action to facilitate

or enable the compliance by EU Affected Investors with the EU Due Diligence Requirements or by UK Affected Investors with the UK Due Diligence Requirements, or to comply with the requirements of any other law or regulation now or hereafter in effect in the EU, any EEA member state or the UK, in relation to risk retention, due diligence and monitoring, credit granting standards or any other conditions with respect to investments in securitization transactions by EU Affected Investors or UK Affected Investors. The arrangements as described in “*Credit Risk Retention*” in this offering memorandum have not been structured with the objective of ensuring compliance with the requirements of the EU Securitization Regulation or the UK Securitization Regulation by any person.

Failure by an EU Affected Investor to comply with the EU Due Diligence Requirements or failure by a UK Affected Investor to comply with the applicable UK Due Diligence Requirements, in each case with respect to an investment in the notes described in this offering memorandum, may result in the imposition of a penalty regulatory capital charge on such investment or other regulatory sanctions and/or remedial measures being taken or imposed by the

competent authority of such EU Affected Investor or UK Affected Investor.

Prospective investors are responsible for analyzing their own legal and regulatory position and should consult with their own investment and legal advisors, regarding the application of the EU Securitization Regulation, the UK Securitization Regulation or other applicable regulations and the suitability of the notes for investment. The transaction described in this offering memorandum is structured in a way that is unlikely to allow EU Affected Investors to comply with the EU Due Diligence Requirements or UK Affected Investors to comply with the UK Due Diligence Requirements. Consequently, the Series 2024-A notes may not be a suitable investment for an EU Affected Investor or a UK Affected Investor.

See “*Legal Investment—Requirements for Certain European Regulated Investors and Affiliates*” and “*Legal Investment—Requirements for Certain UK Regulated Investors and Affiliates*” in this offering memorandum.

## RISK FACTORS

*In addition to the other information contained in this offering memorandum, you should consider carefully the following risk factors in deciding whether to purchase the Series 2024-A notes.*

### **RISKS RELATED TO THE CHARACTERISTICS, SERVICING AND PERFORMANCE OF THE RECEIVABLES IN THE ISSUING ENTITY.**

**The geographic concentration of the dealerships from which receivables are originated may increase the risk of loss on your notes.**

The concentration of receivables and the dealerships from which the receivables in the issuing entity are generated in specific geographic areas may increase the risk of loss. A deterioration in economic conditions regardless of reason, including a general curtailment of business activity, rising interest rates and unemployment, natural or man-made disasters, extreme weather conditions (including an increase in the frequency of extreme weather conditions as a result of climate change), civil unrest or local or regional effects of public health emergencies, in the states where dealers are located, could adversely affect the ability and willingness of dealers to meet their payment obligations and may consequently adversely affect the delinquency and loss experience of the issuing entity with respect to the receivables in such states. See “—Recent and future economic developments may adversely affect the performance of the receivables and may result in reduced or delayed payments on your notes.”

As of the Series 2024-A Cut-Off Date, based on the location of the dealerships, receivables representing approximately 14.38%, 10.05%, 7.54% and 7.12% of the aggregate principal balance of the receivables as of the Series 2024-A Cut-Off Date of the receivables in the issuing entity were located in Texas, California, Florida and New York, respectively. No other state, based on the location of the dealers, accounted for more than 5.00% of the aggregate principal balance of the receivables as of the Series 2024-A Cut-Off Date.

Because of the concentration of the receivables in certain states, any adverse economic conditions, natural or man-made disasters, extreme weather conditions or civil unrest in these states in particular could adversely affect the delinquency and loss experience of the issuing entity more than if the concentration did not exist, which may result in a greater risk of loss to you or your notes. In particular, there have been predictions that climate change may lead to an increase in the frequency of natural disasters and extreme weather conditions, with certain states bearing a greater risk of the adverse effects of climate change, which could increase the risks of geographic concentration in the pool of receivables.

**Dealer concentrations may result in larger losses from a group of affiliated dealers.**

As of the Series 2024-A Cut-Off Date, NMAC provided wholesale or floorplan financing to groups of affiliated dealers in the issuing entity. Although the 10 largest dealer groups accounted for no more than 26.89% of the total outstanding principal balance of the receivables (net of the cash management account balance) as of the Series 2024-A Cut-Off Date, the single largest group of dealers and its affiliates accounted for 7.06% of the total outstanding principal balance (net of the cash management account balance) of the receivables as of that date. A default by one or more groups of affiliated dealers may result in delays or reductions on your notes.

Further, if a dealer or group of affiliated dealers were to default, any adverse change in the value of a specific model type (including due to a vehicle recall) securing that dealer’s receivables could reduce the proceeds received as a result of a foreclosure of the dealer’s principal receivables. As a result, you may incur a loss on your investment in the notes.

**The impact of climate-change related events, including efforts to reduce or mitigate the effects of climate change, may increase the risk of losses or reduce the return on your notes.**

The effects of climate change and ongoing efforts to mitigate its impact could have a negative effect on NMAC, NML and NNA, including through climate change-related legislation and regulation, adverse changes to the physical environment and public perception of greenhouse gas emissions from petroleum powered vehicles. The



auto industry in particular is subject to regulations worldwide that govern product characteristics and that differ by region, country, state or province and locality. Regulations continue to be proposed to address concerns regarding the environment, including global climate change and its impact. The implications of those actions, as well as future efforts, are uncertain, but could adversely impact the business operations and financial condition of manufacturers, suppliers and dealers, including NMAC, NML, NNA and the dealerships.

Further, significant physical effects of climate change, such as extreme weather and natural disasters, the frequency and severity of which are expected to increase, may affect manufacturers, suppliers and other interdependent market participants in the auto industry, including NMAC, NML and NNA and their customers. In addition, extreme weather and natural disasters may have industry- or economy-wide effects due to the interdependence of market actors, including dealers on the receivables, and may consequently adversely affect the delinquency and loss experience of the issuing entity with respect to the receivables in such states. See “—*The geographic concentration of the dealerships from which receivables are originated may increase the risk of loss on your notes.*” Further, the pricing of used vehicles is affected by, among other factors, consumer preferences, which may be impacted by consumer perceptions of climate change and consumer efforts to mitigate or reduce climate change-related events by purchasing vehicles that are viewed as more fuel efficient (including vehicles powered primarily or solely through electricity). An increase in the supply or a decrease in the demand for used vehicles may impact the resale value of the underlying vehicles securing the receivables.

Consequently, the impact of climate-change related events, including efforts to reduce or mitigate the effects of climate change, may increase the risk of losses or reduce the return on your notes.

**Competition in the automobile industry may result in a decline in NMAC’s ability to generate new receivables and a decline in the sale of dealer vehicle inventory or a decline in dealer vehicle inventory levels may result in accelerated, reduced or delayed payments on your notes.**

The issuing entity depends on NMAC for the generation of new receivables. The ability of NMAC to generate receivables, in turn, depends to a large extent on the sale and lease of automobiles and light-duty trucks manufactured by Nissan Motor Co., Ltd. (“NML”) and Nissan North America, Inc. (“NNA”), and distributed by NNA. NMAC may not continue to generate receivables at the same rates as in past years. If the rate at which the financed vehicles are sold declines significantly, new receivables may be generated more slowly and outstanding receivables may be repaid more slowly. If the former occurs, an early amortization event may occur resulting in repayment of all or a portion of your notes before the related expected final payment date. If the latter occurs, you might receive principal more slowly than planned.

Further, the willingness of dealers to purchase new vehicle inventory depends to a large extent on their ability to sell their existing vehicle inventory. The ability of dealers to sell their vehicle inventory is directly affected by a variety of economic, market and social factors, including competition in the automobile industry, which factors will also ultimately affect the size of NMAC’s dealer floorplan portfolio. Vehicle inventory and vehicle inventory levels may be affected by a number of factors, including a decline in the manufacture and sale of Nissan- and Infiniti-branded vehicles, economic disruption, competitive pressure, changes in customer preferences, production interruptions, vehicle recalls, supply chain disruptions, seasonal fluctuations in the sale of vehicles, changes in marketing or purchase incentive programs and government or regulatory investigations. The rate of dealer vehicle sales, the level of dealer vehicle inventory and the size of NMAC’s dealer floorplan portfolio may change over time. A significant reduction in the rate of dealer vehicle sales or in the level of dealer vehicle inventory, and any resulting decline in the size of NMAC’s dealer floorplan portfolio, could lead to an early amortization event and may also adversely impact the amount of principal collections on the receivables, which may result in accelerated, reduced or delayed payments on your notes.

**NMAC’s discretion over the servicing of the receivables, including the ability to change the terms of the receivables, may impact the amount and timing of funds available to make payments on the notes.**

Although NMAC is obligated to service the receivables in accordance with its customary servicing practices, NMAC has discretion in servicing the receivables, including the ability to grant payment extensions and to determine the timing and method of collection and liquidation procedures. NMAC has the ability to change the terms of the receivables under the designated accounts, on a case-by-case basis or more broadly in accordance with

its customary servicing practices, for example, in connection with a natural disaster affecting a large group of dealers. These terms may include the applicable interest rates, payment terms and amount of the dealer's credit line under the designated account, as well as the underwriting procedures. NMAC's ability to change the terms of the receivables under designated accounts may result in delays, reductions or accelerated payments on your notes. See *"The Dealer Floorplan Financing Business"* and *"Description of the Transfer and Servicing Agreement—Collection and Other Servicing Procedures"*. Any of these modifications or changes in terms may extend the maturity of the receivables and reduce the yield on your notes.

**You may suffer a loss on your notes if NNA or NMAC terminates dealer financial assistance.**

NMAC currently provides to Nissan- and Infiniti-branded dealers and other dealers that are affiliated with Nissan- and Infiniti-branded dealers and, in limited circumstances, other dealers not affiliated with Nissan- or Infiniti-branded dealers that operate dealerships franchised by other manufacturers, financial assistance in the form of working capital and other loans from NMAC as well as offering a cash incentive for each Nissan or Infiniti retail automobile sales contract or lease that the dealer sells to NMAC. NNA provides repurchase protections and other limited incentives to Nissan- and Infiniti-branded dealers. If NMAC or NNA were to become unable or were to elect to terminate this financial assistance or these incentives to the dealers, losses on the receivables may increase and you may suffer losses on your notes.

**Recent and future economic developments may adversely affect the performance of the receivables and may result in reduced or delayed payments on your notes.**

The United States has in the past experienced, and may in the future experience, a recession or period of economic contraction or volatility. During the recession that resulted from the outbreak of the Coronavirus Disease 2019 ("COVID-19") pandemic, the United States experienced an unprecedented level of unemployment claims, economic volatility, inflation, and a decline in consumer confidence and spending. The long-term impacts of the social, economic and financial disruptions caused (directly and indirectly) by COVID-19 are unknown. Although economic conditions have since improved following the initial outbreak of COVID-19, the outlook for the U.S. economy remains uncertain, and it is currently unclear whether the United States is experiencing, or soon will experience, another recession. Recently, high inflation and related economic policies have caused periods of economic contraction that may be prolonged. Periods of economic slowdown or recession are often characterized by high unemployment and diminished availability of credit, which could adversely impact vehicle sales or the financial strength of dealers.

A deterioration in economic conditions and certain economic factors, such as reduced business activity, high unemployment, interest rates, housing prices, energy prices (including the price of gasoline), increased consumer indebtedness, lack of available credit, the rate of inflation and consumer perceptions of the economy, as well as other factors, such as terrorist events, civil unrest, cyber-attacks, public health emergencies, extreme weather conditions, significant changes in the political environment, political instability, armed conflict (such as the ongoing military conflict between Ukraine and Russia and the armed conflict in the Middle East) and/or public policy, including increased state, local or federal taxation, could adversely affect manufacturers, suppliers and dealers in the automobile industry, including NMAC, NNA, NML and their related dealers. The issuing entity's ability to make payments on the notes could be adversely affected if dealers were unable to sell vehicles or to make timely payments on the receivables or if the servicer elected to, or was required to, implement forbearance programs for dealers.

Further, periods of economic slowdown may also be accompanied by temporary or prolonged decreased consumer demand for motor vehicles and declining vehicle values. Such a decline in the value of vehicles related to the receivables or an increase in the unsold inventory of dealers could weaken collateral coverage and increase the amount of a loss in the event of a default by a dealer. Significant increases in the inventory of used vehicles during periods of economic slowdown or recession may also depress the prices at which repossessed automobiles may be sold or delay the timing of these sales. Any of these factors could affect the performance of your notes and your ability to sell your notes in the secondary market.

See *"The Trust Portfolio—Delinquency and Loss Experience"* in this offering memorandum for delinquency and loss information regarding certain motor vehicle retail installment contracts originated and serviced by NMAC.

*RISKS RELATED TO THE LIMITED NATURE OF THE ISSUING ENTITY'S ASSETS.*

**You must rely for repayment primarily upon payments from the issuing entity's assets which may not be sufficient to make full payments on your notes.**

The notes represent indebtedness of the issuing entity and will not be insured or guaranteed by the servicer, NMAC, NML, NNA, the depositor, or any of their respective affiliates, the indenture trustee, the owner trustee or, unless specified in this offering memorandum, any other person or entity other than the issuing entity. The only sources of payment on your notes are payments received on or in respect of the receivables and, if and to the extent available, any credit enhancement and amounts on deposit in a reserve account or similar account, if any, established for the benefit of your notes. However, although funds in the reserve account will be available to cover shortfalls in distributions of interest on and principal of your notes, funds to be deposited in this account are limited. If the funds in this account are exhausted, your notes will be paid solely from current distributions on the receivables. See "Credit Enhancement" in this offering memorandum.

**You may experience a loss or a delay in receiving payments on the notes if the assets of the issuing entity are liquidated, proceeds from the liquidation may not be sufficient to pay your notes in full, and failure to pay principal on your notes will not constitute an event of default or breach until the final maturity date.**

Your remedies will be limited if an event of default with respect to the Series 2024-A notes occurs. After an event of default and the acceleration of the Series 2024-A notes, interest collections and principal collections allocated to Series 2024-A and any funds in the accumulation account or reserve account will be applied to make payments of monthly interest and principal on your notes until the earlier of the date the Series 2024-A notes are paid in full and the final maturity date for the Series 2024-A notes. However, no principal collections will be allocated to Series 2024-A if its invested amount is zero, even if the outstanding principal amount of the Series 2024-A notes has not been paid in full.

If any event of default occurs and continues, the holders of at least 66 2/3% of the outstanding principal amount of the Series 2024-A notes may direct the indenture trustee to sell the receivables that are allocated to Series 2024-A and prepay the Series 2024-A notes. It is difficult to predict the length of time that will be required for such a sale to be completed. In addition, the amounts received from a sale in these circumstances may not be sufficient to pay all amounts owed to the holders of the Series 2024-A notes, and you may suffer a loss. See "Description of the Indenture—Events of Default; Rights Upon Event of Default" in this offering memorandum.

**Interests of other persons in the receivables and underlying vehicles could be superior to the interests of the issuing entity, which could result in delays in payments or losses on your notes.**

The assets of the issuing entity include an assignment of NMAC's security interests in the underlying vehicles securing the receivables. Under applicable state laws, a security interest in an automobile or light-duty truck securing floorplan financing obligations may be perfected by filing a financing statement under the Uniform Commercial Code. NMAC will undertake to perform all actions necessary under applicable state laws to perfect the security interests in the vehicles. However, at the time that a dealer sells or leases a vehicle, the issuing entity's security interest in the vehicle generally will terminate. Consequently, if a dealer sells or leases a vehicle and subsequently defaults in repaying the amount owed on the related receivable, the issuing entity will not have any recourse to the vehicle and you could suffer a loss on your notes. See "Material Legal Aspects of the Receivables" in this offering memorandum.

In addition to perfected security interests in the dealer inventory vehicles whose financing relates to the receivables, the assets of the issuing entity include an assignment of security interests in certain non-vehicle collateral that also secures the receivables. Certain other creditors of the dealers who are obligors on the receivables may have security interests in or claims on the vehicle and non-vehicle collateral securing their payment obligations. All of the security interests of these other creditors in the vehicles whose financing relates to the receivables will be junior to the security interests of the issuing entity in these vehicles. Certain of the security interests of the issuing entity in the non-vehicle collateral securing any receivables may be junior to the security interests granted in favor of other lenders to or creditors of the dealers. Moreover, these security interests in the non-vehicle collateral generally will

be subordinate to security interests granted in favor of NMAC. Accordingly, a given item of non-vehicle collateral (or proceeds thereof) may not be realizable to act as a source of payment on your notes.

Furthermore, a lender or creditor having any adverse security interests or claims on the collateral may be able to commence foreclosure upon the collateral securing a receivable at times or under circumstances that the servicer might believe to be disadvantageous or inopportune. A foreclosure may result in liquidation of the collateral and recognition of a loss in respect of the receivable, and receipt of collections in respect of amounts due or overdue on the receivable earlier or later than you expected. This action and collections may result in payment on your notes occurring earlier or later than you expected, and the realization of reduced collections and resulting losses on your notes. Moreover, if NMAC becomes the subject of an insolvency or receivership proceeding, competing claims to ownership or security interests in the receivables could arise. These claims, even if unsuccessful, could result in delays in payments on the notes. If successful, these claims could result in losses or delays in payment to you or an acceleration of the repayment of the notes.

The possibility that NMAC (and accordingly, the issuing entity) may not have a perfected security interest in the underlying vehicles or the receivables, or may have a perfected security interest that is junior to that of another party, may affect NMAC's ability on behalf of the issuing entity to repossess and sell the underlying vehicles. Therefore, you may be subject to delays in payments on your notes and you may incur losses on your notes.

**Issuance of additional series by the issuing entity could affect the timing and amounts of the payments on your notes.**

The issuing entity is a master owner trust. The issuing entity expects to issue another series of notes on the date hereof and may issue additional series of notes from time to time. The issuing entity may issue series with terms that are different from Series 2024-A without your prior review or consent. The terms of a new series could affect the timing and amounts of payments on any other outstanding series, including Series 2024-A. In addition, some actions require the consent of a majority of the noteholders of all outstanding series. The interests of the holders of any new series of notes issued by the issuing entity could be different from your interests. For more details about the issuance of new series, see "*Description of the Notes—New Issuances*" in this offering memorandum.

**You may not receive your principal on the expected final payment date because of the performance of other series.**

If your series were to enter the accumulation period or an early amortization period while another series in excess principal sharing group one was either in the accumulation period or an early amortization period or were to enter the accumulation period or an early amortization period before the principal amount of the Series 2024-A notes is reduced to zero, available principal amounts from that series will not be available to make payments on the Series 2024-A notes. As a result, deposits to the accumulation account, if any, for, or the payments on, the Series 2024-A notes may be reduced and final payment of the principal of the Series 2024-A notes may be delayed. Also, the shorter the accumulation period for the notes of your series, the greater the likelihood that payment in full of the notes of your series on the expected final payment date will depend on available principal amounts from other series in excess principal sharing group one to make principal payments on your notes.

**Additional assets of the issuing entity may decrease the credit quality of the assets securing the repayment of your notes, resulting in reduced, accelerated or delayed payments on your notes.**

The depositor expects that it will periodically transfer to the issuing entity receivables arising in connection with additional designated accounts and may, at times, be obligated to transfer receivables arising in connection with additional designated accounts to the issuing entity. While each additional designated account must be an eligible account at the time of its designation, additional designated accounts may not be of the same credit quality as the accounts currently designated for the issuing entity. For example, additional designated accounts may have been originated or acquired by NMAC using credit criteria different from those applied by NMAC to the initial accounts designated for the issuing entity. Consequently, future additional designated accounts may not have the same credit quality as those currently designated for the issuing entity. If additional designated accounts for the issuing entity reduce the credit quality of the assets of the issuing entity, it will increase the likelihood that your receipt of payments will be reduced or will be received earlier or later than the expected final payment date.

**Credit enhancement is limited and if exhausted may result in a loss on your notes.**

Credit enhancement for the Series 2024-A notes will be provided by the Series 2024-A overcollateralization amount as described in this offering memorandum, by amounts on deposit in the reserve account, and by Series 2024-A being included in a group of series referred to as excess interest sharing group one and excess principal sharing group one. The amount of such credit enhancement is limited and may be reduced from time to time.

If the credit enhancement is exhausted, you will be increasingly likely to incur a loss. See “*Deposit and Application of Funds—Series 2024-A Overcollateralization Amount*” and “*—Reserve Account*” in this offering memorandum for more information about credit enhancement for the Series 2024-A notes.

**Changes in the level of losses may result in accelerated, reduced or delayed payments on your notes.**

The historical level of losses or delinquencies experienced by NMAC on its U.S. dealer floorplan portfolio may not be predictive of future performance of the issuing entity’s receivables. Losses or delinquencies could increase significantly for various reasons, including changes in local, regional or national economies or due to other events. Any significant increase in losses or delinquencies on the receivables may result in accelerated, reduced or delayed payments on your notes.

**If an early amortization event occurs or the issuing entity exercises its optional redemption rights, you may receive your principal sooner or later than you expected and you may not receive all of your principal.**

If an early amortization event occurs, it may shorten the term and change the date of final payment of the Series 2024-A notes. For example, if the balance of the receivables owned by the issuing entity is not maintained at a specified level, the depositor must designate additional accounts, the receivables of which will be transferred to the issuing entity. If additional accounts are not designated by the depositor when required, as described under “*Deposit and Application of Funds—Early Amortization Events*” in this offering memorandum, an early amortization event will occur. Or, if an insolvency event relating to NMAC, the issuing entity, NNA, NML or the depositor were to occur, an early amortization event will occur. In that case, additional receivables will not be transferred to the issuing entity and principal payments on the Series 2024-A notes will commence. If an early amortization event occurs, you may receive your principal sooner or later than you expected and you may not receive all of your principal. You may not be able to reinvest the principal repaid to you earlier than expected at a rate of return that is equal to or greater than the rate of return on your notes. See “*The Dealer Floorplan Financing Business*” and “*Description of the Notes—Principal*” and “*Deposit and Application of Funds—Early Amortization Events*” in this offering memorandum for more information about the timing of payments of principal on the Series 2024-A notes.

In addition, your notes may be paid in full before the expected maturity date if the issuing entity permits the depositor to increase the transferor interest by causing the issuing entity to redeem the Series 2024-A notes, in whole but not in part. The Series 2024-A notes may be redeemed (x) on any payment date during the note redemption period, including the excepted final payment date, without a make-whole payment or (y) on any earlier payment date occurring after the first anniversary of the Series 2024-A Issuance Date or during an early amortization period, with a make-whole payment. For more information about the optional redemption option, see “*Description of the Notes—Optional Redemption*” and “*Sources of Funds to Pay the Notes—Make-Whole Payments*” in this offering memorandum.

**Step-up amounts and make-whole payments will not be paid until the principal amount of all of the notes is paid in full.**

Step-up amounts and make-whole payments will not be paid on the notes until all principal amounts payable on the related payment date from interest collections have been paid in full. Failure to pay any step-up amounts or make-whole payments on the notes on any payment date will not be an event of default until the final maturity date. See “*Sources of Funds to Pay the Notes—Make-Whole Payments*” and “*Sources of Funds to Pay the Notes—Step-Up Amounts*” in this offering memorandum.

*RISKS RELATED TO THE SERVICER AND OTHER TRANSACTION PARTIES.*

**Adverse events with respect to NMAC, its affiliates or a third-party service provider may adversely affect the timing or amount of payments on your notes or may reduce the market value and/or liquidity of your notes.**

Adverse events with respect to NMAC, its affiliates or a third-party provider to whom NMAC outsources its activities may result in servicing disruptions or reduce the market value and/or liquidity of your notes. NMAC currently outsources some of its activities as servicer to third-party providers. In the event of a termination and replacement of NMAC as the servicer, or if any third-party provider cannot perform its activities, there may be some disruption of the collection activity with respect to delinquent receivables and therefore delinquencies and credit losses could increase. NMAC will be required to accept reassignment of certain receivables (or, at its option, redesignate the accounts related to such receivables and reassign all receivables under such accounts) that do not comply with representations and warranties made by NMAC, and in its capacity as servicer, NMAC will be required to accept reassignment (or, at its option, redesignate the accounts related to such receivables and reassign all receivables under such accounts) of certain receivables if it breaches specific servicing obligations with respect to those receivables and the issuing entity is materially adversely affected by such breach. If NMAC were to become unable to accept reassignment (or, at its option, redesignate the accounts related to such receivables and reassign all receivables under such accounts) and make the related payment to the issuing entity, you may incur losses on your notes.

Further, servicing disruptions could result from unanticipated events beyond NMAC's or a third-party provider's control, such as natural disasters or man-made disasters, civil unrest, political instability, cyber-attacks, armed conflict (such as the ongoing military conflict between Ukraine and Russia and the armed conflict in the Middle East), public health emergencies (including COVID-19 or similar outbreaks) and economic disruptions, particularly to the extent such events affected NMAC's or a third-party provider's business or operations. Further, if certain third-party providers that NMAC relies on to deliver products and services to support its business fail to fully perform their obligations in a timely manner NMAC's ability to operate its business or perform its obligations under the Transaction Documents could be adversely impacted and a disruption in collection activities with respect to the receivables could occur.

Further, NMAC has been, or may become, subject to various legal and regulatory proceedings and governmental investigations in the ordinary course of its business. Such proceedings and investigations could result in (individually or in the aggregate) adverse consequences to the sponsor including, without limitation, adverse judgments, settlements, fines, penalties, injunctions, or other actions and may affect the ability of NMAC or any of its subsidiaries or affiliates to perform their respective duties under the Transaction Documents.

NMAC relies upon its ability to sell securities in the asset-backed securities market and upon its ability to access various credit facilities to fund its operations. The global credit and financial markets have experienced, and may continue to experience, significant disruption and volatility. If NMAC's access to funding is reduced or if NMAC's costs to obtain such funding significantly increase, NMAC's business, financial condition and results of operations could be materially and adversely affected, which could adversely affect NMAC's ability to perform its obligations under the Transaction Documents, including as servicer, and the liquidity and market value of your notes.

In addition, adverse corporate developments with respect to servicers of asset-backed securities or their affiliates have in some cases also resulted in a reduction in the market value and/or liquidity of the related asset-backed securities. NMAC is an indirect wholly-owned subsidiary of NML, a Japanese corporation. Although neither NML nor NMAC is guaranteeing the obligations of the issuing entity, adverse events affecting NML or NMAC may adversely affect your investment in the notes. For example, if NML ceased to manufacture vehicles or support the sale of vehicles, if the credit rating of NML or NMAC were downgraded or if NML faced challenges related to its ongoing strategic alliances or financial, reputational, regulatory or operational difficulties, those events may reduce the market value of Nissan or Infiniti vehicles or the market value and/or liquidity of your notes. Any reduction in the market value of Nissan and Infiniti vehicles may result in lower values realized through any foreclosure proceedings held with respect to those vehicles or self-help reposessions and dispositions and as a result, reduce amounts available to pay the notes and the timing and amount of payments on your notes.

Additionally, the ability of NMAC, as the servicer, to perform its obligations under the Transaction Documents will depend, in part, on its ability to store, retrieve, process and manage substantial amounts of information. Any failure or interruption of the servicer's information systems or any third party information systems on which it relies as a result of inadequate or failed processes or systems, human errors, employee misconduct, catastrophic events, external or internal security breaches, acts of vandalism, hardware or software failures, computer viruses, malware, ransomware, misplaced or lost data or other events could disrupt the servicer's normal operating procedures, could damage its reputation, could lead to significant costs to remediate and could have an adverse effect on its business, results of operations and financial condition.

From time to time, the servicer may update its servicing systems in order to improve operating efficiency, update technology and enhance customer services. In connection with any updates or transitions, the servicer may experience disruptions in servicing activities both during and following roll-out of the new servicing systems or platforms caused by, among other things, periods of system down-time and periods devoted to user training. These and other implementation-related difficulties may contribute to higher delinquencies, servicing inefficiencies, data processing issues, manual intervention to supplement or correct systems issues and the need for further updates to the servicing systems. It is not possible to predict with any degree of certainty all of the potential adverse consequences that may be experienced in connection with a failure or interruption of information systems, and any disruptions in servicing activities may have an adverse effect on your notes.

Further, the servicer has been and continues to be subject to the threat of a range of cyber-attacks, which, if successful, could give rise to the loss of significant amounts of sensitive information and the disablement of the information technology systems used to service dealers that are obligors on the receivables and other customers. The risk of a cyber-attack or other security breach may be more likely due to the transition to remote work for the majority of NMAC's workforce (and the workforce of NMAC's vendors) following the COVID-19 outbreak. NMAC may incur significant costs in attempting to protect against such attacks or remediate any vulnerability or resulting breach. For example, dealers may have a private right of action against the servicer if the incident results in unauthorized access or disclosure of personal information. If NMAC fails to effectively manage cyber-security risk or is required to devote significant resources towards doing so, this could materially and adversely affect its business, financial condition and results of operation, as well as its ability to service the receivables, resulting in an increased risk of loss on the notes.

**Federal or state financial regulatory reform or regulation could have a significant impact on the servicer, any sub-servicer, the sponsor, the originator, the depositor or the issuing entity and could adversely affect the timing and amount of payments on your notes.**

NMAC is subject to a variety of laws and regulations regulating financial services in the jurisdictions where it operates, including supervision and licensing by numerous governmental entities. These laws and regulations can create significant constraints on the NMAC's operations and result in significant costs related to compliance. Failure to comply with these laws and regulations could impair the ability of the NMAC to continue operating and result in substantial civil and criminal penalties, monetary damages, attorneys' fees and costs, possible revocation of licenses, and damage to reputation, brand and valued customer relationships.

On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") was enacted. The Dodd-Frank Act is extensive and significant legislation that, among other things, created a framework for the liquidation of certain bank holding companies and other nonbank financial companies and certain of their subsidiaries 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 created the Consumer Financial Protection Bureau (the "**CFPB**"), an agency responsible for, among other things, administering and enforcing the laws and regulations for consumer financial products and services and conducting examinations of certain entities for purposes of assessing compliance with the requirements of consumer financial laws.

The Dodd-Frank Act impacts the offering, marketing and regulation of consumer financial products and services offered by financial institutions. The CFPB has supervision, examination and enforcement authority over the consumer financial products and services of certain non-depository institutions and large insured depository institutions and their respective affiliates. The CFPB also has authority over certain enumerated statutes that may

apply to certain commercial financial products and services, such as the Equal Credit Opportunity Act. NMAC is subject to the supervisory and examination authority of the CFPB.

In addition, the liquidation framework for the resolution of covered financial companies or the covered subsidiaries may apply to NMAC or its affiliates, the issuing entity or the depositor, and, if it were to apply, may 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 certain transfers of the receivables as further described under “*Material Legal Aspects of the Receivables—Dodd-Frank Orderly Liquidation Framework*” in this offering memorandum. Application of this framework could materially and adversely affect the timing and amount of payments of principal and interest on your notes. See “*Material Legal Aspects of the Receivables—Dodd-Frank Orderly Liquidation Framework*” in this offering memorandum.

Further, changes to the regulatory framework in which NMAC operates, including, for example, laws or regulations enacted to regulate commercial financing services offered to small and medium size businesses, to protect the privacy of individuals (which may include those associated with commercial transactions), to address the potential impacts of climate change (including laws which may adversely impact the auto industry in particular as a result of efforts to mitigate the factors contributing to climate change), or laws, regulations, executive orders or other guidance enacted in response to the COVID-19 pandemic, increased inflation or a recession or period of economic contraction or volatility could have a significant impact on the servicer, the sponsor, the depositor or the issuing entity and could adversely affect the timing and amount of payments on your notes.

**Bankruptcy of NMAC or the depositor could result in delays in payments or losses on your notes.**

If NMAC or the depositor were to become subject to bankruptcy proceedings, you could experience losses or delays in the payments on your notes. NMAC will, from time to time, sell the receivables to the depositor, and the depositor will in turn transfer the receivables to the issuing entity. NMAC will treat each transfer of the receivables to the depositor as a sale, and the depositor will treat each transfer to the issuing entity as a valid transfer. However, if NMAC or the depositor were to become subject to a bankruptcy proceeding, the court in the bankruptcy proceeding could conclude that NMAC or the depositor still owns the receivables by concluding that a sale to the depositor or the issuing entity was not a “true sale” or, in the case of a bankruptcy of NMAC, that the assets and liabilities of the depositor or the issuing entity should be substantively consolidated with NMAC for bankruptcy purposes. If a court were to reach this conclusion, you could experience losses or delays in payments on the notes as a result of, among other things:

1. the “automatic stay,” which generally prevents creditors from exercising remedies against a debtor in bankruptcy without permission from the court and provisions of the U.S. Bankruptcy Code that permit substitution for collateral in limited circumstances;
2. tax or government liens on NMAC’s or the depositor’s property (that arose prior to the transfer of a receivable to the issuing entity) having a prior claim on collections before the collections are used to make payments on your notes; and
3. the issuing entity not having a perfected security interest in any cash collections held by NMAC with respect to the receivables at the time NMAC becomes the subject of a bankruptcy proceeding. See “*Sources of Funds to Pay the Notes—Application of Collections*” for a description of the conditions under which the servicer is allowed to commingle collections with its funds.

The depositor will take steps in structuring the transactions described in this offering memorandum to minimize the risk that a court would consolidate the assets and liabilities of the depositor with NMAC for bankruptcy purposes or conclude that the sale of receivables to the depositor or the issuing entity was not a “true sale.” See “*Material Legal Aspects of the Receivables—Matters Relating to Bankruptcy*” in this offering memorandum.

In addition, pursuant to cash management agreements between NMAC and certain dealers, NMAC may reduce the principal balances of receivables of such dealers by exercising its right to set-off such principal balances by the



amounts in such dealers' cash management accounts in certain instances. Under the receivables purchase agreement, if NMAC exercises its rights to set-off (or otherwise applies amounts in a dealer's cash management account to reduce such dealer's principal receivables), NMAC is obligated to transfer such amounts to the depositor (or the issuing entity, as its assignee). If NMAC is unable to transfer these amounts, those funds may not be available for payment on your notes. Although the cash management account balance reduces the pool balance for purposes of determining whether the issuing entity owns a sufficient amount of principal receivables, if NMAC is unable to transfer set-off amounts with respect to the cash management accounts, you could suffer a loss on your notes. See "*Material Legal Aspects of the Receivables—Matters Relating to Bankruptcy*" in this offering memorandum.

**You may suffer losses on your notes if the servicer holds collections and commingles them with its own funds.**

So long as NMAC is the servicer, if each condition to making monthly deposits described in "*Sources of Funds to Pay the Notes—Application of Collections*" is satisfied, NMAC, as the servicer, may retain all payments on receivables and all proceeds of receivables collected during a collection period until the business day preceding the related payment date. Currently, NMAC does not satisfy these conditions. For any period of time during which NMAC does satisfy these conditions, the servicer may invest such amounts at its own risk and for its own benefit and need not segregate such amounts from its own funds. On or before the business day preceding a date on which payments are due to be made on the notes, the servicer must deposit into the collection account all payments on receivables received from dealers and all proceeds of receivables collected during the related collection period (other than, in certain circumstances, amounts owed to the holders of the transferor interest). If the servicer is unable to pay these amounts to the issuing entity on a payment date, you might incur a loss on your notes.

**You may experience delays or reduction in payments on your notes following a servicer default and replacement of the servicer.**

Upon the occurrence of a servicer default, the indenture trustee may or, at the direction of holders of notes evidencing not less than a majority of the outstanding principal amount of all notes issued under any Series, will terminate the servicer. It may be expensive to transfer servicing to a successor servicer and a successor servicer may not be able to service the receivables with the same degree of skill as the servicer. In addition, during the pendency of any servicing transfer or for some time thereafter, dealers may delay making their monthly payments or may inadvertently continue making payments to the predecessor servicer, potentially resulting in losses or delays in payments on the notes. Delays in payments on the notes and possible reductions in the amount of such payments could occur with respect to any cash collections held by the servicer at the time that the servicer becomes the subject of a bankruptcy or similar proceeding.

Because the servicing fee is structured as a percentage of the principal balance of the receivables, the fee the servicer receives each month will be reduced if the size of the pool of receivables held by the issuing entity decreases over time. If the amounts of receivables decrease below a certain level, the amount of the servicing fee payable to the servicer may be considered insufficient by a potential replacement servicer and it may be difficult to find a replacement servicer. Consequently, the time it takes to effect the transfer of servicing to a replacement servicer or the inability to locate a replacement servicer may result in the disruption of normal servicing activities, increased delinquencies and defaults on the receivables and delays or reductions in payments on your notes.

***RISKS RELATED TO CONFLICTS AMONG NOTEHOLDERS.***

**There may be a conflict of interest among noteholders generally.**

Investors in one or more series of notes, directly or through affiliates, may have business relationships with the sponsor, the depositor, the servicer or their affiliates. For example, an investor may provide services to, or obtain services from, the sponsor, the depositor, the servicer or their affiliates, and any of such parties may be a creditor of the others through a financing or other contractual relationship, which may include the sharing of material information regarding the sponsor, the depositor, the servicer or their affiliates that is not disclosed in this offering memorandum. Consequently, the interests of such an investor may conflict with the interests of other noteholders (for example, in connection with whether terminate and replace the servicer following a servicer replacement event).

*RISKS RELATED TO CERTAIN FEATURES OF THE NOTES AND FINANCIAL MARKET DISRUPTIONS.*

**A reduction, withdrawal or qualification of the ratings on your notes, or the issuance of unsolicited ratings on your notes or a potential rating agency conflict of interest and regulatory scrutiny of the rating agencies, could adversely affect the market value of your notes and/or limit your ability to resell your notes.**

The ratings on the notes are not recommendations to purchase, hold or sell the notes and do not address market value or investor suitability. The ratings reflect each hired rating agency's assessment of the creditworthiness of the receivables, the credit enhancement on the notes and the likelihood of repayment of the notes. The ratings do not address the likelihood of payment of make-whole payments or step-up amounts. The receivables and/or the notes may not perform as expected and the ratings could be reduced, withdrawn or qualified in the future as a result of a change of circumstances, deterioration in the performance of the receivables, errors in analysis or otherwise. None of the depositor, the sponsor or any of their affiliates will have any obligation to replace or supplement any credit enhancement or to take any other action to maintain any ratings on the notes. If the ratings on your notes are reduced, withdrawn or qualified, it could adversely affect the market value of your notes and/or limit your ability to resell your notes.

The sponsor has hired two rating agencies and will pay them a fee to assign ratings on the notes. The sponsor has not hired any other nationally recognized statistical rating organization, or "NRSRO," to assign ratings on the notes and is not aware that any other NRSRO has assigned ratings on the notes. However, under SEC rules, information provided to a hired rating agency for the purpose of assigning or monitoring the ratings on the notes is required to be made available to each NRSRO in order to make it possible for such non-hired NRSROs to assign unsolicited ratings on the notes. An unsolicited rating could be assigned at any time, including prior to the closing date, and none of the depositor, the sponsor, the initial purchasers or any of their affiliates will have any obligation to inform you of any unsolicited ratings assigned after the date of this offering memorandum. NRSROs, including the hired rating agencies, have different methodologies, criteria, models and requirements. If any non-hired NRSRO assigns an unsolicited rating on the notes, such rating could be lower than the ratings provided by the hired rating agencies, which could adversely affect the market value of your notes and/or limit your ability to resell your notes. In addition, if the sponsor fails to make available to the non-hired NRSROs any information provided to any hired rating agency for the purpose of assigning or monitoring the ratings on the notes, a hired rating agency could withdraw its ratings on the notes, which could adversely affect the market value of your notes and/or limit your ability to resell your notes. Potential investors in the notes are urged to make their own evaluation of the creditworthiness of the receivables and the credit enhancement on the notes, and not to rely solely on the ratings on the notes.

Further, we note that a rating agency may have a conflict of interest where, as is the case with the ratings of the notes by the hired rating agencies, the sponsor or the issuer of a security pays the fee charged by the hired rating agency for its rating services. The perceived conflict of interest may have an adverse effect on the market value of your notes and the ability to resell your notes.

**The rates at which the receivables are repaid and generated could cause your notes to be paid principal later or earlier than expected.**

The payment of principal of your notes will depend primarily on dealer repayments of receivables. Pursuant to the terms of the accounts, dealers are required to repay a receivable upon the retail sale or lease of the underlying vehicle. The timing of these sales and leases is uncertain, and the particular pattern of dealer repayments is uncertain to occur. The rate of sales could decline because of an economic downturn, competitive pressure, changes in consumer preferences, significant vehicle recalls or service campaigns, or production interruptions due to supply chain disruptions or other factors. Any significant decline in the dealer payment rate during the accumulation period for your notes may cause you to receive final payment of principal after the expected final payment date. Additionally, you may not be able to reinvest any delayed principal payments at the time you receive them at a rate of return equal to the rate of return that will have been available on the expected final payment date.

The opposite situation may occur if the dealer payment rate during the revolving period significantly exceeds the rate at which new receivables are generated. In this case, the pool balance of the issuing entity may fall to a specified level, in which case amounts otherwise payable to the holders of the transferor interest will be deposited in the excess funding account or the depositor will be required to transfer to the issuing entity receivables arising in

connection with additional designated accounts. If the amounts on deposit in the excess funding account on three consecutive determination dates exceed 70% of the sum of the invested amounts of all outstanding series issued by the issuing entity on each such date, an early amortization event will occur and may result in your receipt of principal before the expected final payment date. Moreover, any failure by the depositor to make these additional transfers of receivables within ten business days after the date it is required to do so under the transfer and servicing agreement will result in an early amortization event and may result in your receipt of principal before the expected final payment date.

**If NMAC or the servicer breaches representations and warranties relating to the receivables, payments on your notes may be accelerated, delayed or reduced.**

NMAC and the servicer are generally not obligated to make any payments on your notes or the receivables. However, if NMAC breaches any of its representations and warranties with respect to a receivable or an account and NMAC fails to cure such breach then, subject to certain conditions, NMAC may be required to accept reassignment of the receivable (or, at its option, redesignate the account related to such receivable and repurchase all receivables under such accounts). NMAC, as servicer, will also be required to repurchase receivables (or, redesignate the accounts related to such receivables and repurchase all receivables under such accounts) from the issuing entity if it breaches certain servicing obligations regarding the issuing entity's receivables, subject to certain conditions. In addition, if the principal balance of any receivable is reduced due to dealer rebate, billing error, returned merchandise and certain other similar non-cash items, NMAC is obligated to pay an amount equal to such adjustment. If NMAC or the servicer fails to make any such payment or to repurchase the receivable (or, redesignate the account related to such receivable and repurchase all receivables under such account), you may experience delays, reductions or accelerated payments on your notes.

**Financial market disruptions, and the absence of a secondary market for the notes may make it difficult for you to sell your notes and/or obtain your desired price.**

The notes will not be listed on any securities exchange. If you want to sell your notes you must locate a purchaser that is willing to purchase those notes. The initial purchasers intend to make a secondary market for the notes. The initial purchasers will do so by offering to buy the notes from investors that wish to sell. However, the initial purchasers will not be obligated to make offers to buy the notes or otherwise make a market for the notes, and may stop making offers at any time. In addition, the initial purchasers and other broker dealers may be unable, unwilling or restricted from making a market in, or publishing quotations on, the offered notes due to regulatory requirements or otherwise. A market for the offered notes may not develop, or if one does develop, it may not continue or provide sufficient liquidity to allow an investor to resell its notes. In addition, the prices offered, if any, may not reflect prices that other potential purchasers would be willing to pay, were they to be given the opportunity. Further, because the offered notes will be in book-entry form, this may reduce their liquidity in the secondary market since certain potential investors may be unwilling to purchase notes for which they cannot obtain physical notes.

Additionally, the notes have not been registered under the Securities Act or any applicable state securities or "Blue Sky" laws and may not be offered or sold to, or for the account or benefit of, persons except in accordance with an applicable exemption from the registration requirements of the Securities Act and in compliance with any applicable state securities laws. Each purchaser of the notes will be deemed to have made certain acknowledgments, representations and agreements as set forth in this offering memorandum under "*Transfer Restrictions*." The depositor and the indenture trustee have not agreed to provide registration rights to any purchaser of the notes, and neither the depositor nor the indenture trustee is obligated to register the notes under the Securities Act or any state securities laws. Consequently, the liquidity of your notes in the secondary market may be limited. A purchaser must be prepared to hold the notes for an indefinite period of time. See "*Transfer Restrictions*" in this offering memorandum.

Additionally, events in the domestic and global financial markets (including rising inflation and potential instability and volatility as a result of global political and economic events) could affect the performance or market value of your notes and your ability to sell your notes in the secondary market. Recent and continuing events in such markets have caused, and may again cause, a significant reduction in liquidity in the secondary market for asset-backed securities. Such illiquidity can have a severely adverse effect on the prices of securities that are especially sensitive to prepayment, credit or interest rate risk, such as the notes. As a result, you may not be able to sell your notes when you want to do so or you may not be able to obtain the price that you wish to receive.

**Non-U.S. Holders investing in notes could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes on account of their own activities.**

As discussed herein, the notes are treated by the applicable parties as debt for tax purposes. For a Non-U.S. Holder, certain activities undertaken or performed in the United States (including in certain circumstances through agents) could constitute engaging in a U.S. trade or business (within the meaning of Section 864 of the Code), which for a Non-U.S. Holder may give rise to income that is effectively connected with the conduct of such a U.S. trade or business and is subject to federal and state net income taxation (and requires the filing of tax returns with the United States). These activities could include the lending of money, origination of loans and financing, or extension of credit. The determination of whether a person is engaged in a U.S. trade or business is based on a highly factual analysis that takes into account all facts and circumstances. There is no direct guidance provided as to which activities constitute being engaged in a U.S. trade or business and it is not certain how a court would construe the existing indirect authorities. Furthermore, the precise contours of the so-called “securities safe harbor” under Section 864(b)(2) of the Code is similarly unclear. Therefore, prospective investors are urged to consult their own tax advisors to determine their treatment under these rules in respect to an investment in a note.

**There is a risk of a taxable deemed exchange of notes if the transaction documents are amended.**

The transaction documents, under certain circumstances, allow for supplemental indentures and amendments. It is possible that such supplemental indentures or amendments, if they were treated as “significant modifications,” could result in a taxable deemed exchange of the notes for U.S. federal income tax purposes. This could result in gain or loss recognition for noteholders, and could potentially result in OID with respect to the notes following such modification.

***RISKS RELATED TO THE ISSUANCE OF FLOATING RATE NOTES AND THE UNCERTAINTY OF SOFR.***

**SOFR is a relatively new reference rate and its composition and characteristics are not the same as LIBOR.**

The Series 2024-A notes will accrue interest at a floating rate based on the SOFR Rate plus a spread. The SOFR Rate will be based on compounded averages of the secured overnight financing rate published for any day by the Federal Reserve Bank of New York (“FRBNY”) (or a successor administrator), as the administrator of the benchmark, on the FRBNY’s website (or such successor administrator’s website) (such rate, “SOFR”), which are used to determine Compounded SOFR. SOFR is a relatively new interest rate index and may not become widely established in the market or could eventually be eliminated. Further, the way that SOFR, including any market accepted adjustments to SOFR, are determined may change over time. For information on how the SOFR Rate and Compounded SOFR are determined, see “*The Notes—Calculation of Floating Rate Interest*” in this offering memorandum.

SOFR is intended to be a broad measure of the cost of borrowing cash overnight collateralized by U.S. Treasury securities. SOFR is calculated as a volume-weighted median of transaction-level tri-party repo data collected from The Bank of New York Mellon as well as General Collateral Finance Repo transaction data and data on bilateral U.S. Treasury repo transactions cleared through The Fixed Income Clearing Corporation’s delivery-versus-payment service. The FRBNY notes that it obtains information from DTCC Solutions LLC, an affiliate of The Depository Trust & Clearing Corporation (“DTCC”). The FRBNY states on its publication page for SOFR that the use of SOFR is subject to important limitations and disclaimers, including that the FRBNY may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice.

SOFR is published by the FRBNY based on data received from sources outside of the sponsor and the issuing entity’s control or direction and neither the sponsor nor the issuing entity has control over its determination, calculation or publication. The activities of the FRBNY may directly affect prevailing SOFR Rates in ways the issuing entity is unable to predict. There can be no guarantee that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of the holders in the Series 2024-A notes. Potential investors should not rely on any historical changes or trends in SOFR as an indicator of future changes or trends in SOFR. If the manner in which SOFR is calculated is changed or if SOFR is discontinued, that change or discontinuance may result in a reduction of the amount of interest payable on and the trading prices of the Series 2024-A notes.

The FRBNY began to publish SOFR in April 2018. The FRBNY has also been publishing historical indicative secured overnight financing rates going back to 2014. Investors should not rely on any historical changes or trends in SOFR as an indicator of future changes or trends in SOFR. As an overnight lending rate, SOFR may be subject to higher levels of volatility relative to other interest rate benchmarks.

Due to the emerging and developing adoption of SOFR as an interest rate index, investors who desire to obtain financing for their Series 2024-A notes may have difficulty obtaining any credit or credit with satisfactory interest rates, which may result in lower leveraged yields and lower secondary market prices upon the sale of the Series 2024-A notes.

The use of SOFR may present additional risks that could adversely affect the value of and return on the Series 2024-A notes. In contrast to other indices, SOFR may be subject to direct influence by activities of the FRBNY, which activities may directly affect prevailing SOFR Rates in ways the issuing entity is unable to predict.

The composition and characteristics of SOFR are not the same as those of London interbank offered rate (“LIBOR”) and other floating interest benchmark rates. SOFR is different from LIBOR as, first, SOFR is a secured rate, while LIBOR is an unsecured rate, and second, SOFR is an overnight rate, while LIBOR is a forward-looking rate that represents interbank funding over different maturities (e.g., three months). Additionally, since the initial publication of SOFR, daily changes in SOFR have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as LIBOR. Although changes in the SOFR Rate, which is determined by reference to Compounded SOFR, generally are not expected to be as volatile as changes in the daily levels of SOFR, the return on and value of the Series 2024-A notes may fluctuate more than floating rate debt securities that are linked to less volatile rates. As a result, there can be no assurance that SOFR will perform in the same way as LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, market volatility or global or regional economic, financial, political, regulatory, judicial or other events.

In addition, if the applicable compounded average of SOFR for a tenor of 30 days becomes unavailable (whether temporarily or permanently), Compounded SOFR, and therefore interest on the Series 2024-A notes, will be based on the last such rate published. See “*The Notes—Calculation of Floating Rate Interest*” in this offering memorandum.

**Any failure of SOFR to gain market acceptance could adversely affect the Series 2024-A notes.**

According to the Alternative Reference Rates Committee, SOFR was developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to LIBOR in part because it is considered a representation of general funding conditions in the overnight U.S. Treasury repurchase agreement market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, it is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR a suitable replacement or successor for all of the purposes for which LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen market acceptance of SOFR. Any failure of SOFR to gain wide market acceptance could adversely affect the return on and value of the Series 2024-A notes and the price at which investors can sell the Series 2024-A notes in the secondary market.

Since SOFR is a relatively new market index, the Series 2024-A notes may not have an established trading market when issued, and an established trading market may not develop or may not provide significant liquidity. Market terms for the Series 2024-A notes, such as the spread over the rate reflected in interest rate provisions, may evolve over time, and trading prices of the Series 2024-A notes may be lower than those of later-issued notes with interest rates based on SOFR as a result. Relatively limited market precedent exists for securities that use SOFR as the interest rate and the method for calculating an interest rate based upon SOFR in those precedents varies. Similarly, if SOFR does not become widely adopted for securities like the Series 2024-A notes or the specific formula for the compounded SOFR Rate used in the Series 2024-A notes may not be widely adopted by other market participants, the trading prices of the Series 2024-A notes may be lower than those of securities like the Series 2024-A notes linked to indices that are more widely used. Investors in the Series 2024-A notes may not be able to sell the Series 2024-A notes at all or may not be able to sell the Series 2024-A notes at prices that will provide them with yields comparable to those of similar investments that have a developed secondary market, and may consequently experience increased pricing volatility and market risk.

**A decrease in SOFR, including a negative SOFR Rate, may reduce the rate of interest on the Series 2024-A notes to 0.00%.**

The interest rate for the Series 2024-A notes will be based on a spread over the SOFR Rate, which is based on Compounded SOFR. Changes in SOFR will affect the rate at which the Series 2024-A notes accrue interest and the amount of interest payments on the Series 2024-A notes. Any decrease in the SOFR Rate will lead to a decrease in the Series 2024-A notes interest rate. To the extent that the SOFR Rate decreases below 0.00% for any accrual period, the rate at which the Series 2024-A notes accrue interest for such accrual period will be reduced by the amount by which the SOFR Rate is negative; *provided* that the interest rate on the Series 2024-A notes for any accrual period will not be less than 0.00%. Consequently, a negative SOFR Rate could result in the interest rate for the Series 2024-A notes decreasing to 0.00% for the related accrual period.

**The interest rates on the receivables may fluctuate differently than the interest rates on the notes, which may result in accelerated, reduced or delayed payments on your notes**

The receivables bear interest at a variable rate based on the prime rate, which may be changed or reduced by the servicer. The fixed rate notes accrue interest at a fixed rate, so if the interest rate on the receivables declines the notes may be adversely affected. The floating rate notes accrue interest at a variable rate based on a benchmark, which will initially be 30-day average SOFR, plus a spread, so if the benchmark increases at a greater rate than the prime rate or the prime rate declines at a greater rate than the benchmark the notes may be adversely affected. If the interest rate on the receivables declines, interest collections allocated to the notes may be reduced without a corresponding reduction in the amounts payable as interest on the notes. If interest collections are insufficient to pay interest on the notes, an early amortization event will occur, which may result in accelerated, reduced or delayed payments on your notes. The issuing entity is not entering into interest rate hedge agreements to protect either the fixed rate notes issued under other Series or the floating rate notes against fluctuations in the interest rate on the receivables.

**If SOFR is discontinued, the Series 2024-A notes will bear interest by reference to a different benchmark rate, which could adversely affect the value of the Series 2024-A notes, the return on the Series 2024-A notes and the price at which you can sell such Series 2024-A notes; there is no guarantee that any benchmark replacement will be a comparable substitute for SOFR.**

As described under “*The Notes—Effect of Benchmark Transition Event*”, if NMAC, as administrator, has determined prior to the relevant reference time that a benchmark transition event and its related benchmark replacement date have occurred in respect of SOFR, then the interest rate on the Series 2024-A notes will no longer be determined by reference to SOFR, but instead will be determined by reference to a different rate, which will be a different benchmark than SOFR, plus a spread adjustment.

Limited market precedent exists for securities that use SOFR as a benchmark interest rate, and the method for calculating an interest rate based upon SOFR in those precedents varies. Accordingly, the specific formula for the Compounded SOFR rate used for the Series 2024-A notes may not be widely adopted by other market participants, if at all. If the market adopts a different calculation method, that would likely adversely affect the market value of the notes.

NMAC, as administrator, will have significant discretion with respect to certain elements of the related benchmark replacement process, including determining whether a benchmark transition event has occurred, determining which related benchmark replacement is available, determining the earliest practicable determination date for using the related benchmark replacement, determining related benchmark replacement adjustments (if not otherwise determined by the applicable governing bodies or authorities) and making related benchmark replacement conforming changes (including potential changes affecting the business day convention and determination date). Holders of Series 2024-A notes will not have any right to approve or disapprove of these changes and will be deemed to have agreed to waive and release any and all claims relating to any such determinations. If NMAC, as administrator, determines that an alternative index is not administratively feasible, including as a result of technical, administrative or operational issues, then such alternative index will be deemed to be unable to be determined as of such date. NMAC, as administrator, may determine an alternative to not be administratively feasible even if such rate has been adopted by other market participants in similar products and any such determination may adversely

affect the return on, the trading market for, and the value of the Series 2024-A notes. The issuing entity cannot anticipate how long it will take to adopt a specific benchmark replacement, which may delay and contribute to uncertainty and volatility surrounding any benchmark transition.

If an alternative method or index is designated in place of SOFR for the Series 2024-A notes, the U.S. federal income tax consequences of such a replacement are uncertain. If such a replacement constituted a “significant modification” of such notes under Treasury Regulation Section 1.1001-3, the replacement may result in a deemed taxable exchange of such notes and the realization of gain or loss, as well as other corollary tax consequences.

The issuing entity cannot predict if SOFR will be eliminated, or, if changes are made to SOFR, the effect of those changes. In addition, the issuing entity cannot predict what alternative index would be chosen, should this occur. If SOFR in its current form does not survive, or if an alternative index is chosen, the market value and liquidity of the Series 2024-A notes could be adversely affected.

In addition, (i) the composition and characteristics of the benchmark replacement, if any, will not be the same as those of SOFR, the benchmark replacement, if any, will not be the economic equivalent of SOFR, there can be no assurance that the benchmark replacement, if any, will perform in the same way as SOFR would have at any time and there is no guarantee that the benchmark replacement, if any, will be a comparable substitute for SOFR (each of which means that a benchmark transition event could adversely affect the value of the Series 2024-A notes, the return on the Series 2024-A notes and the price at which you can sell such Series 2024-A notes), (ii) failure of the benchmark replacement, if any, to gain market acceptance could adversely affect the Series 2024-A notes, (iii) the benchmark replacement, if any, may have a very limited history and the future performance of such benchmark replacement cannot be predicted based on historical performance, (iv) the secondary trading market for Series 2024-A notes linked to the benchmark replacement, if any, may be limited and (v) the administrator of the benchmark replacement, if any, may make changes that could change the value of such benchmark replacement or discontinue such benchmark replacement and will have no obligation to consider your interests in doing so.

**Reliance upon Compounded SOFR, and any adjustments to the methodology used to determine Compounded SOFR, may adversely affect the Series 2024-A notes**

In March 2020, the FRBNY began to publish compounded averages of SOFR, which are used to determine Compounded SOFR. It is possible that there will be limited interest in securities products based on Compounded SOFR, or in the implementations of Compounded SOFR with respect to the Series 2024-A notes. As a result, you should consider whether any future reliance on Compounded SOFR may adversely affect the market values and yields of the Series 2024-A notes due to potentially limited liquidity and resulting constraints on available hedging and financing alternatives.

The administrator may, from time to time, in its sole discretion, make conforming changes (i.e., technical, administrative or operational changes) without the consent of noteholders or any other party, which could change the methodology used to determine the SOFR Rate. The issuing entity can provide no assurance that the methodology to calculate Compounded SOFR will not be adjusted as described in the prior sentence and, if so adjusted, that the resulting interest rate will yield the same or similar economic results over the term of the Series 2024-A notes relative to the results that would have occurred had the interest rates been based on Compounded SOFR without such adjustment or that the market value will not decrease due to any such adjustment in methodology. The administrator will have significant discretion in making SOFR conforming changes. Holders of Series 2024-A notes will not have any right to approve or disapprove of these changes and will be deemed to have agreed to waive and release any and all claims relating to any such determinations.

You should carefully consider the foregoing uncertainties prior to investing in the notes. In general, events related to SOFR and alternative reference rates may adversely affect the liquidity, market value and yield of the Series 2024-A notes.

## THE ISSUING ENTITY

Nissan Master Owner Trust Receivables, the issuing entity, is a Delaware statutory trust. The issuing entity was formed on May 13, 2003, pursuant to the Trust Agreement.

The issuing entity will not engage in any activity other than:

- acquiring, owning and managing the Issuing Entity Assets and the proceeds of the Issuing Entity Assets;
- issuing and making payments on the notes that it issues; and
- engaging in any other activities that are necessary, suitable or convenient to accomplish any of the purposes listed above or in any way connected with those activities.

The fiscal year of the issuing entity ends on March 31<sup>st</sup> of each year, unless changed by the issuing entity.

The issuing entity's principal place of business is located in care of the owner trustee at Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890.

The issuing entity does not have any officers or directors. Its administrator is NMAC. As administrator of the issuing entity under an administration agreement, NMAC will generally direct the administrative actions to be taken by the issuing entity as described in "*Description of the Administration Agreement*" in this offering memorandum. NMAC has also been appointed to act as the servicer with respect to the Receivables. The servicer will service the Receivables pursuant to the Transfer and Servicing Agreement and will be compensated for those services as described in "*Description of the Transfer and Servicing Agreement—Servicing Compensation and Payment of Expenses*" and "*Description of the Notes—Servicing Compensation and Payment of Expenses*" in this offering memorandum.

The assets of the issuing entity consist of:

- Receivables existing in the designated Accounts at the close of business on the Series 2024-A Cut-Off Date and receivables generated under the designated Accounts from time to time after that date, as well as receivables generated under any Accounts added from time to time;
- all funds collected or to be collected in respect of those Receivables;
- all funds on deposit in the issuing entity's Accounts;
- any enhancement issued with respect to any particular series or class of notes; and
- a first priority perfected security interest in motor vehicles related to the Receivables, and in some cases, a subordinated security interest in parts inventory, equipment, fixtures, service Accounts and realty and/or a personal guarantee, and/or a security interest in NMAC's rights to amounts in any Cash Management Account.

### Restrictions on Activities

As long as the notes are outstanding, the issuing entity will not, among other things:

- except as expressly permitted by the Indenture, the Transfer and Servicing Agreement or the related documents, sell, transfer, exchange, pledge or otherwise dispose of any part of the Issuing Entity Assets;



- claim any credit on or make any deduction from payments in respect of the principal of or interest on the notes, other than amounts withheld under the Code or applicable state law, or assert any claim against any present or former noteholders because of the payment of taxes levied or assessed upon any part of the Issuing Entity Assets;
- incur, assume or guarantee any indebtedness other than indebtedness incurred under the notes and the Indenture and the other applicable Transaction Documents; or
- except as expressly permitted by the Indenture, (A) permit the validity or effectiveness of the Indenture to be impaired, or permit the lien under the Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations with respect to the notes under the Indenture, (B) permit any lien, charge, excise, claim, security interest, mortgage or other encumbrance (other than the lien of the Indenture), (C) permit the lien of the Indenture not to constitute a valid first priority perfected security interest (other than with respect to a permitted lien) in the Issuing Entity Assets or (D) dissolve or liquidate in whole or in part.

The issuing entity may not consolidate with, merge into or sell its business to, another person, unless:

- (A) the Person is organized under the laws of the United States or any one of its states or District of Columbia and (B) expressly assumes, by supplemental indenture in form satisfactory to the indenture trustee, the issuing entity's obligation to make due and punctual payments upon the notes and the performance of every agreement and covenant of the issuing entity under the Indenture;
- no Event of Default or Early Amortization Event will exist immediately after the merger, consolidation, conveyance or transfer;
- the issuing entity has delivered to the indenture trustee an opinion of counsel and an officer's certificate each stating that (A) all conditions precedent relating to such consolidation, merger, conveyance or transfer transaction have been (or will be concurrently with the effectiveness of such transaction) satisfied and (B) such supplemental indenture is duly authorized, executed and delivered and is valid, binding and enforceable against such Person;
- the Rating Agency Condition has been satisfied with respect to the merger, consolidation, conveyance or transfer;
- the issuing entity will have received a Required Federal Income Tax Opinion and has delivered a copy to the indenture trustee; and
- any action necessary to maintain the lien of the Indenture will have been taken.

### **Capitalization of the Issuing Entity**

The issuing entity's capital structure has two main elements:

- the notes issued to investors, including the Series 2024-A notes, as described under "*Description of the Notes*" in this offering memorandum; and
- the Transferor Interest, a portion of which is subordinated to the Series 2024-A notes in the form of the Series 2024-A Overcollateralization Amount.

## OWNER TRUSTEE

Wilmington Trust Company (“WTC”) – also referred to herein as the “**owner trustee**” – is a Delaware non-depository trust company originally incorporated in 1901. On July 1, 2011, WTC filed an amended charter which changed its status from a Delaware banking corporation to a Delaware non-depository trust company. WTC’s principal place of business is located at 1100 North Market Street, Wilmington, Delaware 19890. WTC is an affiliate of Wilmington Trust, National Association (“WTNA”), and both WTC and WTNA are subsidiaries of M&T Bank Corporation. Since 1998, WTC has served as trustee in numerous asset-backed securities transactions involving auto receivables.

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

Wilmington Trust Company has provided the above information. Other than the above two paragraphs, Wilmington Trust Company has not participated in the preparation of, and is not responsible for, any other information contained in this offering memorandum.

For a description of the roles and responsibilities of the owner trustee, see “*Description of the Trust Agreement*” in this offering memorandum.

## INDENTURE TRUSTEE

U.S. Bank Trust Company, National Association, a national banking association (“**U.S. Bank Trust Co.**”), will act as indenture trustee, transfer agent, note registrar and paying agent. U.S. Bank, National Association (“**U.S. Bank N.A.**”) made a strategic decision to reposition its corporate trust business by transferring substantially all of its corporate trust business to its affiliate, U.S. Bank Trust Co., a non-depository trust company (U.S. Bank N.A. and U.S. Bank Trust Co. are collectively referred to herein as “**U.S. Bank**”). Upon U.S. Bank Trust Co.’s succession to the business of U.S. Bank N.A., it became a wholly owned subsidiary of U.S. Bank N.A. The indenture trustee will maintain the accounts of the issuing entity in the name of the indenture trustee at U.S. Bank N.A.

U.S. Bancorp, with total assets exceeding \$663 billion as of December 31, 2023, is the parent company of U.S. Bank N.A., the fifth largest commercial bank in the United States. As of December 31, 2023, U.S. Bancorp operated over 2,200 branch offices in 26 states. A network of specialized U.S. Bancorp offices across the nation provides a comprehensive line of banking, brokerage, insurance, investment, mortgage, trust and payment services products to consumers, businesses, and institutions.

U.S. Bank has one of the largest corporate trust businesses in the country with office locations in 48 domestic and 2 international cities. The Indenture will be administered from U.S. Bank’s corporate trust office located at 190 S. LaSalle Street, 7th Floor, Chicago, Illinois 60603.

U.S. Bank has provided corporate trust services since 1924. As of December 31, 2023, U.S. Bank was acting as trustee with respect to over 130,000 issuances of securities with an aggregate outstanding principal balance of over \$5.8 trillion. This portfolio includes corporate and municipal bonds, mortgage-backed and asset-backed securities and collateralized debt obligations.

As of December 31, 2023, U.S. Bank (and its affiliate U.S. Bank Trust National Association) was acting as indenture trustee, registrar and paying agent on 187 issuances of automobile receivables-backed securities with an outstanding aggregate principal balance of approximately \$83,055,400,000.

The indenture trustee will make each monthly statement available to the noteholders via the indenture trustee’s internet website at <https://pivot.usbank.com>. Noteholders with questions may direct them to the indenture trustee’s bondholder services group at (800) 934-6802.

U.S. Bank N.A. and other large financial institutions have been sued in their capacity as trustee or successor trustee for certain residential mortgage-backed securities (“**RMBS**”) trusts. The complaints, primarily filed by investors or investor groups against U.S. Bank N.A. and similar institutions, allege the trustees caused losses to investors as a result of alleged failures by the sponsors, mortgage loan sellers and servicers to comply with the governing agreements for these RMBS trusts. Plaintiffs generally assert causes of action based upon the trustees’ purported failures to enforce repurchase obligations of mortgage loan sellers for alleged breaches of representations and warranties, notify securityholders of purported events of default allegedly caused by breaches of servicing standards by mortgage loan servicers and abide by a heightened standard of care following alleged events of default.

U.S. Bank N.A. denies liability and believes that it has performed its obligations under the RMBS trusts in good faith, that its actions were not the cause of losses to investors, that it has meritorious defenses, and it has contested and intends to continue contesting the plaintiffs’ claims vigorously. However, U.S. Bank N.A. cannot assure you as to the outcome of any of the litigation, or the possible impact of these litigations on the trustee or the RMBS trusts.

On March 9, 2018, a law firm purporting to represent fifteen Delaware statutory trusts (the “**DSTs**”) that issued securities backed by student loans (the “**Student Loans**”) filed a lawsuit in the Delaware Court of Chancery against U.S. Bank N.A. in its capacities as indenture trustee and successor special servicer, and three other institutions in their respective transaction capacities, with respect to the DSTs and the Student Loans. This lawsuit is captioned *The National Collegiate Student Loan Master Trust I, et al. v. U.S. Bank National Association, et al.*, C.A. No. 2018-0167-JRS (Del. Ch.) (the “**NCMSLT Action**”). The complaint, as amended on June 15, 2018, alleged that the DSTs have been harmed as a result of purported misconduct or omissions by the defendants concerning administration of the trusts and special servicing of the Student Loans. Since the filing of the NCMSLT Action, certain Student Loan borrowers have made assertions against U.S. Bank N.A. concerning special servicing that appear to be based on certain allegations made on behalf of the DSTs in the NCMSLT Action.

U.S. Bank N.A. has filed a motion seeking dismissal of the operative complaint in its entirety with prejudice pursuant to Chancery Court Rules 12(b)(1) and 12(b)(6) or, in the alternative, a stay of the case while other prior filed disputes involving the DSTs and the Student Loans are litigated. On November 7, 2018, the Court ruled that the case should be stayed in its entirety pending resolution of the first-filed cases. On January 21, 2020, the Court entered an order consolidating for pretrial purposes the NCMSLT Action and three other lawsuits pending in the Delaware Court of Chancery concerning the DSTs and the Student Loans, which remains pending.

U.S. Bank N.A. denies liability in the NCMSLT Action and believes it has performed its obligations as indenture trustee and special servicer in good faith and in compliance in all material respects with the terms of the agreements governing the DSTs and that it has meritorious defenses. It has contested and intends to continue contesting the plaintiffs’ claims vigorously.

For a description of the roles and responsibilities of the indenture trustee, see “*Description of the Indenture*” in this offering memorandum.

## THE DEPOSITOR

Nissan Wholesale Receivables Company II LLC (“**NWRC II**”), the depositor, is a wholly owned subsidiary of NMAC and was incorporated in the State of Delaware on April 29, 2003 and converted to a limited liability company on April 1, 2021. The depositor was organized for limited purposes, which include purchasing Receivables from NMAC and transferring those Receivables to the issuing entity and any related activities. The depositor has no substantial assets other than those related to the activities described in this paragraph.

Since its formation in April 2003, NWRC II has been the depositor in each of NMAC’s dealer floorplan securitization transactions, and has not participated in or been a party to any other financing transactions. For more information regarding NMAC’s floorplan securitization program, you should refer to “*The Sponsor and Servicer—NMAC Responsibilities in Securitization Programs—Floorplan Securitization*” and “*The Dealer Floorplan Financing Business*” in this offering memorandum.

The depositor will transfer to the issuing entity, on an on-going basis, the Receivables that it acquires from NMAC. The interest that represents the right to receive all cash flows from the Issuing Entity Assets not required to make payments on the notes or to credit enhancement providers, the indenture trustee, the owner trustee or the servicer or which are not otherwise allocable to the noteholders, is the “**Transferor Interest**.” The depositor or one of its affiliates will initially own the Transferor Interest, but may, subject to various limitations, subsequently sell all or a portion of the Transferor Interest to another party through the issuance of a supplemental interest, which may be held in either certificated or uncertificated form. As holder of the Transferor Interest, the depositor will have certain rights and obligations under the Trust Agreement, including (i) indemnification of the owner trustee of the issuing entity and (ii) amendment of the Trust Agreement.

The principal executive office of the depositor is located at One Nissan Way, Franklin, Tennessee 37067. The telephone number of the depositor is (615) 725-1122.

## THE SPONSOR AND SERVICER

### Overview

NMAC was incorporated in the state of California in November 1981 and began operations in February 1982. NMAC was converted from a California corporation to a Delaware limited liability company on April 1, 2021. NMAC is a wholly owned subsidiary of Nissan North America, Inc. (“**NNA**”), the primary distributor of Nissan and Infiniti vehicles in the United States. NNA is a direct wholly owned subsidiary of Nissan Motor Co., Ltd., a Japanese corporation (“**NML**”), which is a worldwide manufacturer and distributor of motor vehicles and industrial equipment.

NMAC provides indirect retail automobile and light-duty truck sale and lease financing by purchasing retail installment contracts and leases from Dealers in all 50 states of the United States and the District of Columbia. NMAC also provides direct wholesale financing to many of those Dealers by financing inventories and other dealer activities, such as business acquisitions, facilities refurbishment, real estate purchases and working capital requirements.

The principal executive offices of NMAC are located at One Nissan Way, Franklin, Tennessee 37067. NMAC also has a centralized operations center in Irving, Texas that performs underwriting, servicing and collection activities. Certain back office operations, including finance, accounting, legal and human resources, have been reorganized as functional departments under NNA. NMAC’s primary telephone number is (214) 596-4000.

### Wholesale and Other Dealer Financing

NMAC’s Dealer Credit Department (the “**Dealer Credit Department**”) supports Dealers by offering wholesale and other dealer financing for a variety of such Dealers’ business needs.

*Wholesale Financing.* Pursuant to Floorplan Financing Agreements entered into with Dealers, the Dealer Credit Department provides wholesale financing to such Dealers for their purchase of inventories of new and used Nissan, Infiniti and other vehicles in the normal course of business for their sale to retail buyers and lessees. Upon approval, each Dealer enters into a Floorplan Financing Agreement with NMAC that provides NMAC, among other things, with a perfected security interest in the financed vehicles. The principal and interest payments received on each Account are the “**floorplan receivables**.” See “*The Dealer Floorplan Financing Business*.”

NMAC has been originating and servicing floorplan receivables for more than 30 years. The total receivables balance of floorplan receivables serviced by NMAC, including receivables transferred to the issuing entity and receivables owned by NMAC, is outlined in the table below. The following information regarding the size of NMAC’s managed portfolio does not include floorplan receivables arising from fleet inventory. For additional information regarding the portfolio of floorplan receivables owned by the issuing entity and managed by NMAC, see “*The Trust Portfolio*” in this offering memorandum.

<b>For the year ended March 31,</b>	<b>Total Receivables Balance of Floorplan Receivables Serviced by NMAC</b>
2019	\$7,408,315,465
2020	\$5,737,783,507
2021	\$3,887,369,659
2022	\$1,640,040,901
2023	\$2,349,178,032

*Other Dealer Financing.* NMAC extends term loans and revolving lines of credit to Dealers for business acquisitions, facilities refurbishment, real estate purchases, construction, and working capital requirements. NMAC also provides financing to various multi-franchise dealer organizations, referred to as dealer groups, for wholesale, working capital, real estate, and business acquisitions. These loans are typically secured with liens on real estate, vehicle inventory, and/or other dealership assets, as appropriate. NMAC generally requires a personal guarantee from the Dealer and other owners of significant interests in the dealership entity, or dealerships, unless waived. Although the loans are typically collateralized or guaranteed, the value of the underlying collateral or guarantees may not be sufficient to cover NMAC's exposure under such agreements.

### **NMAC Responsibilities in Securitization Programs**

Since 2000, one of the primary funding sources for NMAC has been financing retail installment contracts, loans and leases through the issuance of term asset-backed securities (each issuance, an "ABS"). Three types of assets are financed through NMAC's ABS program: retail installment contracts, operating leases and floorplan loans to Dealers. As described in more detail below, NMAC's primary responsibilities with respect to each type of securitized assets consist of (i) acquiring the retail installment contracts and leases from Dealers and making loans to Dealers, (ii) selling the retail installment contracts, leases and floorplan loans to a special purpose entity in connection with the issuance of an ABS, and (iii) servicing the retail installment contracts, leases and floorplan loans throughout the life of the ABS.

These loans and leases are purchased by NMAC from Dealers or are loans made by NMAC to Dealers. NMAC generally holds or ages these loans and leases for an interim period prior to transferring them in connection with issuing an ABS. During this interim period, NMAC's financing needs are met in part through the use of warehouse finance facilities. These warehouse finance facilities are provided by a number of financial institutions and provide liquidity to fund NMAC's acquisition of loans and leases. These warehouse facilities are sometimes structured as secured revolving loan facilities, and sometimes as repurchase agreements.

A significant portion of NMAC's financial assets are sold in asset-backed securitization transactions, although such assets remain on NMAC's balance sheet. These assets support payments on the ABS issued by securitization trusts and are not available to NMAC's creditors generally. No public securitizations sponsored by NMAC have defaulted or experienced an early amortization triggering event in any material respect.

### ***Floorplan Securitization***

NMAC will from time to time designate certain Accounts and sell the floorplan receivables arising from those Accounts to NWRC II. NWRC II will then sell the floorplan receivables to the issuing entity, which then from time to time will issue series of notes secured by those floorplan receivables.

NMAC's dealer floorplan asset-backed securitization program was first established and utilized for the \$950,000,000 Nissan Master Owner Trust Receivables, Series 2003-A Notes transaction. There are currently no previously issued series of notes outstanding. Simultaneously with the issuance of the Series 2024-A notes, the issuing entity expects to issue a series of fixed rate notes, Series 2024-B.

NMAC will service the floorplan receivables in accordance with customary procedures and guidelines that it uses in servicing Dealer floorplan receivables for its own account or for others and in accordance with the agreements it has entered into with the applicable Dealers. Servicing activities performed by the servicer include,

among others, collecting and recording payments, making any required adjustment to the floorplan receivables, monitoring Dealer payments, evaluating increases in credit limits and maintaining internal records with respect to each Account. The servicer may also change, in limited circumstances, the terms of the floorplan receivables under the designated Accounts. These terms may include the applicable interest rates, payment terms and amount of a given Dealer's credit line under the related designated Account, as well as the underwriting procedures.

Although NMAC may be replaced or removed as servicer upon the occurrence of certain events, including the occurrence of a servicer default (as defined under the applicable financing documents), NMAC generally expects to service the floorplan receivables financed in an ABS transaction for the life of such assets. For more information regarding the circumstances under which NMAC may be replaced or removed as servicer of the receivables, you should refer to *"Description of the Transfer and Servicing Agreement"* in this offering memorandum. If the servicing of any receivables were to be transferred from NMAC to another servicer, there may be an increase in overall delinquencies and defaults due to misapplied or lost payments, data input errors or system incompatibilities. Although NMAC expects that any increase in any such delinquencies would be temporary, the duration or severity of any disruption in servicing the receivables as a result of any servicing transfer will not be known. See *"Risk Factors—Risks related to the servicer and other transaction parties—Adverse events with respect to NMAC, its affiliates or a third-party service provider may adversely affect the timing or amount of payments on your notes or may reduce the market value and/or liquidity of your notes"* in this offering memorandum.

See *"The Dealer Floorplan Financing Business"* in this offering memorandum for more detailed information regarding NMAC's responsibilities in its floorplan securitization program.

### **General**

NMAC began operations in February 1982 and shortly thereafter started servicing auto retail loans and leases and launched its lease financing business. In 1995, the operations of Infiniti Financial Services were assumed by NMAC. NMAC subsequently expanded its servicing portfolio to include loans to Dealers.

NMAC is the servicer for all of the loans, leases and floorplan receivables that it finances. As servicer, NMAC generally handles all collections, administers defaults and delinquencies and otherwise services the loans, the leases, the floorplan receivables and the related vehicles.

In the normal course of its servicing business, NMAC outsources certain of its administrative functions to unaffiliated third party service providers, as well as to certain affiliated companies. The third parties providing those administrative functions do not have discretion relating to activities that NMAC believes would materially affect the amounts realized or collected with respect to the receivables or the timing of receipt of such amounts. Moreover, NMAC retains ultimate responsibility for those administrative functions under the Transfer and Servicing Agreement and should any of those third parties not be able to provide those functions, NMAC believes those third parties could easily be replaced. Therefore, failure by a third party service provider to provide the administrative functions is not expected to result in any material disruption in NMAC's ability to perform its servicing functions under the Transfer and Servicing Agreement. See *"Risk Factors—Risks related to the servicer and other transaction parties—Adverse events with respect to NMAC, its affiliates or a third-party service provider may adversely affect the timing or amount of payments on your notes or may reduce the market value and/or liquidity of your notes"* in this offering memorandum.

### **Credit Risk Retention**

The depositor, a wholly-owned subsidiary of NMAC, is the current holder of the Transferor Interest. NMAC, through its ownership of the depositor, intends to retain an interest in the transaction in the form of the Transferor Interest.

Pursuant to the SEC's credit risk retention rules, codified at 17 C.F.R. Part 246 (**"Regulation RR"**), NMAC, as sponsor, is required to retain an economic interest in the credit risk of the receivables, either directly or through a majority-owned affiliate (or in the case of retention of a seller's interest, a wholly-owned affiliate). NMAC intends to satisfy this obligation through the retention by the depositor, its wholly-owned affiliate, of a

seller's interest (the “**seller's interest**”) in a minimum amount not less than 5% of the principal amount of the outstanding notes of each series, excluding any notes and amounts in the Accumulation Account, if any, held to maturity by NMAC or its wholly-owned affiliates, calculated in accordance with Regulation RR.

The depositor intends to hold the required economic interest in the form of the Transferor Interest, which has been structured to be a qualifying “seller's interest” under Regulation RR. The Transferor Interest is collateralized by the Receivables and other assets of the issuing entity, adjusts for fluctuations in the outstanding principal balance of the pool assets and is *pari passu* with or partially subordinated to each series of outstanding notes issued by the issuing entity. During each month, interest collections, principal collections and defaulted amounts allocated to each series will be further allocated by the servicer, *pari passu*, between the Series 2024-A noteholders of that series and the holders of the Transferor Interest. In addition, a portion of the Transferor Interest equal to the Overcollateralization Amount for each series is subordinated to the notes of that series. Each month, subject to certain limitations, Excess Principal Collections and Excess Interest Collections will be distributed to the holder of the Transferor Interest. The other material terms of the Transferor Interest are described under “*Description of the Trust Agreement—Transferor Interest.*”

The seller's interest will vary depending on the combined aggregate principal amount of Series 2024-A notes and Series 2024-B notes issued by the issuing entity. On the Series 2024-A Issuance Date and after giving effect to the issuance of the Series 2024-A notes and the Series 2024-B notes, the seller's interest will be approximately 89% of the investor ABS interests (calculated in accordance with Regulation RR), based on the Pool Balance as of January 31, 2024. The actual percentage of the aggregate principal amount of the notes of each series represented by the seller's interest on the Series 2024-A Issuance Date will be included in the first Payment Date Statement delivered after the Series 2024-A Issuance Date.

The portion of the depositor's retained economic interest that is intended to satisfy the requirements of Regulation RR will not be transferred or hedged except as permitted under Regulation RR.

## USE OF PROCEEDS

The issuing entity will use the net proceeds from the sale of the Series 2024-A notes (i) to make the required initial deposit into the Reserve Account and (ii) to pay the remaining net proceeds to NWRC II as payment for the Receivables transferred to the issuing entity. NWRC II, as the depositor, will use the proceeds to purchase Receivables from NMAC. NMAC will use the portion of the proceeds paid to it for general corporate purposes.

No expenses incurred in connection with the selection and acquisition of the Receivables are to be payable from the offering proceeds.

## THE DEALER FLOORPLAN FINANCING BUSINESS

The revolving pool of Receivables owned by the issuing entity on the Series 2024-A Issuance Date and from time to time thereafter arises from the financing by dealers of their new, pre-owned and used automobile and light-duty truck inventory. Such dealers are generally engaged in the business of purchasing vehicles from a manufacturer or distributor thereof or from an auction and holding such vehicles for sale or lease in the ordinary course of business. As used herein, “**Dealer**” means: (i) with respect to NMAC's vehicle retail or lease financing business, Nissan- and Infiniti-branded dealers and, in limited circumstances, other dealers not affiliated with Nissan- or Infiniti-branded dealers that operate dealerships franchised by other manufacturers and, (ii) with respect to NMAC's vehicle wholesale and other dealer financing business, Nissan- and Infiniti-branded dealers, other dealers affiliated with Nissan- or Infiniti-branded dealers and, in limited circumstances, other dealers not affiliated with Nissan- or Infiniti-branded dealers that operate dealerships franchised by other manufacturers. Such revolving pool of Receivables will be serviced by NMAC, as servicer.

Vehicles for which NMAC provides dealer floorplan or wholesale financing include vehicles manufactured under the Nissan and Infiniti trademarks and, in limited circumstances, vehicles manufactured under other manufacturers' trademarks. NMAC believes it is the largest single dealer floorplan financing source for Nissan- and Infiniti-branded Dealers. The number of Nissan- and Infiniti-branded Dealers for which NMAC provided dealer

floorplan financing was 502 as of January 31, 2024. The number of Nissan- and Infiniti-branded Dealers for which NMAC provided dealer floorplan financing as a percentage of all existing Nissan- and Infiniti-branded Dealers was 40% as of January 31, 2024.

## General

The Receivables transferred to the issuing entity under the Transfer and Servicing Agreement were or will be selected from extensions of credit and advances, known as “wholesale” or “floorplan” financing, made by NMAC to Dealers. These funds are primarily used by Dealers to purchase new, pre-owned or used vehicles obtained in the normal course of business for sale to retail buyers.

As described in this offering memorandum, Receivables transferred to the issuing entity are secured by a perfected security interest in related vehicles, and in some cases, by a subordinated security interest in parts inventory, equipment, fixtures and service accounts of Dealers. In some cases, the Receivables are also secured by a subordinated security interest in realty owned by a Dealer and/or guaranteed by a Dealer’s parent holding company or affiliate, or personally guaranteed by a Dealer’s parent company, natural person proprietor or other guarantor, or secured by a security interest in NMAC’s rights to set-off amounts in the Dealer’s Cash Management Account, if any.

NMAC has extended credit lines to dealers that operate exclusive Nissan or Infiniti dealerships, dealers which operate Nissan, Infiniti, non-Nissan and/or non-Infiniti sales operations in one dealership, dealers that may also operate dealerships franchised by other manufacturers and, in limited circumstances, other dealers not affiliated with Nissan- or Infiniti-branded dealers that operate dealerships franchised by other manufacturers. Dealers who have non-Nissan and non-Infiniti franchises may obtain financing of non-Nissan and non-Infiniti vehicles from another financing source or may use part of their NMAC financing, pursuant to their related Floorplan Financing Agreement, to finance vehicles purchased from such other manufacturers. Certain Dealers who also are franchised by other manufacturers may have a financing source other than NMAC for their new non-Nissan and non-Infiniti vehicles. When a Dealer has a floorplan financing source other than NMAC for its non-Nissan and non-Infiniti vehicles and such financing source has a prior perfected security interest in NMAC’s collateral, NMAC generally requires that such Dealer and such other financing source enter into intercreditor agreements with NMAC whereby the relative rights in the payment on the receivables and the security interests in the vehicles and other collateral are specified as between NMAC and such other financing source. NMAC conducts its underwriting and servicing of its domestic Dealer Accounts primarily at its centralized processing center in Irving, Texas and corporate offices in Franklin, Tennessee.

Vehicles financed by any Dealer under the floorplan program are categorized by NMAC, under its policies and procedures, as New Vehicles, Pre-Owned Vehicles or Used Vehicles based upon whether the vehicles qualify for the new, pre-owned or used wholesale and retail interest rate chargeable to the Dealer in connection with the vehicles financed.

The terms “**New Vehicles**,” “**Pre-Owned Vehicles**” and “**Used Vehicles**,” as they are currently used by NMAC in connection with the practices and procedures described herein and with the data supplied herein are defined in the “*Glossary*” in this offering memorandum. NMAC may at a later date categorize vehicles as New Vehicles, Pre-Owned Vehicles and Used Vehicles differently from the way it currently does based on its future practices and policies.

## Creation of Receivables

NMAC finances 100% of the wholesale invoice price of New Vehicles, including destination charges. NMAC originates receivables in respect of New Vehicles concurrently with the shipment of the vehicles by NNA or another auto manufacturer to the financed Dealer. NMAC finances Pre-Owned Vehicles at either 100% of auction purchase price or 100% of base wholesale value with no additions allowed using the appropriate designation from either the NADA Official Used Car Guide (“**NADA**”), the National Auto Research Official Used Car Market Guide Monthly (the “**Black Book**”) or the Kelly Blue Book (the “**Blue Book**”). NMAC finances Used Vehicles at 100% of the base wholesale value with no additions allowed using the appropriate designation from either the NADA, the Black Book or the Blue Book.



Dealers are required to remit funds advanced under the floorplan program on the earlier of (i) 10 calendar days after the sale of the vehicles financed or (ii) within two business days after the funds are received for a vehicle sold by the dealership. If a financed vehicle is not sold within a specified period of time, the Dealer may, with NMAC approval, commence making payments to amortize the amount advanced by NMAC for the purchase of such vehicle, in equal monthly installments commencing the month following such specified period of time. See *“The Dealer Floorplan Financing Business—Billing, Collection Procedures and Payment Terms”* in this offering memorandum for more information on this payment policy.

Once a Dealer has commenced the floorplanning of a manufacturer’s vehicles through NMAC, NMAC will commit to finance all purchases of vehicles by the Dealer from NNA or any other manufacturer covered by the NMAC financing arrangement. NMAC will consider cancelling this arrangement, however, if a Dealer’s inventory is considered by NMAC to be heavily overstocked, if a Dealer is experiencing financial difficulties or if a Dealer requests controlled vehicle releases. In those circumstances, the NMAC Special Credit Analyst assigned to the Account is required to contact the Dealer Credit Department to place the Account on finance hold, request that the NMAC Inventory Control Manager schedule and complete an audit of inventory, and take other appropriate remedial action as may be necessary. NMAC provides arrangements to finance inter-Dealer sales of primarily New Vehicles.

For Dealers who participate in certain floorplan programs, NMAC may finance land acquisition (through short- or long-term loans used to acquire real property prior to construction), construction (through short-term loans used to construct new dealership facilities), mortgage loans (through long-term loans used to pay off existing land or construction loans, or to refinance real property for an existing dealership), or equipment, and may make capital loans and revolving lines of credit. The loans advanced other than for vehicle purchases will not constitute Receivables that secure the notes and will not be purchased by the issuing entity.

### **Credit Underwriting Process**

NMAC extends credit to Dealers from time to time based upon established credit lines. Dealers may establish lines of credit to finance purchases of New Vehicles, Pre-Owned Vehicles and Used Vehicles. All Dealers that have a New Vehicle line of credit are also eligible for Pre-Owned Vehicle and Used Vehicle credit lines. A New Vehicle credit line relates to New Vehicles, a Pre-Owned Vehicle credit line relates to Pre-Owned Vehicles, and a Used Vehicle credit line relates to Used Vehicles, as defined above.

A newly established Dealer requesting the establishment of a New Vehicle credit line must submit a dealer financing request along with various other documentation and financial information to NMAC. After receipt of the information, it is standard procedure for NMAC, through the Dealer Credit Department, to investigate the prospective Dealer. The Dealer Credit Department typically evaluates the Dealer’s marketing capabilities, financial resources and credit requirements, and either recommends approval or denial of the Dealer application. When an existing Dealer requests the establishment of a wholesale New Vehicle credit line, the Dealer Credit Department typically investigates the Dealer’s current state of operations and management, including evaluating a factory reference, and marketing capabilities. For all requested credit lines that are within the Credit Committee’s approval limits, the Credit Committee either approves or disapproves the Dealer’s request. For credit lines in excess of the credit committee’s approval limits, the Credit Committee transmits the requisite documentation to the Global Risk department of NML for approval or disapproval. NMAC applies the same underwriting standards for Dealers franchised by other manufacturers.

Upon approval, Dealers execute a Floorplan Financing Agreement with NMAC. This agreement provides NMAC with a security interest in the financed vehicles and other collateral financed (with certain limited exceptions for assets financed by other creditors of such Dealer as to which NMAC agrees to take a subordinated lien position). Under this agreement, NMAC requires all Dealers to maintain insurance coverage for each vehicle for which it provides floorplan financing, with NMAC designated as loss payee by endorsement. Additionally, NMAC requires delivery of evidence that the dealership is at or above NMAC capitalization guidelines for working capital and net cash prior to initially funding any vehicles under a floorplanning arrangement. NMAC monitors each dealership’s ongoing compliance with NMAC capitalization guidelines for working capital and net cash, and may either terminate new fundings or otherwise modify the terms under which new fundings will be made for a dealership that

is not in compliance therewith or that does not demonstrate to NMAC's satisfaction prompt efforts to come back into compliance with such guidelines.

The size of a credit line initially offered to a Dealer is based upon NMAC's assessment of the greater of (a) an amount sufficient to finance either a 90-day supply or a 120-day supply of vehicles (determined based on NMAC's evaluation of the Dealer's creditworthiness) at the Dealer's average New Vehicle sales volume (and 45-day supply for Used Vehicle sales volume) or (b) the distributor's minimum New Vehicle floorplan requirement (which is generally based on expected annual sales). In the case of a prospective Dealer the initial credit line is based on the distributor's minimum New Vehicle floorplan requirement (which is generally based on expected annual sales). The amount of a Dealer's credit line for New Vehicles is adjusted periodically by NMAC. Each adjustment is based upon the Dealer's average New Vehicle sales during the prior twelve months and, typically, is an adjustment to an amount sufficient to finance either a 90-day supply or a 120-day supply of vehicles (determined based on NMAC's evaluation of the Dealer's creditworthiness) at such average sales volume. The amount of a Dealer's credit line for Pre-Owned Vehicles is also adjusted periodically. This adjustment is based upon the Dealer's combined average Pre-Owned Vehicle and Used Vehicle sales for the prior twelve months and is, typically, in an amount sufficient to finance a 45-day supply of Pre-Owned Vehicles and Used Vehicles at such average sales volume.

The credit lines for the Dealer's New Vehicles and Pre-Owned Vehicles are guidelines, not limits, which Dealers may exceed from time to time. NMAC's decision to extend loans in excess of a Dealer's credit line is based upon a number of factors, including the creditworthiness of the Dealer and the types of collateral that secure such Dealer's payment obligations.

Since Dealers have varying degrees of complexity in their legal and operational structures and business and financing needs, NMAC's underwriting process is entirely at NMAC's discretion and sole judgment. However, standard credit review and recommendation formats are used across the NMAC floorplan portfolio to provide consistent documentation and decisioning.

#### **Intercreditor Agreement Regarding Security Interests in Vehicles and Non-Vehicle Related Security**

The floorplan financing arrangements constituting Dealer credit lines, including the Accounts designated for the issuing entity, grant NMAC a security interest in the related vehicles and any applicable additional security. Generally, the security interest in the vehicle terminates, as a matter of law, at the time the vehicle is sold or leased by the Dealer. NMAC represents to the depositor that this security interest in each financed vehicle is a perfected first-priority security interest. Under certain circumstances, NMAC's security interests in other collateral securing Receivables and other fundings under its agreements with dealerships are not first-priority security interests (as when certain non-vehicle assets of such dealerships are financed by other lenders or pledged as collateral to other lenders prior to NMAC entering into floorplan financing arrangements with such Dealers). Pursuant to the Receivables Purchase Agreement between the depositor and NMAC, and subject to the limitations specified in the next paragraph, NMAC assigns to the depositor its security interests in vehicles and in other collateral securing the Receivables. The depositor assigns these security interests to the issuing entity pursuant to the Transfer and Servicing Agreement.

In its other lending activities to the same Dealers and under the same sets of lending documents, NMAC may make capital loans, real estate loans or other advances to Dealers or their parent holding companies or other affiliates that are also secured by a security interest in the vehicles and other non-vehicle collateral securing the Receivables, such as parts inventory, equipment, fixtures, service accounts and/or a personal guarantee securing the Receivables. In the Receivables Purchase Agreement, NMAC agrees not to foreclose on any vehicle until the issuing entity has been paid in full on the Receivables secured by the issuing entity's security interest in the vehicle. Although the issuing entity in each case will have a perfected security interest in the related vehicles, a default under any such loans made to a Dealer's parent holding company or other affiliates may result in a default in respect of such Dealer's Receivables that have been transferred to the issuing entity. In addition, in connection with capital loans, real estate loans or other advances made by NMAC to a Dealer or its parent holding companies or other affiliates, NMAC, in its sole discretion, may realize on the non-vehicle related security for its own benefit before the issuing entity is permitted to realize on such security. Because the issuing entity will have a subordinate position in

the non-vehicle related security, the issuing entity may not realize proceeds from the liquidation of any non-vehicle collateral.

### **Billing, Collection Procedures and Payment Terms**

NMAC prepares and distributes each month to each Dealer a statement setting forth billing and related account information. NMAC generates each Dealer's bills at month end. Interest and other nonprincipal charges must be paid by the end of the month in which they are billed.

Upon the sale of an NMAC financed vehicle, NMAC is entitled to receive payment in full of the related advance upon the earlier of 10 calendar days of the sale or two business days after the dealership has received payment therefor. Dealers remit payments by check or electronically directly to NMAC. If the financed vehicle is not sold or leased within the specified term for that vehicle class, the advance for such vehicle is typically due at the end of such specified term. Monthly curtailments are assessed during the finance term in accordance with the class of vehicle. With respect to New, Pre-Owned Nissan/Infiniti or Used Vehicles, the advance may be repaid at maturity without monthly curtailments if the related Dealer agrees to an increased interest rate set by NMAC.

Each Dealer generally has the option, subject to a cash management agreement between NMAC and the Dealer, to make off-sets of any amount into the Cash Management Account administered by NMAC. Any off-set by a Dealer in the Cash Management Account reduces by such off-set amount the balance on which interest accrues on a single line of credit of such Dealer (but the reduction of the balance on which interest accrues is limited to 60%, or, in limited circumstances, up to 90%, of the principal of the Receivables due from such Dealer on such single line of credit) under its Floorplan Financing Agreement. NMAC does not treat any off-set by a Dealer in the Cash Management Account as a payment under a Floorplan Financing Agreement, and no such off-set reduces the principal balance of any line of credit of such Dealer, except with respect to any off-set amount as to which NMAC exercises its right to set-off a Dealer's principal balance of Receivables in the event of a default by such Dealer under the cash management agreement or Floorplan Financing Agreement, in each case between NMAC and such Dealer, or a termination of such cash management agreement. A Dealer may request amounts be off-set in the Cash Management Account from time to time, subject to certain limitations. In consideration of this service provided by NMAC, the Dealers who participate in the cash management account program may pay a monthly fee and grant to NMAC a security interest in, and a lien on, all funds transferred to NMAC and held by NMAC in the Cash Management Account. The Pool Balance is calculated net of the Cash Management Account Balance, but the principal balances of Receivables of a Dealer who off-sets amounts into the Cash Management Account are not reduced (except in the case of a set-off by NMAC). Accordingly, each such Dealer is obligated to pay to the issuing entity the full principal balance of such Receivables (except in the case of a set-off by NMAC).

For wholesale financing, NMAC generally charges Dealers interest at a floating rate based on the rate designated as the prime rate from time to time by financial institutions selected by NMAC, plus a designated spread for all advances with respect to New Vehicles, Pre-Owned Vehicles and Used Vehicles. NMAC has instituted a floor on its prime rate. NMAC does not use risk-based pricing exclusively to set the spreads charged for all Dealers but will adjust pricing from time to time for specific Accounts based on risk, new versus used inventory and manufacturer. In the case of a limited number of Dealers whose other financial dealings are conducted on a SOFR basis, NMAC has accommodated their requests to set the related floating interest rate based on one-month or three-month SOFR, plus a designated credit spread adjustment, plus a designated spread. The prime rate for such wholesale financing is reset on the first day of the month after change by the financial institutions selected by NMAC and is applied to all balances. This is subject to change at NMAC's discretion. SOFR is generally set the first day of each calendar month.

### **Relationship with Nissan North America, Inc.**

NMAC provides to some Dealers financial assistance in the form of working capital loans and other loans to all Dealers. In addition, NNA provides floorplan assistance to all Dealers through a number of formal and informal programs.

Under an agreement between NNA and each Dealer, NNA commits to repurchase unsold new vehicles in inventory upon Dealer termination at the vehicles' wholesale prices less a specified margin. NNA only repurchases

current model year vehicles and vehicles from the prior model year that, in each case, are new, undamaged and unused. NNA also agrees to repurchase from Dealers, at the time of termination of their sale and servicing agreement, current parts inventory. All of the assistance, however, is provided by NNA for the benefit of its Dealers, and does not relieve the Dealers of any of their obligations to NMAC.

*See “Risk Factors—Risks related to the servicer and other transaction parties—Adverse events with respect to NMAC, its affiliates or a third-party service provider may adversely affect the timing or amount of payments on your notes or may reduce the market value and/or liquidity of your notes.”*

## **Dealer Monitoring**

In order to verify the status of a Dealer’s collateral and to ensure that the terms of the financing agreement between the Dealer and NMAC are being met by the Dealer, standard policy requires each Dealer participating in floorplan financing to be risk rated on a quantitative and qualitative basis by the Special Credit Department each month. The ratings do not measure the risk potential of the NMAC portfolio against the industry. The scoring determines where internal resources should be allocated based on the greatest risk of loss to NMAC. The categories of rating are “A,” “B,” “C” and “D.” This rating determines the audit frequency for the dealership, and such information is compiled in an Audit Planning Schedule and updated quarterly. New dealer categories may be developed, reviewed and approved based on internal policy. From time to time NMAC refines, and in the future may further refine, its dealer monitoring methodology and categories.

NMAC’s management utilizes the dealer risk rating and other performance indicators in establishing frequencies of due diligence and periodic dealer reviews.

For all vehicles not inspected during a given audit or not waived by the appropriate authority, the auditor is required to resolve the status of each vehicle. While this monitoring procedure is currently used by NMAC and the Dealer Credit Department, such procedures may change in the future.

## **Extension of Overline Credit**

The Dealer Credit-Processing Department and Special Credit Department monitor the level of each Dealer’s wholesale credit line(s) and manage balances. Dealers are permitted to exceed those lines on a temporary basis. For example, a Dealer may, immediately prior to a seasonal sales peak, purchase more vehicles than it is otherwise permitted to finance under its existing credit lines. For certain Dealers, overline credit may be extended in an appropriate amount with respect to such Dealer’s circumstances. At certain times when NMAC learns that a Dealer’s balance exceeds its approved credit lines, NMAC will evaluate the Dealer’s financial position and if that Dealer qualifies, NMAC may increase the Dealer’s credit lines to support its business model.

## **Dealer “Status” and NMAC’s Write-Off Policy**

Under some circumstances, NMAC will classify a Dealer “Status.” The circumstances include:

- failure to remit any principal or interest payment when due,
- any vehicle is “sold out of trust,” that is, the vehicle is sold and the inventory loan is not repaid when demanded by NMAC,
- insolvency of the Dealer,
- any loss, theft, damage or destruction to the vehicles, or any encumbrance of the collateral (except as expressly permitted in the financing agreements), and
- a general deterioration of its financial condition or failure to meet financial requirements which constitute a default of the lending agreement.

Once a Dealer is designated “Status,” NMAC determines any further extension of credit on a case-by-case basis.

NMAC attempts to work with Dealers to resolve instances of Dealers designated “Status.” If, however, a Dealer remains designated “Status,” it can result in one of the following events:

- an orderly liquidation in which the Dealer voluntarily liquidates its inventory through normal sales to retail customers,
- an involuntary liquidation in which NMAC attempts to repossess the Dealer’s inventory through permissible non-judicial or judicial methods and a termination of the wholesale lines, or
- a voluntary surrender of the Dealer’s inventory to NMAC or its designee and termination of the wholesale lines.

The proceeds of the sales are used to repay amounts due to NMAC. NMAC’s right to use the proceeds to repay its floorplan loans will be affected by the priority of its interests in the sold collateral as described above under “*The Dealer Floorplan Financing Business—Intercreditor Agreement Regarding Security Interests in Vehicles and Non-Vehicle Related Security.*” Once liquidation has begun, NMAC performs an analysis of its position, writes off any amounts identified at that time as uncollectible and attempts to liquidate all possible remaining collateral. During the course of a liquidation, NMAC may recognize additional losses or recoveries.

## **THE TRUST PORTFOLIO**

### **Receivables in Designated Accounts**

The assets of the issuing entity consist primarily of Receivables transferred by the depositor under the Transfer and Servicing Agreement to the issuing entity. The revolving pool of Receivables constituting the Trust Portfolio and assets of the issuing entity are those arising from time to time in connection with designated Accounts selected from NMAC’s U.S. portfolio of Dealer floorplan Accounts. Each designated Account must be an Eligible Account. Only the Receivables relating to designated Eligible Accounts will be sold by NMAC to the depositor, and then transferred by the depositor to the issuing entity. The designated Accounts themselves are not sold or transferred by NMAC; only their Receivables are sold by NMAC to the depositor and then transferred by the depositor to the issuing entity. NMAC will continue to own each designated Account after its designation and, so long as NMAC is the wholesale financing source, will remain obligated under the terms of the Floorplan Financing Agreement to make all required advances to the related Dealer. Afterwards, all new Receivables arising in connection with that designated Account generally will be transferred automatically to the issuing entity under the terms of the Transfer and Servicing Agreement, unless the Account becomes an Ineligible Account. Accounts may contain special subaccounts for the financing of vehicles other than automobiles and light-duty trucks and for fleet purchases. These special subaccounts are included when the Account is designated for the issuing entity, and any Receivables arising under these special subaccounts will be transferred to the issuing entity.

At the time a Dealer’s floorplan financing Account is designated for the issuing entity, the Account must be an account that is a floorplan financing Account established by NMAC pursuant to a Floorplan Financing Agreement and as of the date on which eligibility is determined:

- is in existence and maintained and serviced by or on behalf of NMAC;
- is in favor of a Dealer franchised by NNA or another manufacturer to sell New Vehicles;
- has been underwritten by NMAC in accordance with its Customary Servicing Practices;
- is in favor of a Dealer whose principal showroom is located in the United States of America;

- is in favor of a Dealer in which NNA or any of its affiliates does not have an equity investment equal to or exceeding 5% as determined by the servicer on a quarterly basis;
- is in favor of a Dealer that is not classified by the servicer as in “Status” (or other comparable classification) for any reason as of the date on which eligibility is initially determined or at the end of the prior month) under the Floorplan Financing Agreement or under any other lender floorplan program; and
- is an Account as to which no Principal Receivables have been charged-off as uncollectible for credit-related reasons at any time within the previous 24 months.

We refer to any accounts that meet the foregoing eligibility criteria as an “**Eligible Account**”.

After the Series 2024-A Issuance Date, the depositor has the right to designate, from time to time, Additional Accounts for the issuing entity. In this case, the existing and future Receivables of these Additional Accounts will be sold to the depositor and then transferred to the issuing entity so long as the conditions described in “*Description of the Transfer and Servicing Agreement—Representations and Warranties of the Depositor—Additional Designated Accounts*” in this offering memorandum are satisfied. In addition, the depositor will be required, as of the last day of each Collection Period, to designate Additional Accounts, to maintain, for so long as any notes issued by the issuing entity remain outstanding, the Adjusted Pool Balance, in an amount equal to or greater than the Required Participation Amount. The depositor also has the right, and in some cases will be required, to redesignate Accounts, all or a portion of the Receivables of which will be removed from the issuing entity and transferred back to the depositor. The redesignation of Accounts by the depositor, whether elective or mandatory, is subject to satisfaction of the conditions described in “*Description of the Transfer and Servicing Agreement—Redesignation of Accounts*” in this offering memorandum. Throughout the term of the issuing entity, the Accounts giving rise to the issuing entity’s Receivables will be those designated for the issuing entity at the time of its formation or prior to the Series 2024-A Issuance Date, plus any Additional Accounts, minus any redesignated Accounts. As a result, the composition of the issuing entity’s assets is expected to change over time.

Certain of the tables below set forth historical age distribution, loss and monthly payment rate experience regarding the Trust Portfolio. Age distribution, loss and monthly payment rate experience may be influenced by a variety of economic, social and geographic conditions and other factors beyond the control of NMAC. See “*Risk Factors—Risks related to the characteristics, servicing and performance of the receivables in the issuing entity—Recent and future economic developments may adversely affect the performance of the receivables and may result in reduced or delayed payments on your notes*”. Due to those and similar factors, as well as potential additions and removals of Accounts in the future, the actual age distribution, loss and monthly payment rate experience for the Trust Portfolio may differ from that shown below. Accordingly, the age distribution, loss and monthly payment rate experience for the Trust Portfolio in the future may be different from the historical experience set forth below. References to the outstanding principal balances of Receivables in this offering memorandum are gross of any related Cash Management Account Balance unless otherwise stated.

### **Key Statistics as of the Series 2024-A Cut-Off Date**

As of the Series 2024-A Cut-Off Date, the Trust Portfolio and the related Accounts designated to the issuing entity had the following characteristics:

- There were 1,892 designated Accounts and the total outstanding principal balance of Receivables arising in connection with these Accounts was approximately \$2,356,794,183.
- The average credit line per designated Account was approximately \$1,909,127 (with the average New Vehicle credit line of approximately \$2,792,481, the average Pre-Owned Vehicle credit line of approximately \$962,277 and the average Used Vehicle credit line of approximately \$836,264).
- The average outstanding principal balance of Receivables per designated Account was approximately \$1,245,663.

- The total outstanding principal balance of Receivables arising in connection with the designated Accounts, expressed as a percentage of the total credit line amount of these Accounts, was approximately 65.25%.
- The total outstanding principal balance of Receivables (net of the Cash Management Account Balance) arising in connection with the designated Accounts, expressed as a percentage of the total credit line amount of these Accounts, was approximately 52.33%.
- The total outstanding principal balance of Receivables relating to New Vehicles was approximately \$2,019,448,796 or 85.69% of the total outstanding principal balance of all Receivables, the total outstanding principal balance of Receivables relating to Pre-Owned Vehicles was approximately \$138,647,018 or 5.88% of the total outstanding principal balance of all Receivables and the total outstanding principal balance of Receivables relating to Used Vehicles was approximately \$198,698,369 or 8.43% of the total outstanding principal balance of all Receivables.
- The weighted average trust portfolio yield was the prime rate (as of the Series 2024-A Cut-Off Date) less approximately 0.27%. The Receivables for 29 Dealers accrue interest based on SOFR and not the prime rate. The weighted average trust portfolio yield is calculated based on the respective rates for SOFR and the prime rate as of the Series 2024-A Cut-Off Date.

With respect to the fourth and fifth bullet points in the preceding paragraph, the total outstanding principal balance of Receivables (whether gross or net of the Cash Management Account Balance) arising in connection with the designated Accounts may exceed the total credit line amount of these Accounts. From time to time, NMAC may approve loans to Dealers that exceed the limit on such Dealer's credit line. NMAC's underwriting decision is based upon, among other things, the creditworthiness of the related Dealer and the types of collateral securing that Dealer's obligations. For more information regarding NMAC's dealer floorplan financing business, you should refer to "*The Dealer Floorplan Financing Business*" in this offering memorandum.

The tables set forth below in this section provide additional information relating to the Trust Portfolio and the related Accounts designated for the issuing entity as of the Series 2024-A Cut-Off Date. Because the composition of the Receivables in the Trust Portfolio and the related designated Accounts will change over time, the information in these tables is not necessarily indicative of the composition of the Trust Portfolio as of any subsequent date. The percentages in any table may not add to 100% because of rounding.

The following table describes the Receivables in the Trust Portfolio and the related Accounts designated for the issuing entity as of the Series 2024-A Cut-Off Date. Each of the percentages and averages in the table is computed on the basis of the outstanding principal balance of the Receivables as of the Series 2024-A Cut-Off Date. The "Weighted Average Spread Charged (Under)/Over Prime Rate" in the following table is based on weighting by outstanding principal balance of the Receivables as of the Series 2024-A Cut-Off Date. The "Weighted Average Spread Charged (Under)/Over the Prime Rate" does not include rebates earned by Dealers under NMAC incentive programs that entitle them to a credit based on interest charges. These credits are solely the obligation of NMAC and do not affect the rate earned by the issuing entity.

## Receivables Composition as of the Series 2024-A Cut-Off Date

### Composition of the Trust Portfolio;

#### As of the Series 2024-A Cut-Off Date

	January 31, 2024
Number of Accounts	1,892
Total Outstanding Principal Balance of Receivables	\$2,356,794,183
Total Outstanding Principal Balance of Receivables as a % of Credit Line	65.25%
Percent of Receivables Representing New Vehicles	85.69%
Percent of Receivables Representing Pre-Owned Vehicles	5.88%
Percent of Receivables Representing Used Vehicles	8.43%
Average Outstanding Principal Balance of Receivables in Each Account	\$1,245,663
Range of Outstanding Principal Balances of Receivables in Accounts	\$0 to \$25,511,109
Average Available Credit Line by Value	\$1,909,127
Largest Available Credit Line by Value	\$63,000,000
Weighted Average Spread Charged (Under)/Over Prime Rate	-0.27%
Number of Dealers Indexed to SOFR	29

### Composition of the Trust Portfolio;

#### New Receivables As of the Series 2024-A Cut-Off Date

Total Outstanding Principal Balance of Receivables	\$2,019,448,796
Average Outstanding Principal Balance of Receivables in Each Account	\$1,987,646
Average Credit Line	\$2,792,481

### Composition of the Trust Portfolio;

#### Pre-Owned Receivables As of the Series 2024-A Cut-Off Date

Total Outstanding Principal Balance of Receivables	\$138,647,018
Average Outstanding Principal Balance of Receivables in Each Account	\$412,640
Average Credit Line	\$962,277

### Composition of the Trust Portfolio;

#### Used Receivables As of the Series 2024-A Cut-Off Date

Total Outstanding Principal Balance of Receivables	\$198,698,369
Average Outstanding Principal Balance of Receivables in Each Account	\$367,960
Average Credit Line	\$836,264

## Static Pool Information Regarding the Trust Portfolio

The descriptions and tables below set forth the delinquency experience, loss experience, age distribution, Dealer credit rating distribution, geographic distribution, monthly payment rates and principal balance distribution for the Trust Portfolio as of the Series 2024-A Cut-Off Date. Delinquency experience, loss experience, age distribution, Dealer credit rating distribution, geographic distribution, monthly payment rates and principal balance distribution may be influenced by a variety of economic, social and geographic conditions and other factors beyond NMAC's control. See *"Risk Factors—Risks related to the limited nature of the issuing entity's assets—Changes in the level of losses may result in accelerated, reduced or delayed payments on your notes."* NMAC's delinquency experience, loss experience, age distribution, Dealer credit rating distribution, geographic distribution, monthly payment rates and principal balance distribution with respect to the Receivables included in the issuing entity may be different from that shown below.

Because the designated Accounts and the Receivables will change over time, the actual experience of the Trust Portfolio may differ from that shown below. It is not certain whether the information for the Trust Portfolio in the future will be similar to the historical experience for the Trust Portfolio shown below.



## Delinquency and Loss Experience

As of January 31, 2024, the balance of Principal Receivables that were delinquent was approximately \$3,173,090, which was approximately 0.12% of the total balance of Principal Receivables. Because of the de minimis amount of receivables that historically have been delinquent for the Trust Portfolio, NMAC does not use delinquency experience as an indicator of the performance of the Trust Portfolio and consequently does not monitor aging in 30-day increments.

The table below sets forth the average Principal Receivables balance and loss experience for each of the periods shown with respect to the Trust Portfolio. The loss experience set forth below reflects financial assistance provided by NNA to Dealers in limited instances. See “*The Dealer Floorplan Financing Business—Relationship with Nissan North America, Inc.*” in this offering memorandum. If NNA does not provide this assistance in the future, the loss experience of the Trust Portfolio may be adversely affected. The loss experience in the table also takes into account recoveries from any non-vehicle related security granted by Dealers to NMAC that may also secure capital loans, real estate loans and other advances not related to wholesale financing. Dealers are required to remit funds advanced under the floorplan program on the earlier of (i) 10 calendar days after the sale of the vehicles financed or (ii) within two business days after the funds are received for a vehicle sold by the dealership. Interest and charges are billed at the end of each month, payment of which is due from Dealers no later than the 15th of the following month. A Receivable is delinquent if all amounts billed at the end of the month, other than a permitted de minimis amount, are not paid by or on behalf of the Dealer by the 15th of the following month. For more information regarding delinquencies and defaults on the Trust Portfolio, see “*The Dealer Floorplan Financing Business—Dealer “Status” and NMAC’s Write-Off Policy*” in this offering memorandum.

### Loss Experience of Trust Portfolio

	For the Ten Months Ended January 31,		For the Twelve Months Ended March 31,				
	2024 <sup>(4)</sup>	2023 <sup>(4)</sup>	2023	2022	2021	2020	2019
Total number of defaulted receivables	0	0	0	0	0	0	0
Average Principal Receivables balance <sup>(1)</sup>	\$2,117,696,683	\$1,292,851,311	\$1,388,455,722	\$1,639,950,572	\$3,706,997,956	\$5,312,296,644	\$6,161,125,675
Percentage of Principal Receivables balance that is defaulted	0%	0%	0%	0%	0%	0%	0%
Net losses (recoveries) <sup>(2)</sup>	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net losses/Average Principal Receivables balance <sup>(3)</sup>	0%	0%	0%	0%	0%	0%	0%

- (1) Average Principal Receivables balance is calculated based on the month-beginning data of the Principal Receivables balance for the periods indicated.
- (2) Net losses (recoveries) in any period are gross losses less any recoveries for such period. Recoveries include recoveries from non-vehicle related collateral in addition to recoveries from disposition of the underlying vehicles.
- (3) Percentage may be less than zero because net recoveries are greater than net losses during such period.
- (4) The percentages for the ten months ended January 31, 2023 and January 31, 2024 have been annualized to facilitate year-to-year comparisons. Actual percentages for the entire year may differ from annualized percentages.

## Age Distribution

The following table provides the age distribution of the Accounts designated for the issuing entity for each of the periods shown, expressed as a percentage of total Principal Receivables outstanding as of the dates indicated.

The age distribution set forth below measures the age of all Receivables with respect to the Trust Portfolio from the date the vehicle is received by the Dealer. See “*The Dealer Floorplan Financing Business—Creation of Receivables*” in this offering memorandum.

### Age Distribution of Trust Portfolio

Days	For the Ten Months Ended January 31,				For the Twelve Months Ended March 31,			
	2024	%	2023	%	2023	%	2022	%
0-120 Days	\$1,829,716,880	77.6%	\$1,726,822,155	92.7%	\$1,617,424,887	87.1%	\$1,157,434,023	91.1%
121-180 Days	347,050,748	14.7	85,998,747	4.6	180,106,184	9.7	54,521,368	4.3
181-270 Days	110,135,725	4.7	31,130,747	1.7	41,294,707	2.2	25,013,401	2.0
Over 270 Days	69,890,831	3.0	18,306,048	1.0	17,750,732	1.0	34,159,368	2.7
<b>Total<sup>(1)</sup></b>	<b>\$2,356,794,183</b>	<b>100.0%</b>	<b>\$1,862,257,698</b>	<b>100.0%</b>	<b>\$1,856,576,511</b>	<b>100.0%</b>	<b>\$1,271,128,159</b>	<b>100.0%</b>

Days	For the Twelve Months Ended March 31,					
	2021	%	2020	%	2019	%
0-120 Days	\$2,778,634,078	82.4%	\$3,646,769,775	69.3%	\$4,659,137,853	73.7%
121-180 Days	378,853,156	11.2	848,135,171	16.1	1,073,022,470	17.0
181-270 Days	156,540,948	4.6	562,451,739	10.7	433,749,708	6.9
Over 270 Days	56,799,780	1.7	205,602,302	3.9	156,283,297	2.5
<b>Total<sup>(1)</sup></b>	<b>\$3,370,827,961</b>	<b>100.0%</b>	<b>\$5,262,958,987</b>	<b>100.0%</b>	<b>\$6,322,193,329</b>	<b>100.0%</b>

(1) Dollar amounts and percentages may not add to the total or 100%, respectively, due to rounding.

## Dealer Credit Rating Distribution for the Accounts

The following table provides the Dealer credit rating distribution for the Accounts designated for the issuing entity as of the Series 2024-A Cut-Off Date on the basis of the amount of Principal Receivables balance outstanding for each credit rating.

### Dealer Credit Rating Distribution for the Accounts As of the Series 2024-A Cut-Off Date

Dealer Credit Rating	Outstanding Principal Balance of Receivables	Percentage of Total Outstanding Principal Balance of Receivables
A	\$ 1,765,463,663	74.91%
B	238,513,144	10.12
C	159,788,339	6.78
D	192,898,766	8.18
Unrated <sup>(1)</sup>	130,270	0.01
<b>Total<sup>(2)</sup></b>	<b>\$ 2,356,794,183</b>	<b>100.00%</b>

(1) Represents Receivables for which the related dealer has no dealer credit rating.

(2) Dollar amounts and percentages may not add to the total or 100%, respectively, due to rounding.

## Geographic Distribution of Accounts

The following table provides the geographic distribution based on the address of the dealership of the Accounts designated for the issuing entity as of the Series 2024-A Cut-Off Date. The information is presented on the basis of the amount of Principal Receivables balance outstanding and the number of Accounts designated for the issuing entity.

**Geographic Distribution of Accounts  
As of the Series 2024-A Cut-Off Date**

<b>Geographic Distribution</b>	<b>Outstanding Principal Balance of Receivables</b>	<b>Percentage of Total Outstanding Principal Balance of Receivables</b>	<b>Number of Accounts</b>	<b>Percentage of Total Number of Accounts</b>
Texas	\$ 338,981,017	14.38%	217	11.47%
California	236,865,236	10.05	227	12.00
Florida	177,749,411	7.54	122	6.45
New York	167,794,022	7.12	101	5.34
Tennessee	106,165,558	4.50	61	3.22
Georgia	105,228,666	4.46	74	3.91
New Jersey	91,142,387	3.87	85	4.49
Pennsylvania	85,126,943	3.61	66	3.49
Colorado	84,321,015	3.58	48	2.54
North Carolina	68,360,312	2.90	65	3.44
Arizona	64,580,774	2.74	29	1.53
Louisiana	63,488,113	2.69	56	2.96
Missouri	62,969,981	2.67	34	1.80
Oklahoma	62,206,317	2.64	47	2.48
Connecticut	61,779,465	2.62	48	2.54
Arkansas	56,643,145	2.40	44	2.33
Virginia	52,652,554	2.23	31	1.64
Mississippi	51,715,360	2.19	58	3.07
Illinois	41,203,374	1.75	52	2.75
Minnesota	37,785,131	1.60	33	1.74
Maryland	37,748,393	1.60	47	2.48
Alabama	35,245,551	1.50	31	1.64
Nevada	32,806,418	1.39	23	1.22
Wisconsin	26,584,123	1.13	20	1.06
Indiana	16,134,546	0.68	37	1.96
Kentucky	15,246,011	0.65	19	1.00
Michigan	14,813,861	0.63	19	1.00
Kansas	14,804,668	0.63	17	0.90
Rhode Island	13,189,560	0.56	11	0.58
Iowa	13,099,290	0.56	13	0.69
New Hampshire	12,964,428	0.55	15	0.79
Nebraska	11,729,488	0.50	5	0.26
Vermont	10,730,060	0.46	9	0.48
New Mexico	10,603,542	0.45	10	0.53
Ohio	10,593,875	0.45	17	0.90
Maine	10,208,261	0.43	7	0.37
Massachusetts	9,999,517	0.42	24	1.27
Hawaii	9,856,153	0.42	7	0.37
South Carolina	7,628,701	0.32	13	0.69
Oregon	6,129,245	0.26	6	0.32
West Virginia	5,498,520	0.23	4	0.21
Montana	4,798,643	0.20	13	0.69
Wyoming	3,462,859	0.15	7	0.37
Idaho	3,019,178	0.13	3	0.16
Utah	1,573,784	0.07	5	0.26
South Dakota	1,566,725	0.07	6	0.32
Washington	0	0.00	6	0.32
<b>Total<sup>(1)</sup></b>	<b>\$ 2,356,794,183</b>	<b>100.00%</b>	<b>1,892</b>	<b>100.00%</b>

(1) Dollar amounts and percentages may not add to the total or 100%, respectively, due to rounding.

## Monthly Payment Rates on the Accounts

The table below sets forth the highest and lowest monthly payment rates of the Accounts designated for the issuing entity during any month in the periods shown and the average of the monthly payment rates for all months during the period shown. The monthly payment rates used below were calculated as follows: for each individual month, the monthly payment rate is a fraction, the numerator of which is the amount of principal payoffs of the Receivables received during that month and the denominator of which is the average monthly balance of the Receivables for that month. The Monthly Payment Rate for any period is an average of the monthly payment rates during such given period. The average monthly balance of the Receivables for any month is the arithmetic average of the Pool Balance at the beginning of that month and the Pool Balance at the end of that month. See “*Risk Factors—Risks related to the characteristics, servicing and performance of the receivables in the issuing entity—Recent and future economic developments may adversely affect the performance of the receivables and may result in reduced or delayed payments on your notes*”.

### Monthly Payment Rates on the Accounts

	For the Ten Months Ended January 31,		For the Twelve Months Ended March 31,				
	2024	2023	2023	2022	2021	2020	2019
Highest Monthly Payment Rate	81.7%	182.9%	182.9%	175.2%	62.9%	44.1%	44.0%
Lowest Monthly Payment Rate	44.0%	78.4%	71.2%	69.8%	19.7%	31.0%	32.3%
Average for the Months in the Period	64.1%	128.6%	120.5%	131.6%	46.6%	38.3%	39.5%

## Principal Balance Distribution of the Accounts

The table below shows the distribution of the designated Accounts sorted according to the outstanding principal balances in these Accounts as of the Series 2024-A Cut-Off Date. The information is presented on the basis of the amount of Principal Receivables balance outstanding and the number of Accounts designated for the issuing entity.

### Principal Balance Distribution of the Accounts As of the Series 2024-A Cut-Off Date

Range of Principal Balances	Outstanding Principal Balance of Receivables	Percentage of Total Outstanding Principal Balance of Receivables	Number of Accounts	Percentage of Total Number of Accounts
\$999,999 or less	\$ 219,527,421	9.31%	1,403	74.15%
\$1,000,000 to \$1,999,999	184,843,280	7.84	128	6.77
\$2,000,000 to \$2,999,999	222,325,163	9.43	90	4.76
\$3,000,000 to \$3,999,999	248,389,779	10.54	71	3.75
\$4,000,000 to \$4,999,999	204,863,445	8.69	46	2.43
\$5,000,000 to \$5,999,999	220,187,838	9.34	41	2.17
\$6,000,000 to \$6,999,999	246,109,115	10.44	38	2.01
\$7,000,000 to \$7,999,999	118,819,896	5.04	16	0.85
\$8,000,000 to \$8,999,999	135,722,733	5.76	16	0.85
\$9,000,000 to \$9,999,999	75,841,302	3.22	8	0.42
\$10,000,000 to \$14,999,999	294,144,532	12.48	25	1.32
\$15,000,000 to \$19,999,999	98,133,269	4.16	6	0.32
\$20,000,000 or greater	87,886,411	3.73	4	0.21
<b>Total<sup>(1)</sup></b>	<b>\$ 2,356,794,183</b>	<b>100.00%</b>	<b>1,892</b>	<b>100.00%</b>

(1) Dollar amounts and percentages may not add to the total or 100%, respectively, due to rounding.

## DESCRIPTION OF THE NOTES

The issuing entity will issue the Series 2024-A notes pursuant to the Indenture, as supplemented by the Series 2024-A Indenture Supplement, entered into by the issuing entity and the indenture trustee. The issuing entity will issue \$500,000,000 aggregate principal amount of Series 2024-A notes on the Series 2024-A Issuance Date. The discussions under this heading “*Description of the Notes*” and the headings “*Deposit and Application of Funds*”, “*Sources of Funds to Pay the Notes*” and “*Description of the Indenture*” in this offering memorandum summarize the material terms of the Series 2024-A notes, the Indenture and the Series 2024-A Indenture Supplement. These summaries do not purport to be complete and are qualified in their entirety by reference to the provisions of the Series 2024-A notes, the Indenture and the Series 2024-A Indenture Supplement.

### General

Principal of and interest on the Series 2024-A notes will be paid solely from the collections on Receivables that are available to the Series 2024-A notes after giving effect to all allocations and reallocations described under “*Deposit and Application of Funds—Application of Available Amounts*,” and the amounts on deposit in the Reserve Account. If those sources are not sufficient to pay the Series 2024-A notes, Series 2024-A noteholders will have no recourse to any other assets of the issuing entity (including any other collections that have been allocated to other series or to the Transferor Interest) or the assets of any other entity (other than as described below under “*Sources of Funds to Pay the Notes—Excess Funding Account*” and under “*Deposit and Application of Funds—Shared Excess Interest Amounts*” and “*Deposit and Application of Funds—Shared Excess Principal Amounts*”) for the payment of principal of or interest on the Series 2024-A notes.

The amount of collections allocated to Series 2024-A will depend in part on the Series 2024-A Invested Amount. The “**Series 2024-A Invested Amount**” will be, on any day during a Collection Period, the initial Invested Amount of the Series 2024-A notes (which upon issuance will be \$500,000,000), minus the reductions, and plus the reinstatements and increases, if any, in the Series 2024-A Invested Amount as described under “*Deposit and Application of Funds—Reduction and Reinstatement of Series Nominal Liquidation Amounts*” in this offering memorandum. During the Revolving Period, the Series 2024-A Invested Amount will remain constant except under limited circumstances. See “*Sources of Funds to Pay the Notes—Defaulted Amount and Reallocated Principal Collections*” in this offering memorandum. The Pool Balance, however, will vary each day as new Principal Receivables are created and others are paid, charged off as uncollectible or otherwise adjusted and as the Cash Management Account Balances fluctuate. In addition, the Pool Balance will increase when new Receivables are generated in existing designated Accounts and Receivables arising in connection with Additional Accounts are transferred to the issuing entity, and will decrease when the depositor redesignates an Account, the Receivables of which are removed from the issuing entity.

The excess of the Pool Balance over the Trust Nominal Liquidation Amount as of any date of determination is referred to as the “**Transferor Amount**.” The Transferor Amount will fluctuate each day, therefore, to reflect the changes in the amount of the Pool Balance relative to the Invested Amounts of all outstanding series of notes. When a series or class is amortizing, the Invested Amount of that series or class will decline as Principal Receivables are collected and distributed to the noteholders or deposited into Accumulation Accounts. The Transferor Amount may also be reduced as the result of new issuances of notes, including the issuance of the Series 2024-A and Series 2024-B on the Series 2024-A Issuance Date. See “*Description of the Notes—New Issuances*” in this offering memorandum. On the Series 2024-A Issuance Date, the depositor will own the Transferor Interest. The holders of the Transferor Interest will have the right, subject to limitations, to receive all cash flows from the Issuing Entity Assets not required to make payments on the notes or to credit enhancement providers, the indenture trustee, the owner trustee or the servicer or which are not otherwise allocable to the noteholders (including the Series 2024-A notes), which will generally include the collections related to the Transferor Amount. See “*Description of the Transfer and Servicing Agreement—Matters Regarding the Servicer and Depositor*” in this offering memorandum.

If, on any day, the amount of any Receivable is reduced because of a rebate to the Dealer, billing error, returned Dealer inventory or certain other similar non-cash items, the Pool Balance will be reduced by the amount of the adjustment. In the event that the Pool Balance is reduced in this way, the Transferor Amount will be correspondingly reduced. Furthermore, if, as of the last day of any Collection Period, any reduction in the Pool

Balance causes the Adjusted Pool Balance to fall below the Required Participation Amount as of the last day of such Collection Period, the depositor will be required to contribute additional Receivables to the issuing entity or deposit into the Excess Funding Account funds in an amount equal to such deficiency. As described under “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum, the depositor is also required to make a deposit to the Excess Funding Account from amounts otherwise distributable to the depositor on any day on which the Adjusted Pool Balance is less than the Required Participation Amount. In addition, NMAC is obligated to pay to the depositor within two Business Days after identification of such reduction (i) an amount equal to any reduction in a Receivable because of a rebate to the Dealer, billing error, returned merchandise or certain other non-cash items and (ii) any amounts received by NMAC from any manufacturer in connection with a Dealer termination and, in each such case, the depositor is obligated to make a corresponding payment to the issuing entity.

## **Series Provisions**

The servicer will apply the Series 2024-A Investor Available Interest Amounts, together with other amounts specified in this offering memorandum, to pay interest on the Series 2024-A notes and to cover charge-offs on Defaulted Receivables that are allocable to Series 2024-A. The Series 2024-A Investor Available Interest Amounts will include those funds allocable to the Series 2024-A Invested Amount and the Series 2024-A Overcollateralization Amount. To the extent necessary, after applying Series 2024-A Investor Available Interest Amounts, any Shared Excess Interest Amounts available for the Series 2024-A notes from other series of notes in Excess Interest Sharing Group One and amounts on deposit in the Reserve Account will be used to cover any interest shortfalls and allocable charge-offs. If the interest shortfall still has not been covered, a portion of the Series 2024-A Investor Available Principal Amounts (not to exceed the Series 2024-A Overcollateralization Amount) will be used.

When it is time to distribute principal to Series 2024-A noteholders or to accumulate principal collections for that purpose, the Series 2024-A Investor Available Principal Amounts will be used. Under some circumstances, Shared Excess Principal Amounts available from one or more other series of notes in Excess Principal Sharing Group One that are not then needed by those series and the Series 2024-A share of the funds on deposit in the Excess Funding Account may be used.

## **Interest**

Interest on the outstanding principal amount of the Series 2024-A notes will accrue at the applicable 2024-A Interest Rate and will be payable to the Series 2024-A noteholders monthly on the 15<sup>th</sup> day of each month (or if the 15<sup>th</sup> day is not a Business Day, the next following Business Day), commencing on April 15, 2024. Interest due for any Payment Date but not paid on that Payment Date will be due on the next Payment Date, together with interest on that amount at the applicable Series 2024-A Interest Rate, to the extent permitted by applicable law. Interest payments on the Series 2024-A notes will be made out of collections on the Receivables that are allocated to Series 2024-A, Shared Excess Interest Amounts available to be applied to cover any interest shortfall, amounts on deposit in the Reserve Account and the Series 2024-A Overcollateralization Amount (or as otherwise provided in this offering memorandum).

The issuing entity will pay interest on the Series 2024-A notes on the basis of the actual number of days elapsed during the period for which interest is payable and a 360-day year. This means that the interest due on each payment date for the Series 2024-A notes will be the product of (i) the outstanding principal amount of the Series 2024-A notes before giving effect to any principal payments made on that payment date, (ii) the applicable interest rate and (iii) the actual number of days from and including the prior payment date (or, with respect to the first payment date, from and including the Series 2024-A Issuance Date) to but excluding the current payment date, divided by 360.

In certain circumstances, the issuing entity may allocate amounts from principal to interest for the payment of interest on the Series 2024-A notes. See “*Sources of Funds to Pay the Notes—Yield Supplement Interest Collections*” in this offering memorandum.

The notes will accrue interest at a rate per annum equal to the sum of a Benchmark, which initially will be the SOFR Rate, plus the applicable spread set forth on the front cover of this offering memorandum; provided that,

if the Benchmark plus the spread is less than 0.00% for any interest period, then the interest rate for the notes for such interest period will be deemed to be 0.00%.

The “**SOFR Rate**” will be obtained by the paying agent for each interest period on the second U.S. Government Securities Business Day before the first day of such interest period (the “**SOFR Adjustment Date**”) as of 3:00 p.m. (New York time) on such U.S. Government Securities Business Day, at which time Compounded SOFR is published on the FRBNY’s Website (the “**SOFR Determination Time**”) and means, with respect to the notes as of any SOFR Adjustment Date, a rate equal to Compounded SOFR; *provided*, that, the administrator will have the right, in its sole discretion, to make applicable SOFR Adjustment Conforming Changes. For the purposes of computing interest on the notes prior to the occurrence of a Benchmark Transition Event and its related Benchmark Replacement Date, the following terms will have the following respective meanings:

“**Compounded SOFR**” with respect to any U.S. Government Securities Business Day, means:

- (1) the applicable compounded average of SOFR for a tenor of 30 days as published on such U.S. Government Securities Business Day at the SOFR Determination Time; or
- (2) if the rate specified in (1) above does not so appear, the applicable compounded average of SOFR for a tenor of 30 days as published in respect of the first preceding U.S. Government Securities Business Day for which such rate appeared on the FRBNY’s Website.

The specific Compounded SOFR rate is referred to by its tenor. For example, “30-day Average SOFR” refers to the compounded average SOFR over a rolling 30-calendar day period as published on the FRBNY’s Website.

“**FRBNY**” means the Federal Reserve Bank of New York.

“**FRBNY’s Website**” means the website of the FRBNY, currently at <https://apps.newyorkfed.org/markets/autorates/sofr-avg-ind> or at such other page as may replace such page on the FRBNY’s website.

“**SOFR Adjustment Conforming Changes**” means, with respect to any SOFR Rate, any technical, administrative or operational changes (including changes to the interest period, timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the administrator decides, from time to time, may be appropriate to adjust such SOFR Rate in a manner substantially consistent with or conforming to market practice (or, if the administrator decides that adoption of any portion of such market practice is not administratively feasible or if the administrator determines that no market practice exists, in such other manner as the administrator determines is reasonably necessary).

“**U.S. Government Securities Business Day**” means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

All percentages resulting from any calculation on the notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five-millionths of a percentage point rounded upwards (e.g., 9.8765445% (or 0.098765445) would be rounded to 9.87655% (or 0.0987655)), and all dollar amounts used in or resulting from that calculation on the notes will be rounded to the nearest cent (with one-half cent being rounded upwards).

#### **Effect of Benchmark Transition Event**

Notwithstanding the foregoing, if the administrator determines prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the determination of the then-current Benchmark, the Benchmark Replacement determined by the administrator will replace the then-current Benchmark for all purposes relating to the notes in respect of such determination on such date and all such determinations on all subsequent dates.

The administrator will deliver written notice to each hired agency, the relevant trustees and to the paying

agent on any SOFR Adjustment Date if, as of the applicable Reference Time, the administrator has determined with respect to the related interest period that there will be a change in the SOFR Rate or the terms related thereto since the immediately preceding SOFR Adjustment Date due to a determination by the administrator that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred.

The administrator will have the right to make SOFR Adjustment Conforming Changes and, in connection with the implementation of a Benchmark Replacement, Benchmark Replacement Conforming Changes, from time to time.

Any determination, decision or election that may be made by the administrator or any other person in connection with a Benchmark Transition Event, a Benchmark Replacement Conforming Change or a Benchmark Replacement as described above, including any determination with respect to administrative feasibility (whether due to technical, administrative or operational issues), a tenor, rate, an adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error, may be made in the administrator's sole discretion, and, notwithstanding anything to the contrary in the transaction documents, will become effective without the consent of any other person (including any noteholder). The holders of the notes will not have any right to approve or disapprove of these changes and will be deemed to have agreed to waive and release any and all claims relating to any such determinations. Notwithstanding anything to the contrary in the transaction documents, none of the issuing entity, the owner trustee, the indenture trustee, the paying agent, the administrator, the sponsor, the depositor or the servicer will have any liability for any action or inaction taken or refrained from being taken by it with respect to any Benchmark, Benchmark Transition Event, Benchmark Replacement Date, Benchmark Replacement, Unadjusted Benchmark Replacement, Benchmark Replacement Adjustment, Benchmark Replacement Conforming Changes or any other matters related to or arising in connection with the foregoing. Each noteholder and note owner, by its acceptance of a note or a beneficial interest in a note, will be deemed to waive and release any and all claims against the issuing entity, the owner trustee, the indenture trustee, the administrator, the sponsor, the depositor and the servicer relating to any such determinations.

With respect to a Benchmark Transition Event, the following terms will have the following respective meanings:

**"Benchmark"** means, initially, the SOFR Rate; *provided* that, if the administrator determines prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the SOFR Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement.

**"Benchmark Administrator"** means, the administrator of the Benchmark.

**"Benchmark Replacement"** means the first alternative set forth in the order below that can be determined by the administrator as of the Benchmark Replacement Date;

(1) the sum of: (a) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (b) the Benchmark Replacement Adjustment;

(2) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; or

(3) the sum of: (a) the alternate rate of interest that has been selected by the administrator as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate securities at such time and (b) the Benchmark Replacement Adjustment.



**“Benchmark Replacement Adjustment”** means the first alternative set forth in the order below that can be determined by the administrator as of the Benchmark Replacement Date:

(1) the spread adjustment (which may be a positive or negative value or zero), or method for calculating or determining such spread adjustment, that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the administrator giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate securities at such time.

**“Benchmark Replacement Conforming Changes”** means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the interest period, timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the administrator decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the administrator decides that adoption of any portion of such market practice is not administratively feasible or if the administrator determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the administrator determines is reasonably necessary).

**“Benchmark Replacement Date”** means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(1) in the case of clause (1) or (2) of the definition of “Benchmark Transition Event,” the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the Benchmark Administrator permanently or indefinitely ceases to provide the Benchmark (or such component); or

(2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

**“Benchmark Transition Event”** means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(1) a public statement or publication of information by or on behalf of the Benchmark Administrator (or such component) announcing that such Benchmark Administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, *provided* that, at the time of such statement or publication, there is no successor Benchmark Administrator that will continue to provide the Benchmark (or such component); or

(2) a public statement or publication of information by the regulatory supervisor for the Benchmark Administrator (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the Benchmark Administrator (or such component), a resolution authority with jurisdiction over the Benchmark Administrator (or such component) or a court or an entity with similar insolvency or resolution authority over the Benchmark Administrator, which states that the Benchmark Administrator (or such component) has ceased or will

cease to provide the Benchmark (or such component) permanently or indefinitely, *provided* that, at the time of such statement or publication, there is no successor Benchmark Administrator that will continue to provide the Benchmark (or such component); or

(3) a public statement or publication of information by the regulatory supervisor for the Benchmark Administrator announcing that the Benchmark is no longer representative.

**“ISDA Definitions”** means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

**“ISDA Fallback Adjustment”** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark.

**“ISDA Fallback Rate”** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

**“Reference Time”** means, with respect to any setting of the then-current Benchmark, the time determined by the administrator.

**“Relevant Governmental Body”** means the Federal Reserve Board and/or the FRBNY, or a committee officially endorsed or convened by the Federal Reserve Board and/or the FRBNY or any successor thereto.

**“Unadjusted Benchmark Replacement”** means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

For the avoidance of doubt: (a) in no event will (i) the indenture trustee and the paying agent be responsible for determining the SOFR Rate or any substitute for SOFR if such rate does not appear on the FRBNY’s Website or on a comparable system as is customarily used to quote SOFR or such substitute for SOFR, (ii) the indenture trustee and the owner trustee be responsible for determining the SOFR Rate or any substitute for SOFR or (iii) the indenture trustee, the paying agent and the owner trustee be responsible for making any decision or election in connection with a Benchmark Transition Event or a Benchmark Replacement as described above, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event and (b) in connection with any of the matters referenced in clause (a) of this sentence, the indenture trustee, the paying agent and the owner trustee will be entitled to conclusively rely on any determinations made by the administrator (on behalf of the issuing entity), as applicable, in regards to such matters and will have no liability for such actions taken at the direction of the administrator (on behalf of the issuing entity).

The indenture trustee, the paying agent and the owner trustee will be under no obligation (i) to monitor, determine or verify the availability, unavailability or cessation of SOFR (or other applicable Benchmark), or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any Benchmark Transition Event or Benchmark Replacement Date, (ii) to select, determine or designate any Benchmark Replacement, or other successor or replacement benchmark index, or whether any conditions to the designation of such a rate have been satisfied, (iii) to select, determine or designate any Benchmark Replacement Adjustment or Unadjusted Benchmark Replacement, or other modifier to any replacement or successor index, or (iv) to determine whether or what SOFR Adjustment Conforming Changes or Benchmark Replacement Conforming Changes are necessary or advisable, if any, in connection with any of the foregoing.

The indenture trustee, the paying agent and the owner trustee will not be liable for any inability, failure or delay on its part to perform any of its duties set forth in the indenture and the other transaction documents as a result of the unavailability of SOFR (or other applicable Benchmark) and the absence of a designated Benchmark Replacement, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party, including without limitation, the servicer or the administrator (on behalf of the issuing entity), in providing

any direction, instruction, notice or information required or contemplated by the terms of the indenture and the other transaction documents and reasonably required for the performance of such duties.

For notes in book-entry form, interest on each note will be paid to noteholders of record of the notes as of the business day immediately preceding the payment date. For notes in definitive form, interest on each note will be paid to noteholders of record of the notes as of the close of business on the last business day of the calendar month preceding the related payment date. The final interest payment on the notes is due on the earlier of (a) the Payment Date (including any redemption date) on which the note balance is reduced to zero or (b) the final maturity date.

A failure to pay the interest due on the notes on any Payment Date that continues unremedied for a period of five (5) Business Days or more will result in an Event Of Default. See “*Description of the Indenture—Events of Default; Rights Upon Event of Default.*”

## **Principal**

Principal payments to the Series 2024-A noteholders are not scheduled to be made until the Series 2024-A Expected Final Payment Date. Prior to that, during the Revolving Period and then the Accumulation Period (if the issuing entity has elected to begin the Accumulation Period), amounts otherwise allocated to make principal payments will be distributed or deposited as described below. However, if an Early Amortization Period that is not terminated has commenced before the Series 2024-A Expected Final Payment Date, the issuing entity will begin making principal payments on the first Payment Date in the month following the month in which the Early Amortization Period begins.

Generally, on each Payment Date that occurs prior to the end of the Revolving Period (including each Payment Date that occurs during the period after an Early Amortization Period has commenced but has been terminated as described under “*Deposit and Application of Funds—Early Amortization Events*” in this offering memorandum), Series 2024-A Investor Available Principal Amounts will not be used to make principal payments on the Series 2024-A notes. Instead, the servicer will apply, or will cause the indenture trustee to apply by written instruction to the indenture trustee, the Series 2024-A Investor Available Principal Amounts in the following priority:

- (i) to cover any shortfall in the Series 2024-A Investor Available Interest Amounts needed to pay interest on the Series 2024-A notes;
- (ii) as Shared Excess Principal Amounts to make principal payments for other series in Excess Principal Sharing Group One that are in an amortization or Accumulation Period, if any;
- (iii) to reinvest in additional Receivables, if any; and
- (iv) with certain limited exceptions described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum, to distribute to the holders of the Transferor Interest.

See “*Deposit and Application of Funds—Application of Available Amounts*” and “*Deposit and Application of Funds—Allocation Percentages*” in this offering memorandum for additional details.

The Revolving Period for the Series 2024-A notes will be the period beginning on the Series 2024-A Issuance Date and terminating on the earlier of:

- the close of business on the day immediately preceding the day on which an Early Amortization Period commences; and
- the close of business on the day immediately preceding the Accumulation Period Commencement Date, if applicable.

The Revolving Period, however, under certain limited circumstances, may recommence upon the termination of an Early Amortization Period. See “*Deposit and Application of Funds—Early Amortization Events*” in this offering memorandum.

The issuing entity, acting directly or through the administrator, may in its sole discretion elect to declare any date an “**Accumulation Period Commencement Date**” by delivering written notice of such election to the indenture trustee, the servicer and each Rating Agency. However, the issuing entity does not expect to have an Accumulation Period and, unless the issuing entity declares an Accumulation Period, then there will not be an Accumulation Period with respect to the Series 2024-A notes. If the issuing entity does declare an Accumulation Period Commencement Date, then the Accumulation Period will begin on the Accumulation Period Commencement Date. Once the Accumulation Period has commenced, the Accumulation Period Length cannot be changed. The “**Accumulation Period**” means the period commencing on the Accumulation Period Commencement Date, if any, and terminating on the last day of the Collection Period preceding the Payment Date on which the Series 2024-A Outstanding Principal Amount is expected to be paid in full.

During the Accumulation Period, if any, the Series 2024-A Investor Available Principal Amounts will first be accumulated in specified amounts in the Accumulation Account for the purpose of paying the Series 2024-A Invested Amount in full on the Series 2024-A Expected Final Payment Date. Any such remaining amounts will then be applied to fund losses, shortfalls or scheduled principal of any other series of notes in Excess Principal Sharing Group One, be used to reinvest in additional Receivables, or be paid to the holders of the Transferor Interest.

If the outstanding principal amount of the Series 2024-A notes is not paid in full on the Series 2024-A Expected Final Payment Date, an Early Amortization Event will occur, resulting in the start of an Early Amortization Period. Other Early Amortization Events that will also trigger the start of an Early Amortization Period are described in “*Deposit and Application of Funds—Early Amortization Events*” in this offering memorandum.

On each Payment Date during an Early Amortization Period, the Series 2024-A noteholders will receive payments of the Series 2024-A Invested Amount. Consequently, if the Series 2024-A Invested Amount is reduced and is not reinstated, you will incur a loss on your notes. See “*Deposit and Application of Funds—Reduction and Reinstatement of Series Nominal Liquidation Amounts*” in this offering memorandum.

During the Accumulation Period, if any, the issuing entity intends to accumulate each month a fixed amount equal to the Controlled Deposit Amount, which is equal to, for any Payment Date with respect to the Accumulation Period, an amount equal to the sum of the Controlled Accumulation Amount for such Payment Date and any Accumulation Shortfall existing on such Payment Date.

### **Excess Funding Account**

The issuing entity has established a trust account to serve as the Excess Funding Account. The Excess Funding Account will be maintained with the account bank in the name of the indenture trustee and held by the indenture trustee for the benefit of the noteholders of all series of notes issued by the issuing entity, not just for the benefit of the holders of any particular series, including the Series 2024-A noteholders. Unless and until an Early Amortization Event shall have occurred or the Accumulation Period, if any, shall have commenced, the indenture trustee will generally invest funds on deposit in the Excess Funding Account at the direction of the servicer in eligible investments. Those investments must mature no later than the Business Day preceding the next Payment Date. As more particularly described under “*Sources of Funds to Pay the Notes—Excess Funding Account*” in this offering memorandum, funds on deposit in the Excess Funding Account will be allocated to one or more series of notes if such series are in early amortization, accumulation or other principal payment periods and funds from the other sources to pay their notes are not available to make principal payments or deposits with respect to such series. Funds on deposit in the Excess Funding Account will be distributed to the holders of the Transferor Interest to the extent the Adjusted Pool Balance (after giving effect to such distributions) equals or exceeds the Required Participation Amount.

See “*Sources of Funds to Pay the Notes—Excess Funding Account*” in this offering memorandum for additional details.

## Servicing Compensation and Payment of Expenses

The share of the servicing fee allocable to the Series 2024-A notes for any Payment Date is the Monthly Servicing Fee. The Monthly Servicing Fee for the first Payment Date will be calculated based on the number of days in the period commencing on (and including) the Series 2024-A Issuance Date and ending on (and including) March 31, 2024.

The servicer will pay from its servicing compensation expenses incurred in connection with servicing the Receivables, including payment of the fees and disbursements of the owner trustee, the indenture trustee and independent certified public accountants, payment of taxes imposed on the servicer and expenses incurred in connection with making distributions and providing reports to the noteholders and others.

## Fees and Expenses

Set forth below is a list of all fees and expenses payable on each Payment Date out of available amounts and amounts on deposit in the Reserve Account for the related Collection Period.

Type of Fee	Amount of Fee	Party Receiving Fee	Priority in Distribution
Monthly Servicing Fee	One-twelfth of the product of (a) 1.00% per annum, (b) the percentage equal to (i) the Series 2024-A Floating Allocation Percentage, divided by (ii) the sum of the Floating Allocation Percentages for all series for that month and (c) the Pool Balance as of the last day of such Collection Period.	Servicer	Payable prior to payment of interest and principal on the Series 2024-A notes.
Unpaid indenture trustee and owner trustee fees and expenses <sup>(1)</sup>	Any amounts due to the indenture trustee and the owner trustee to the extent not paid under the Transaction Documents. <sup>(2)</sup>	Indenture trustee and owner trustee	Payable prior to any distributions of principal collections and interest collections to the holders of the Transferor Interest.

<sup>(1)</sup> NMAC is required to pay the fees, expenses and indemnity payments, as applicable, of the indenture trustee and the owner trustee. However, to the extent NMAC fails to make these payments for a period of 60 days, these amounts will be paid out of interest collections and principal collections as described under “*Deposit and Application of Funds—Application of Available Amounts.*”

<sup>(2)</sup> The fee amounts and the obligation to reimburse expenses described above do not change upon an Event of Default, although actual expenses incurred by a given party may be higher after an Event of Default.

## Optional Redemption

Under the Indenture, the issuing entity has to permit the depositor to increase the Transferor Interest by causing the issuing entity to redeem the Series 2024-A notes, in whole but not in part, (x) on any Payment Date during the Note Redemption Period, including the Series 2024-A Expected Final Payment Date, without any Make-Whole Payment and (y) on any Payment Date prior to the Note Redemption Period occurring after the first anniversary of the Series 2024-A Issuance Date, or occurring during the Early Amortization Period, with a Make-Whole Payment. See “*Sources of Funds to Pay the Notes—Make-Whole Payments*” in this offering memorandum.

If the issuing entity elects to redeem the Series 2024-A notes, the servicer of the issuing entity will give the indenture trustee and the Rating Agencies at least ten days prior written notice of the redemption. The redemption price of the Series 2024-A notes will equal 100% of the outstanding principal amount plus accrued but unpaid

interest on the Series 2024-A notes to but excluding the date of redemption. Any funds in the Accumulation Account and the Collection Account designated for the Series 2024-A notes will be applied to make the interest and principal payments on the Series 2024-A notes on the date of redemption.

### **No Defeasance**

Under the Series 2024-A Indenture Supplement, the issuing entity does not have the option to be discharged from its obligations in respect of the Series 2024-A notes as described in the Indenture.

### **Issuance of Additional Notes**

Under the Series 2024-A Indenture Supplement, the issuing entity may issue additional Series 2024-A notes at any time after the Series 2024-A Issuance Date without the consent of the Series 2024-A noteholders. If the issuing entity does issue additional Series 2024-A notes in this manner, such Series 2024-A notes will be subject to the same terms and conditions as the Series 2024-A notes issued under this offering memorandum. The issuing entity may offer additional Series 2024-A notes for sale under an offering memorandum or other disclosure document for transactions either registered under the Securities Act of 1933, as amended, or exempt from registration; provided, however, that the issuing entity will not issue additional Series 2024-A notes after the Series 2024-A Issuance Date unless (i) the Rating Agency Condition with respect to the Hired Rating Agencies has been satisfied and (ii) it has delivered a Required Federal Income Tax Opinion.

The issuing entity may also issue additional series of notes in the future. See “—*New Issuances*” below.

### **Modification of the Indenture**

The Series 2024-A Indenture Supplement may be amended by the depositor, the servicer and the issuing entity with the consent of the Indenture Trustee, but without the consent of any of the Series 2024-A noteholders, to cure any ambiguity, correct or supplement any provision therein that may be inconsistent with any other provision therein, or for any other purpose; provided that (i)(A) the servicer shall have delivered an officer’s certificate to the indenture trustee and the owner trustee stating that such amendment will not materially and adversely affect any Series 2024-A noteholder or (B) the Rating Agency Condition with respect to the Hired Rating Agencies will have been satisfied with respect to such amendment and (ii) the issuing entity will have received a Required Federal Income Tax Opinion and will have delivered a copy to the indenture trustee.

The Series 2024-A Indenture Supplement may also be amended by the parties thereto, with the consent of the indenture trustee, receipt of a Required Federal Income Tax Opinion by the issuing entity with a copy to the indenture trustee and the consent of:

- the holders of notes evidencing a majority of the outstanding Series 2024-A notes; or
- in the case of any amendment that does not adversely affect the related indenture trustee or any Series 2024-A noteholders, the holders of the Certificates evidencing a majority of the outstanding Certificate balance,

for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of Series 2024-A Indenture Supplement or of modifying in any manner the rights of those 2024-A noteholders or Certificateholders. No such amendment, however, will:

- (x) increase or reduce in any manner the amount of, or accelerate or delay the timing of, collections of payments on the Series 2024-A notes or distributions that are required to be made for the benefit of those Series 2024-A noteholders or Certificateholders or change the interest rate or the required amount in the related Reserve Account (except as described above) without the consent of each of the “adversely affected” Series 2024-A noteholders or Certificateholders; or

- (y) reduce the percentage of the principal amount of the then outstanding series or class of notes or Certificates of the Series 2024-A notes which is required to consent to any amendment, without the consent of the holders of all the then outstanding Series 2024-A notes of each affected class or holders of all of the Certificates.

An amendment referred to in clause (1) above will be deemed not to adversely affect a Series 2024-A noteholder if the Rating Agency Condition with respect to the Hired Rating Agencies is satisfied. In connection with any amendment referred to in clause (1) above, the servicer shall deliver an officer's certificate to the indenture trustee and the owner trustee stating that the Series 2024-A noteholders and Certificateholders whose consents were not obtained were not adversely affected by the amendment.

Notwithstanding the foregoing, the administrator may make Benchmark Replacement Conforming Changes (as described under "*The Notes—Effect of Benchmark Transition Event*") without the consent of any noteholder.

Notwithstanding anything under this heading or in any other transaction document to the contrary, the Indenture Supplement may be supplemented by the issuing entity without the consent of the indenture trustee, the paying agent, the owner trustee, any noteholder or any other person, and without satisfying any other provisions of the Indenture Supplement related to supplements thereto or in any other Transaction Document, solely in connection with any SOFR Adjustment Conforming Changes or, following the determination of a Benchmark Replacement, any Benchmark Replacement Conforming Changes to be made by the administrator; *provided*, that the issuing entity has delivered notice of such supplement to the Rating Agencies and the indenture trustee on or prior to the date such supplement is executed; *provided*, further, that any such SOFR Adjustment Conforming Changes or any such Benchmark Replacement Conforming Changes will not affect the indenture trustee's, the paying agent's or the owner trustee's rights, indemnities or obligations without the indenture trustee's, the paying agent's or the owner trustee's consent, respectively. For the avoidance of doubt, any SOFR Adjustment Conforming Changes or any Benchmark Replacement Conforming Changes in any supplement to the indenture may be retroactive (including retroactive to the Benchmark Replacement Date) and the indenture may be supplemented more than once in connection with any SOFR Adjustment Conforming Changes or any Benchmark Replacement Conforming Changes.

### **Book-Entry Registration**

The Series 2024-A notes will be available only in book-entry form except in the limited circumstances described under "*—Definitive notes*" in this offering memorandum. All book-entry notes will be held by DTC, in the name of Cede, as nominee of DTC. Investors' interests in the notes will be represented through financial institutions acting on their behalf as direct and indirect participants in DTC. Investors may hold their notes through DTC or Clearstream Banking Luxembourg S.A. ("**Clearstream**"), which will hold positions on behalf of their customers or participants through their respective depositories, which in turn will hold such positions in accounts as DTC participants.

As a result, investors will only be able to exercise their rights as a Series 2024-A noteholder indirectly through DTC (if in the United States) and its participating organizations, or Clearstream and their participating organizations. Holding the notes in book-entry form could also limit an investor's ability to pledge or transfer its notes to persons or entities that do not participate in DTC or Clearstream.

Interest and principal on the notes will be paid by the issuing entity to DTC as the record holder of those notes while they are held in book-entry form. DTC will credit payments received from the issuing entity to the accounts of its participants which, in turn, will credit those amounts to Series 2024-A noteholders either directly or indirectly through indirect participants. This process could delay receipt of payments from the issuing entity with respect to an investor's beneficial interest in notes in the event of misapplication of payments by DTC participants or indirect participants or bankruptcy or insolvency of those entities and an investor's recourse will be limited to its remedies against those entities.

The notes will be traded as home market instruments in both the U.S. domestic and European markets. Initial settlement and all secondary trades will settle in same-day funds.

Investors electing to hold their notes through DTC will follow the settlement practices applicable to U.S. corporate debt obligations. Investors electing to hold book-entry notes through Clearstream accounts will follow the settlement procedures applicable to conventional eurobonds, except that there will be no temporary book-entry notes and no “lock-up” or restricted period.

For notes held in book-entry form, actions of Series 2024-A noteholders under the Indenture will be taken by DTC upon instructions from its participants and all payments, notices, reports and statements to be delivered to Series 2024-A noteholders will be delivered to DTC or its nominee as the registered holder of the book-entry notes for distribution to holders of book-entry notes in accordance with DTC’s procedures.

Investors should review the procedures of DTC and Clearstream for clearing, settlement and withholding tax procedures applicable to their purchase of the notes.

The notes may be sold in the United States only to qualified institutional buyers (each a “**QIB**,”) within the meaning of Rule 144A under the Securities Act who purchase such notes for their own account or for the account of another QIB. Notes offered and sold in reliance on Rule 144A will be represented by book-entry notes in fully registered form without interest coupons (each, a “**Restricted Book-Entry Note**”) delivered to the indenture trustee as agent for, and registered in the name of Cede & Co. (“**Cede**”), the nominee of DTC. Investors may hold their interests in the Restricted Book-Entry Notes directly through DTC if they are participants, or indirectly through organizations which are participants.

Notes offered and sold in offshore transactions in reliance on Regulation S of the Securities Act, will be represented by one or more book-entry notes in fully registered form without interest coupons (the “**Regulation S Book-Entry Notes**” and, together with the Restricted Book-Entry Notes, the “**Book-Entry Notes**”). Investors may hold their interests in a Regulation S Book-Entry Note directly through Clearstream, if they are participants in such systems, or indirectly through organizations which are participants in such systems. The Regulation S Book-Entry Notes will be delivered to the indenture trustee as agent for DTC and registered in the name of Cede, as nominee of DTC. Beneficial interests in a Regulation S Book-Entry Note may be held only through Clearstream. Beneficial interests in a Regulation S Book-Entry Note may not be held by a U.S. Person at any time. By acquisition of a beneficial interest in a Regulation S Book-Entry Note, the purchaser thereof will be deemed to represent that it is a Non-U.S. Person and that, if in the future it determines to transfer such beneficial interest in the form of a beneficial interest in a Regulation S Book-Entry Note, it will transfer such interest only to a person whom it reasonably believes to be a Non-U.S. Person. Beneficial interests in Book-Entry Notes will be subject to certain restrictions on transfer set forth under “*Transfer Restrictions*” in this offering memorandum.

A beneficial interest in a Regulation S Book-Entry Note may not be transferred until the 40th day after the Series 2024-A Issuance Date or, if any notes are retained by the issuing entity or any affiliate of the issuing entity on the Series 2024-A Issuance Date, then such beneficial interest may not be transferred until the 40th day after the date on which such retained notes are sold by the issuing entity or such affiliate, as applicable. After the expiration period, a beneficial interest in a Regulation S Book-Entry Note may be transferred to a person who takes delivery in the form of an interest in a Restricted Book-Entry Note only upon receipt by the indenture trustee of a written certification from the transferor and the transferee (in the forms provided in the Indenture) to the effect that the transfer is being made to a QIB in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in the Restricted Book-Entry Notes may be transferred to a person who takes delivery in the form of an interest in a Regulation S Book-Entry Note only upon receipt by the indenture trustee of a written certification from the transferee (in the form(s) provided in the Indenture) to the effect that the transfer is being made to a Non-U.S. Person and in accordance with Regulation S. Any beneficial interest in a Restricted Book-Entry Note that is transferred to a person who takes delivery in the form of a Regulation S Book-Entry Note will, upon transfer, cease to be an interest in such Restricted Book-Entry Note and become an interest in such Regulation S Book-Entry Note and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to a Regulation S Book-Entry Note for as long as it remains in such form.

Any beneficial interest in a Regulation S Book-Entry Note that is transferred to a person who takes delivery in the form of a Restricted Book-Entry Note will, upon transfer, cease to be an interest in such Regulation S Book-Entry Note and will become an interest in such Restricted Book-Entry Note and, accordingly, will thereafter be



subject to all transfer restrictions and other procedures applicable to a Restricted Book-Entry Note for as long as it remains in such form. Any beneficial interest in a Book-Entry Note that is exchanged or transferred to a person who takes delivery in the form of one or more definitive notes may only be exchanged or transferred upon receipt by the indenture trustee of a written certification or certifications required by the Indenture and will, upon such exchange or transfer, cease to be an interest in a Book-Entry Note. No service charge will be made for any registration of transfer or exchange of notes, but the issuing entity or indenture trustee may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith. Every note presented or surrendered for registration of transfer or exchange must be accompanied by such other documents as the indenture trustee may require, including but not limited to the appropriate IRS Form W-8 or W-9, as applicable.

The notes will be subject to certain restrictions on transfer set forth herein and in the Indenture, and such notes will bear the legends regarding the restrictions set forth under “*Transfer Restrictions*” in this offering memorandum.

### **Definitive Notes**

The notes will be issued in fully registered, certificated form to owners of beneficial interests in a book-entry note or their nominees rather than to DTC or its nominee, only if:

- the administrator advises the indenture trustee in writing that DTC is no longer willing or able to discharge properly its responsibilities as depository with respect to the notes, and the administrator or the indenture trustee, as applicable, is unable to locate a qualified successor;
- the administrator, at its option, advises the indenture trustee in writing that it elects to terminate the book-entry system through DTC; or
- after an event of default, beneficial owners representing in the aggregate at least a majority of the outstanding principal amount of all the notes, voting as a single class, advise the indenture trustee through DTC (or its successor) in writing that the continuation of a book-entry system through DTC (or its successor) is no longer in the best interest of those owners.

Payments or distributions of principal of, and interest on, the notes will be made by a paying agent directly to holders of notes in definitive registered form in accordance with the procedures set forth in this offering memorandum and in the Indenture. Payments or distributions on each Payment Date and on the final maturity date, as specified in this offering memorandum, will be made to holders in whose names the definitive notes were registered on the record date. Payments or distributions will be made via DTC to the extent applicable, and in the event notes are not held through DTC, by wire transfer to each Series 2024-A noteholder as it appears on the register maintained by the indenture trustee or by other means to the extent provided in the Indenture. The final payment or distribution on any note, whether notes in definitive registered form or notes registered in the name of Cede, however, will be made only upon presentation and surrender of the note at the office or agency specified in the notice of final payment or distribution to Series 2024-A noteholders.

Notes in definitive registered form will be transferable and exchangeable at the offices of the indenture trustee, or at the offices of a transfer agent or registrar named in a notice delivered to holders of notes in definitive registered form. No service charge will be imposed for any registration of transfer or exchange, but the indenture trustee, the transfer agent or the registrar may require payment of a sum sufficient to cover any tax or other governmental charge imposed in connection therewith.

### **New Issuances**

The Indenture provides that, under any one or more indenture supplements, the issuing entity may, or the depositor may cause the owner trustee, on behalf of the issuing entity, to issue one or more new series of notes and may define all principal terms of those notes. Each series issued may have different terms and enhancements than any other series. Subject to the terms and conditions specified under “*Issuance of Additional Notes*”, additional Series 2024-A notes may also be issued after the Series 2024-A Issuance Date. Upon the issuance of an additional

series of notes, the depositor, the servicer, the indenture trustee and the issuing entity are not required and do not intend to obtain the consent of any noteholder of any other series previously issued by the issuing entity. The issuing entity may offer any series under an offering memorandum or other disclosure document directly, through one or more other initial purchasers or placement agents, in fixed-price offerings or in negotiated transactions or otherwise, in transactions either registered under, or exempt from registration under, the Securities Act of 1933, as amended.

A new issuance may only occur upon the satisfaction of conditions provided in the Indenture. For any new issuance after the Series 2024-A Issuance Date, the issuing entity may, or the depositor may cause the owner trustee, on behalf of the issuing entity, to issue one or more new series of notes by notifying the owner trustee, the indenture trustee, the servicer and each Rating Agency at least two business days in advance of the date upon which the new issuance is to occur. The notice will state the date upon which the new issuance is to occur.

The owner trustee will execute, and the indenture trustee will authenticate, the notes of any series issued after the Series 2024-A Issuance Date only upon delivery of the following items, or satisfaction of the following conditions, among others:

- on or before the second business day immediately preceding the Series Issuance Date for such series (or such lesser period acceptable to the indenture trustee, the owner trustee and each Rating Agency), the depositor has given the owner trustee, the indenture trustee, the servicer and each Rating Agency written notice (unless such notice requirement is otherwise waived) of such issuance and such Series Issuance Date;
- the depositor has delivered to the owner trustee and the indenture trustee an indenture supplement, in form reasonably satisfactory to the indenture trustee, specifying the principal terms of the new series;
- the depositor has delivered to the indenture trustee any related enhancement agreement for the additional series executed by the depositor and the Person providing such enhancement;
- the depositor has delivered to the indenture trustee a certificate of an authorized officer of the depositor, dated such Series Issuance Date, to the effect that the depositor reasonably believes that as of such Series Issuance Date no Event of Default or Early Amortization Event has occurred and is continuing for any series and such issuance will not cause any Event of Default or Early Amortization Event to occur with respect to any outstanding series;
- the depositor has delivered to the indenture trustee a Required Federal Income Tax Opinion, dated as of such Series Issuance Date, with respect to such issuance;
- after giving effect to the new issuance, (x) the Adjusted Pool Balance equals or exceeds the Required Participation Amount (taking into account any deposit of all or a portion of proceeds of such issuance in to the excess funding account) and (y) the depositor will be in compliance with the risk retention covenant; and
- the Rating Agency Condition has been satisfied as of such Series Issuance Date.

#### **Notes Owned by the Issuing Entity, the Depositor, the Servicer and their Affiliates**

In general, except as otherwise described in this offering memorandum and the Transaction Documents, any notes owned by the issuing entity, the depositor, the servicer or any of their respective affiliates will be entitled to benefits under the Transaction Documents equally and proportionately to the benefits afforded other owners of the notes. However, such notes will not be considered outstanding for voting purposes unless the issuing entity, the depositor, the servicer or any of their respective affiliates, either individually or collectively constitute all the owners of all the notes outstanding.

## SOURCES OF FUNDS TO PAY THE NOTES

### General

The primary source of funds for the payment of principal of and interest on the notes are the collections received on the Receivables owned by the issuing entity. For a description of the issuing entity and its assets, see “*The Issuing Entity*” and “*The Dealer Floorplan Financing Business*” in this offering memorandum.

Allocations of Defaulted Amounts and Interest Collections are made first, pro rata among each series based on the ratio that the Series Nominal Liquidation Amount of each series of notes bears to the Trust Nominal Liquidation Amount. This ratio, when expressed as a percentage, is the Series Allocation Percentage. Within each series, allocations of Series Allocable Defaulted Amounts and Series Allocable Interest Collections will be made each day to the noteholders of such series based on the ratio of (i) the Series Nominal Liquidation Amount of such series to (ii) the product of (a) the Series Allocation Percentage for such series and (b) the Pool Balance as of the last day of the preceding Collection Period.

This ratio, when expressed as a percentage, is referred to as the Floating Allocation Percentage. Application of this percentage allocates Series Allocable Interest Collections and Series Allocable Defaulted Amounts to the noteholders of a series of notes. Except as described below under “*Sources of Funds to Pay the Notes—Application of Collections*,” Series Allocable Interest Collections not allocated to the noteholders are released to the depositor and are not available for payments on the notes.

Principal Collections are allocated among series of notes similarly to the allocation of Interest Collections on the Receivables (i.e., on the basis of the Series Allocation Percentage). Series Allocable Principal Collections on the Receivables will be further allocated to the holders of the Transferor Interest, on the one hand, and the noteholders of each series, on the other, as set forth in the related indenture supplement. Series that are in the revolving period will generally be allocated a portion of the Series Allocable Principal Collections based on the Floating Allocation Percentage. The allocation among noteholders and the holders of the Transferor Interest for series that are in the Accumulation Period, if any, the Controlled Amortization Period or the Early Amortization Period will be based on the Fixed Allocation Percentage. As with the Floating Allocation Percentage, the Fixed Allocation Percentage for any series on any day equals the ratio of the Series Nominal Liquidation Amount of notes in such series to the product of (a) the Series Allocation Percentage for such series and (b) the Pool Balance as of the last day of the preceding Collection Period; provided, however, that, in contrast to the Floating Allocation Percentage, the Series Nominal Liquidation Amount used to calculate the Fixed Allocation Percentage will be “fixed” as of the last day of the revolving period. In addition, your series may in certain circumstances receive an additional portion of the available transferor principal amounts in the form of Yield Supplement Interest Collections.

For a detailed description of the application of collections, the allocation of charge-offs and the application of Depositor Deposit Amounts, see “*Sources of Funds to Pay the Notes—Application of Collections*”, “*Sources of Funds to Pay the Notes—Excess Funding Account*” and “*Sources of Funds to Pay the Notes—Yield Supplement Interest Collections*” below in this offering memorandum.

### Deposit and Application of Funds

Series Allocable Interest Collections will be allocated between the noteholders of each series and the holders of the Transferor Interest as described under “*Sources of Funds to Pay the Notes—General*” above. These allocations will be made on each Payment Date. The Series Allocable Interest Collections allocated to the noteholders of any series, together with any Reallocated Principal Collections for such series and any other amounts specified in the related indenture supplement as available for such purpose, are “**Series Investor Available Interest Amounts**.”

Series Allocable Principal Collections will be allocated between the noteholders of each series and the holders of the Transferor Interest as described under “*Sources of Funds to Pay the Notes—General*” above. These allocations will be made on each Payment Date. The Series Allocable Principal Collections allocated to the noteholders of any series (less any Reallocated Principal Collections), together with any Series Investor Available

Interest Amounts used to fund Series Investor Defaulted Amounts for such series or the Series Nominal Liquidation Amount Deficit for such series during a Collection Period and any other amounts specified in this offering memorandum, are “**Series Investor Available Principal Amounts.**” The Series Investor Available Interest Amounts and the Series Investor Available Principal Amounts are collectively referred to as the “**Series Investor Available Amounts.**”

If Series Investor Available Amounts available for distribution on any Payment Date are less than the aggregate monthly interest payments or applications, or principal payments or deposits required to be made with respect to any one or more series of notes, and any other series of notes has Excess Interest Amounts or Excess Principal Amounts remaining after the application of its allocation in accordance with the Indenture, then any such excess from other series will be applied to such series of notes to the extent such series still has a shortfall in amounts needed to make a monthly interest payment or application or a monthly principal payment or deposit, as the case may be, pro rata on the basis of their respective shortfalls, although such application may be limited to series in a Sharing Group as provided in the related indenture supplement. In addition, to the extent excess amounts from other series are not sufficient to cover such shortfalls, funds may be available in a reserve account for such purpose, to the extent provided in the related indenture supplement.

### **Sharing Groups**

Each series may be grouped into a Sharing Group. A Sharing Group may be further separated into an interest sharing group and a principal sharing group. To the extent that available amounts are not needed to make required interest or principal payments or deposits for a series in a Sharing Group, the excess amounts may be applied, subject to certain limitations, to cover shortfalls of required distributions and deposits for other series that are included in the Sharing Group. Series 2024-A is part of Sharing Group One.

### **Issuing Entity Accounts**

The issuing entity has established a Collection Account for the purpose of receiving distributions on the Receivables and an Excess Funding Account for the purpose of retaining certain Depositor Deposit Amounts and Depositor Replacement Amounts. If provided in the related indenture supplement, the issuing entity may direct the indenture trustee to establish and maintain in the name of the indenture trustee supplemental accounts for any series or class of notes for the benefit of the related noteholders.

### **Sale of Receivables**

If an Event of Default occurs with respect to a series or class of notes and such notes are accelerated, the issuing entity may sell Receivables, or interests therein, if the conditions described in “*Description of the Indenture—Events of Default; Rights Upon Event of Default*” in this offering memorandum are satisfied.

The amount of Receivables sold may not exceed to the product of the Series Allocation Percentage for such series of notes and the amount of all Issuing Entity Assets. Following such sale and the application of the proceeds thereof (together with any amounts then held in the Collection Account, the Excess Funding Account and any other issuing entity accounts for such series as are allocated to such series and any amounts available from credit enhancement for such series), no more Principal Receivables or Interest Receivables will be allocated to those notes. Noteholders will receive the net proceeds of such sale in an amount not to exceed the outstanding principal amount of those notes, plus accrued and unpaid interest.

After giving effect to a sale of Receivables for the benefit of a series or class of notes, the amount of proceeds allocable to such series or class may be less than the outstanding principal amount of that series. This deficiency can arise because the Series Nominal Liquidation Amount of that series or class was reduced before the sale of Receivables or because the sale price for the Receivables was less than the outstanding principal amount of the series or class of notes. These types of deficiencies will not be reimbursed.

## **Limited Recourse to the Issuing Entity; Security for the Notes**

With respect to each series (including Series 2024-A), the Series Investor Available Interest Amounts, Series Investor Available Principal Amounts, Shared Excess Interest Amounts (if applicable), Shared Excess Principal Amounts (if any), funds for that series on deposit in the issuing entity accounts, receipts from any Hedge Counterparty, amounts available from any credit enhancement for that series and proceeds of sales of Receivables for that series provide the only source of payment for principal of or interest on that series or class of notes. Noteholders will have no recourse to any other assets of the issuing entity or any other Person for the payment of principal of or interest on the notes.

The notes of all series are secured by a shared security interest in the assets of the issuing entity, the Collection Account and the Excess Funding Account, but each series or class of notes is entitled to the benefits of only that portion of those Issuing Entity Assets allocable to it under the Indenture and the related indenture supplement. Each series or class of notes is also secured by a security interest in any applicable supplemental account.

## **Early Amortization Events**

Beginning on the first Payment Date following the Collection Period in which an early amortization event has occurred with respect to any series, the servicer will distribute Principal Collections allocable to the noteholders' Interest of the series to noteholders of the series monthly on each payment date, and the Controlled Deposit Amount, if any, will no longer apply to distributions of principal of the notes of the series, except in the specific circumstances described in the indenture supplement for that series. The Early Amortization Events of Series 2024-A are described below under "*Deposits and Application of Funds—Early Amortization Events*" or stated in this offering memorandum. Any funds remaining after such distribution will be allocable to any other series and the Noteholders' Interest of the series to the holders of the Transferor Interest.

Even if an early amortization period begins with respect to a series, that period may terminate and the Revolving Period with respect to the series and any class may recommence when the event giving rise to the commencement of the early amortization period no longer exists, whether as a result of the distribution of principal to noteholders of the series, the transfer of additional Receivables to the issuing entity, or otherwise, in each case if and to the extent provided in the related indenture supplement for such series.

In addition to the consequences of the early amortization events discussed above, if bankruptcy, insolvency or similar proceedings under the bankruptcy code or similar laws occur with respect to the depositor, on the day of that event the depositor will immediately cease to transfer Receivables to the issuing entity and promptly give notice to the indenture trustee, the servicer and the owner trustee and any Series Enhancers of this event. Any Receivables transferred to the issuing entity before the event, as well as collections on those Receivables accrued at any time with respect to those Receivables, will continue to be part of the Issuing Entity Assets and will be applied as set forth in the Transfer and Servicing Agreement.

## **Final Payment of Principal; Termination**

The notes of each series will be retired on the day following the date on which the final payment of principal is made to the noteholders, whether as a result of optional redemption by the issuing entity, purchase of Receivables by the servicer or otherwise. The Final Maturity Date for each series will be the latest date on which principal and interest for the series of notes is due in full. Notes may be subject to prior redemption as provided above, and may or may not ultimately be paid in full on their related Final Maturity Dates depending on the sufficiency of collections and liquidation proceeds therefor. The issuing entity's failure to pay the principal of any series of notes in full on the related series Final Maturity Date will be an Event of Default under the Indenture. In this event, the indenture trustee or the holders of a specified percentage of the notes of that series will have the rights described below under "*Description of the Indenture—Events of Default; Rights upon Event of Default*" in this offering memorandum.

Unless the servicer and the holders of the Transferor Interest instruct the indenture trustee otherwise, the issuing entity will terminate no later than the Issuing Entity Termination Date. Upon the termination of the issuing entity and the surrender of the Transferor Interest, the indenture trustee will, following the distributions of all amounts to which the noteholders and any Series Enhancers are entitled, convey to the holders of the Transferor Interest all right, title and interest of the issuing entity in the Receivables and all other Issuing Entity Assets.

### **Reports to Noteholders**

On each Payment Date, noteholders of Series 2024-A notes will receive Payment Date Statements issued by the issuing entity and forwarded by the Paying Agent setting forth the information about Series 2024-A and the issuing entity, including the following:

- the total amount distributed;
- the amount of principal and interest for distribution;
- the SOFR Rate for the related Interest Period;
- Interest Collections and Principal Collections allocated to Series 2024-A;
- the Defaulted Amount allocated to Series 2024-A;
- the Make-Whole Amounts and Step-Up Amounts due for such period, if any;
- reductions of the Series 2024-A Invested Amount and any reimbursements of previous reductions of the Invested Amount;
- the monthly servicing fee for Series 2024-A (and any portion thereof that has been temporarily or permanently waived by the servicer);
- the Pool Balance and the outstanding principal amount of the Series 2024-A notes;
- the Adjusted Pool Balance;
- the Series 2024-A Invested Amount; and
- the dollar amount of Receivables at the beginning and end of the applicable Collection Period, and updated pool composition information as of the end of the Collection Period.

On or before January 31 of each calendar year, the Paying Agent will also make available to each Person who at any time during the preceding calendar year was a noteholder of record a statement, prepared by the servicer, containing the type of information presented in the periodic reports, aggregated for that calendar year or the portion of that calendar year that the notes were outstanding, together with other information that is customarily provided to holders of debt, to assist noteholders in preparing their United States tax returns.

### **Application of Collections**

On each day in a Collection Period, the servicer will calculate the amounts to be allocated in respect of collections on Receivables to the noteholders of each outstanding series or class or to the holders of the Transferor Interest in accordance with this offering memorandum.

The issuing entity will cause the servicer (i) to apply all funds on deposit in the Collection Account in accordance with the requirements of the Transfer and Servicing Agreement and in the Indenture and (ii) to allocate Interest Collections, Principal Collections and Defaulted Amounts in accordance with the requirements of the Transfer and Servicing Agreement and the Indenture.

The servicer will deposit into the Collection Account not later than the second Business Day after identification for each Collection Period the payment received on the Receivables. However, the servicer may retain such amounts until the Business Day prior to the related Payment Date if both of the following conditions are met:

- NMAC is the servicer; and
- (i) NMAC's short-term unsecured debt obligations are rated (A) at least "P-1" by Moody's and (B) "F-1" by Fitch (for so long as Moody's and Fitch are each Rating Agencies then rating the Series 2024-A Notes or (ii) NMAC otherwise satisfies the requirements of each Rating Agency

Notwithstanding the foregoing, the servicer may deposit Collections into the Collection Account on any other alternate remittance schedule (but not later than the related Payment Date) if the Rating Agency Condition is satisfied with respect to such alternate remittance schedule. Pending deposit into the Collection Account, collections may be employed by the servicer at its own risk and for its own benefit and are not required to be segregated from its own funds.

The servicer will make daily or periodic deposits in the Collection Account only to the extent that the funds are required for deposit or distribution to the noteholders or other parties pursuant to the Indenture and each indenture supplement. If the Collection Account balance ever exceeds the amount required for deposit or distribution, the servicer will be able to withdraw the excess. Subject to the immediately preceding sentence, the servicer may retain its servicing fee with respect to any series and will not be required to deposit it into the Collection Account. Further, so long as NMAC is the servicer, the servicer may make remittances net of amounts to be distributed to the servicer or its affiliates pursuant to the terms of the applicable indenture supplement.

On each day in a Collection Period, the servicer will distribute directly to the holders of the Transferor Interest the Interest Collections and Principal Collections allocable to the Transferor Interest. Prior to making the foregoing distributions, the servicer will allocate to the Collection Account an amount equal to the Yield Supplement Interest Collections for Series 2024-A and each other series from Available Transferor Interest Collections distributable to the depositor. However, the servicer will make those distributions only if and to the extent that the Adjusted Pool Balance on such day equals or exceeds the Required Participation Amount as of such date, after giving effect to the allocations, distributions, withdrawals and deposits (if any) to be made on such date. Any amounts not distributed to the holders of the Transferor Interest will be treated as Depositor Deposit Amounts and deposited into the Excess Funding Account.

*Allocations Among Series of Notes.* Under the Indenture, on each day in a Collection Period, the servicer will allocate to each outstanding series its share of Interest Collections, Principal Collections and Defaulted Amounts based on the Series Allocation Percentage for each series. Allocations will be made with respect to each series of notes on each day during a Collection Period based on the product of the Series Allocation Percentage for such series on such day and the amount of Interest Collections, Principal Collections and Defaulted Amounts. The Series Allocation Percentage for each series will be calculated on each day in a Collection Period.

*Allocation between the Noteholders and the Holders of the Transferor Interest.* The servicer will allocate amounts initially allocated to each series between the Noteholders' Interest and the holders of the Transferor Interest on each day in a Collection Period on the basis of a percentage specific to that series. With respect to Series 2024-A, these allocations and percentages are described under "*Deposit and Application of Funds—Allocation Percentages*" in this offering memorandum.

*Interest Collections.* The servicer will apply the Series Investor Available Interest Amounts for any series as set forth in the indenture supplement for that series. The servicer will determine the amount, if any, of Excess Interest Amounts for any Collection Period on the Determination Date in the month following such Collection Period. The servicer will treat Excess Interest Amounts as Shared Excess Interest Amounts to cover Interest Shortfalls for other series in the same Sharing Group. To the extent such Interest Shortfalls for such other series exceed such Excess Interest Amounts, Excess Interest Amounts will be allocated pro rata among the applicable series in the Sharing Group based on the relative amounts of Interest Shortfalls, unless otherwise set forth in the related indenture supplement. To the extent Excess Interest Amounts exceed Interest Shortfalls, the indenture trustee will pay the balance to the holders of the Transferor Interest or, if the Adjusted Pool Balance on such day does not equal or exceed the Required Participation Amount as of such day, deposit such amount in the Excess

Funding Account. Prior to making the foregoing distributions, the servicer will allocate to the Collection Account an amount equal to the Yield Supplement Interest Collections for Series 2024-A and each other Series from Available Transferor Interest Collections distributable to the depositor.

*Step-Up Amounts.* Following the Series 2024-A Expected Final Payment Date, Step-Up Amounts will accrue on the Series 2024-A Outstanding Principal Amount at the applicable Step-Up Rate. Step-Up Amounts will be payable on each Payment Date. See “—*Step-Up Amounts*” below.

*Make-Whole Payments.* The issuing entity will make a Make-Whole Payment to the Series 2024-A noteholders with respect to any repayment of the Series 2024-A Outstanding Principal Amount made on any Payment Date before the start of the Note Redemption Period as a result of the occurrence of a Series 2024-A Redemption Date. See “—*Make-Whole Payments*” below.

*Principal Collections.* The servicer will apply Series Investor Available Principal Amounts for any series to make required payments of principal to the Accumulation Account (if applicable) or to the noteholders of the series or class, in each case if and to the extent set forth in the indenture supplement for that series. The servicer will determine the amount, if any, of Excess Principal Amounts on the Determination Date in the month following such Collection Period. The servicer will treat Excess Principal Amounts as Shared Excess Principal Amounts to cover any Principal Shortfalls with respect to distributions to noteholders of any series that are in the same Sharing Group. Excess Principal Amounts will not be used to cover Investor Charge-Offs for any series. To the extent Principal Shortfalls exceed Excess Principal Amounts for any Collection Period, Excess Principal Amounts will be allocated pro rata among the applicable series in the Sharing Group based on the relative amounts of Principal Shortfalls, unless otherwise set forth in the related indenture supplement. To the extent that Excess Principal Amounts exceed Principal Shortfalls, the indenture trustee will pay the balance to the issuing entity to be used by the issuing entity to acquire Receivables, if available. The indenture trustee will pay any remaining Excess Principal Amounts to the holders of the Transferor Interest or, if the Adjusted Pool Balance on such day does not equal or exceed the Required Participation Amount as of such day, deposit such amount in the Excess Funding Account.

### **Excess Funding Account**

The indenture trustee will invest funds on deposit in the Excess Funding Account at the direction of the servicer in eligible investments. The investments must mature no later than the business day preceding the next Payment Date. The servicer may select an agent for the purpose of designating the investments. On each Payment Date, all investment income earned on amounts in the Excess Funding Account since the preceding Payment Date will be included in interest collections for the related Collection Period.

The indenture trustee will deposit into the Excess Funding Account all Depositor Replacement Amounts received from the depositor and all Depositor Deposit Amounts withheld from payments to the depositor. On each business day on which funds are on deposit in the Excess Funding Account, the servicer will determine the amount, if any, by which the Adjusted Pool Balance exceeds the Required Participation Amount on such day, and the indenture trustee may withdraw such excess amount from the Excess Funding Account and pay such excess amount to the holders of the Transferor Interest.

The amounts on deposit in the Excess Funding Account will be allocated among the series based on their respective Series Allocation Percentages. For each series, the related indenture supplement will specify how funds in the Excess Funding Account allocated to that series will be distributed. On each Payment Date with respect to Series 2024-A, if Series 2024-A Investor Available Principal Amounts for that Payment Date (together with amounts on deposit in the Accumulation Account, to the extent described in “*Deposit and Application of Funds—Accumulation Account*”) and Shared Excess Principal Amounts for such Payment Date from other outstanding series in Excess Principal Sharing Group One are insufficient to make in full the deposits and distributions described in (a) or (b) under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Principal Amounts*,” the indenture trustee, acting in accordance with written instructions from the servicer, will withdraw from the Excess Funding Account and distribute for deposit into the Accumulation Account or payment to the Series 2024-A noteholders, as applicable, the lesser of (i) the product of the Series 2024-A Allocation Percentage and the amount on deposit in the Excess Funding Account and (ii) the amount of such insufficiency.



## Yield Supplement Interest Collections

At the direction of the depositor, the issuing entity may from time to time, without notice to, or the consent of, the noteholders of any Series, increase the amount of collections available to pay interest to the Series 2024-A noteholders as Yield Supplement Interest Collections. The issuing entity may (a) increase the Series 2024-A Overcollateralization Percentage for Series 2024-A for a Determination Date and the related Collection Period by a specified percentage (the “**Supplemental Subordinated Percentage**”) not to exceed 2% in the aggregate, or (b) decrease the Supplemental Subordinated Percentage for Series 2024-A for a Determination Date and the related Collection Period, but not less than zero. If the Supplemental Subordinated Percentage is greater than zero for a Determination Date, a portion of the Principal Collections allocable to Series 2024-A for the related Collection Period in an amount equal to the Yield Supplement Interest Collections will be treated as Interest Collections and will be included in the 2024-A Noteholder Interest Collections for that Collection Period. Such amounts will be distributed to the Series 2024-A noteholders in accordance with the Payment Waterfall.

## Step-Up Amounts

In addition to the payment of interest due to the Series 2024-A noteholders on each Payment Date, the issuing entity will also pay Step-Up Amounts on the notes after the expected final payment date. The Step-Up Amounts for the Series 2024-A notes will be, for any Payment Date following the Series 2024-A Expected Final Payment Date, the aggregate amount accrued on the applicable Series 2024-A Outstanding Principal Amount at the applicable Step-Up Rate for that Interest Period (the “**Step-Up Amount**”). The “**Step-Up Rate**” for the Series 2024-A notes will be a rate equal to the excess of the Series 2024-A Interest Rate over the SOFR Rate. The Step-Up Amounts will be calculated based on the actual number of days in the applicable Interest Period and a 360-day year.

Any Step-Up Amounts due but not paid on a Payment Date will be due on the next Payment Date, together with interest on the unpaid amount at the Series 2024-A Interest Rate. Step-Up Amounts will not be paid on any notes until all principal amounts payable on that Payment Date from Interest Collections have been paid in full. Any unpaid Step-Up Amounts on the notes will be payable in full on the Final Maturity Date or any optional redemption date on which the notes are required to be paid in full. See “*Description of the Notes—Optional Redemption*” in this offering memorandum. Failure to pay Step-Up Amounts on any notes on any Payment Date will not be an Event of Default until the Final Maturity Date.

## Make-Whole Payments

A Make-Whole Payment will be due on any principal payment made prior to the Note Redemption Period due to the occurrence of the issuing entity’s exercise of its option to redeem the notes on any Payment Date prior to the Note Redemption Period. Make-Whole Payments will not be paid on the notes until all principal amounts payable on that Payment Date from interest collections have been paid in full. Any unpaid Make-Whole Payments on the notes will be payable in full on the Final Maturity Date or any optional redemption date on which the notes are required to be paid in full. See “*Description of the Notes—Optional Redemption*” in this offering memorandum. Failure to pay Make-Whole Payments on any notes on any Payment Date will not be an Event of Default until the Final Maturity Date.

## Defaulted Amounts and Reallocated Principal Collections

For each series of notes, on each day in a Collection Period, the servicer will calculate the Series Investor Defaulted Amount for such day. An amount equal to the aggregate of the Series Investor Defaulted Amounts for any Collection Period may be funded from Series Investor Available Interest Amounts and other amounts specified in the related indenture supplement, including credit enhancement, and applied to pay principal to noteholders or, subject to certain limitations, to the holders of the Transferor Interest, as appropriate.

For each series of notes, the related Series Nominal Liquidation Amount will be reduced by the amount of any Investor Charge-Offs for such series. In addition, a Series Nominal Liquidation Amount may decrease by the amount of any Series Investor Available Principal Amounts reallocated to pay interest on notes and other amounts of such series. Such amounts are referred to herein as “**Reallocated Principal Collections**.” Reductions in a Series Nominal Liquidation Amount due to Investor Charge-Offs and any Reallocated Principal Collections will be reimbursed on any subsequent Payment Date to the extent of Series Investor Available Interest Amounts on deposit

in the Collection Account to be applied on such Payment Date, together with Excess Interest Amounts from all other series of notes available to be applied on such Payment Date and other amounts specified in the related indenture supplement available to be applied on such Payment Date, exceed the interest owed on the notes, the Series Investor Defaulted Amount and any other fees specified in the related indenture supplement that are payable on that date without further reduction of such Series Nominal Liquidation Amount. This reimbursement will result in an increase in the Series Nominal Liquidation Amount with respect to that series.

## DEPOSIT AND APPLICATION OF FUNDS

A description of how interest collections and principal collections received by the issuing entity are allocated among the various series can be found in “*Sources of Funds to Pay the Notes—General*” and in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum. Once allocated to Series 2024-A, the portions of those collections allocated to Series 2024-A noteholders are available to make payments on the Series 2024-A notes. The following discussion under this heading “*Deposit and Application of Funds*” describes how the portions of those collections allocated to the holders of the Series 2024-A notes are applied to cover required distributions with respect to the Series 2024-A notes.

### Application of Available Amounts

*Series 2024-A Investor Available Interest Amounts.* Under “—*Allocation Percentages*” below is a description of how interest collections will be allocated among each outstanding series and, within each series, between the Series 2024-A noteholders and the holders of the Transferor Interest. The portion of the Series 2024-A Allocable Interest Collections (as described under “—*Allocation Percentages*” below) allocated to the Series 2024-A noteholders for the related Collection Period and the following additional amounts allocated to the Series 2024-A noteholders by the indenture trustee with respect to a related Collection Period, will make up the “**Series 2024-A Investor Available Interest Amounts**”:

- (1) any net investment earnings on funds in the Accumulation Account, if any, and the Reserve Account and any net investment earnings on Series 2024-A’s share of funds in the Excess Funding Account and the Collection Account will be withdrawn from the Accumulation Account, the Reserve Account, the Excess Funding Account and the Collection Account, as applicable, and added to the Series 2024-A Investor Available Interest Amounts allocated to the Series 2024-A notes;
- (2) if the amount of interest at the Series 2024-A Interest Rate on funds in the Accumulation Account, if any, and on Series 2024-A’s share of funds in the Excess Funding Account exceeds the net investment earnings described in the preceding bullet point, the amount of this excess, referred to as the “**negative carry amount**,” will be deducted from the portion of the Series 2024-A Allocable Interest Collections and Series 2024-A Allocable Principal Collections allocable to the holders of the Transferor Interest and added to the Series 2024-A Investor Available Interest Amounts;
- (3) the amount of any Series 2024-A Investor Available Principal Amounts reallocated by the indenture trustee to pay interest on the Series 2024-A notes as described under “—*Series 2024-A Investor Available Principal Amounts*” below;
- (4) the amount, if any, of collections of Interest Receivables as to which, with respect to any transaction, the date on which such transaction is first recorded on the servicer’s computer file of Accounts (without regard to the effective date of such recordation) occurs in the Collection Period following such Collection Period (but prior to the Payment Date following such Collection Period) which the issuing entity instructs the servicer to include; *provided, however*, that, for the avoidance of doubt, this amount shall exclude the amount, if any, the issuing entity instructed the servicer to include pursuant to this clause (4) with respect to the Collection Period immediately preceding such Collection Period; and
- (5) the Series 2024-A Servicer Advance Amount.

The Series 2024-A Investor Available Interest Amounts may be increased for any Collection Period to include amounts (including any Interest Collections and Principal Collections), if any, from the Collection Period following such Collection Period that are used to fund shortfalls in interest payments with respect to such Collection Period as described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum. The Series 2024-A Investor Available Interest Amounts will be reduced to account for the amounts, if any, from the related Collection Period used to fund shortfalls in interest payments with respect to the Collection Period preceding such related Collection Period as described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum.

On each Payment Date, the indenture trustee, at the direction of the servicer, will apply the Series 2024-A Investor Available Interest Amounts (excluding reallocated principal collections for such Payment Date) on deposit in the Collection Account with respect to such Payment Date (and other amounts specified in this offering memorandum) in the following priority (the “**Payment Waterfall**”):

- (1) first, the indenture trustee will apply funds to pay the reimbursement of any outstanding Series 2024-A Servicer Advance Amount to the Servicer;
- (2) second, the indenture trustee will apply funds to pay the Monthly Servicing Fee, including, without limitation, the amount of any Monthly Servicing Fee previously due but not distributed to the servicer;
- (3) third, the indenture trustee will pay, (i) the Monthly Interest on the Series 2024-A notes due for such Payment Date, (ii) any Monthly Interest on the Series 2024-A notes previously due but not distributed on a prior Payment Date, (iii) any Additional Interest on the Series 2024-A notes for such Payment Date and (iv) any Additional Interest on the Series 2024-A notes previously due but not distributed on a prior Payment Date;
- (4) an amount equal to the sum of (x) the aggregate Series 2024-A Investor Defaulted Amounts for the related Collection Period and (y) the Series 2024-A Nominal Liquidation Amount Deficit, if any, will be applied as Series 2024-A Investor Available Principal Amounts for such Payment Date and, in the case of the amounts described in clause (y), will reinstate the Series 2024-A Nominal Liquidation Amount pursuant to the Indenture;
- (5) fifth, to the extent that amounts on deposit in the Reserve Account are less than the Specified Reserve Account Balance, the indenture trustee will deposit in the Reserve Account, from Series 2024-A Investor Available Interest Amounts that remain after giving effect to clauses (1) through (4), an amount necessary to restore or bring amounts on deposit in the Reserve Account to equal the Specified Reserve Account Balance;
- (6) sixth, to the Series 2024-A noteholders, any Make-Whole Payments and, after the Series 2024-A Expected Final Payment Date, any Accrued Step-Up Amounts payable to such notes on such Payment Date;
- (7) seventh, on and after the occurrence of an Event of Default and a declaration that all Series 2024-A notes are immediately due and payable, as set forth in this offering memorandum, any Series 2024-A Investor Available Interest Amounts that remain after giving effect to clauses (1) through (5) will be treated as Series 2024-A Investor Available Principal Amounts payable to the Series 2024-A noteholders until the outstanding principal amount of the Series 2024-A notes have been paid in full, unless and until such declaration that all Series 2024-A notes are immediately due and payable has been rescinded and annulled as set forth in this offering memorandum;
- (8) eighth, any Series 2024-A Investor Available Interest Amounts that remain after giving effect to clauses (1) through (6) will be treated as Shared Excess Interest Amounts and will be applied to shortfalls or deficits of other series of notes that are included in Excess Interest Sharing Group One;

- (9) ninth, to the indenture trustee, from amounts on deposit in the Collection Account, any payments in respect of accrued and unpaid fees, expenses and indemnity payments, as applicable, due pursuant to the Indenture but only to the extent that such fees, expenses or indemnity payments have been outstanding for at least 60 days;
- (10) tenth, to the owner trustee, from amounts on deposit in the Collection Account, any payments in respect of accrued and unpaid fees, expenses and indemnity payments due pursuant to the Trust Agreement but only to the extent that such fees, expenses or indemnity payments have been outstanding for at least 60 days; and
- (11) eleventh, to the extent not needed to cover shortfalls or deficits of other series, any Series 2024-A Investor Available Interest Amounts that remain after giving effect to clauses (1) through (10) will be paid to the holders of the Transferor Interest, except under the circumstances described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum.

If Series 2024-A Investor Available Interest Amounts for any Payment Date (excluding Reallocated Principal Collections for such Payment Date) are not sufficient to pay in full or otherwise provide for in full the amounts described in clauses (1) through (6) of the preceding paragraph, then Shared Excess Interest Amounts from all other series of notes in Excess Interest Sharing Group One will be applied to pay such shortfall. If such shortfall, together with other similar shortfalls with respect to other series of notes in Excess Interest Sharing Group One, exceed Shared Excess Interest Amounts for such Payment Date, Shared Excess Interest Amounts will be allocated pro rata among the applicable series of notes in Excess Interest Sharing Group One (including Series 2024-A) based on their respective shortfalls.

If Series 2024-A Investor Available Interest Amounts for any Payment Date, together with Shared Excess Interest Amounts for such Payment Date are not sufficient to pay in full or otherwise provide for in full the amounts described in clauses (1) through (4) of the second preceding paragraph, then the indenture trustee, at the direction of the servicer, will withdraw amounts then on deposit in the Reserve Account, up to the amounts of any such shortfall, and apply such amounts to pay such shortfall.

If Series 2024-A Investor Available Interest Amounts for any Payment Date, together with Shared Excess Interest Amounts and amounts on deposit in the Reserve Account available to pay interest on the Series 2024-A notes pursuant to clause (3) of the third preceding paragraph are insufficient to pay such interest on such Payment Date, then the servicer will reallocate from the Series 2024-A Investor Available Principal Amounts with respect to the preceding Collection Period (and to the extent necessary, from amounts that would constitute Series 2024-A Investor Available Principal Amounts with respect to the current Collection Period) the amount of such insufficiency, not to exceed the Series 2024-A Overcollateralization Amount (such reallocated amounts, “**Reallocated Principal Collections**”). The reallocation of Reallocated Principal Collections at any time will result in a reduction in the Series 2024-A Nominal Liquidation Amount as described under “*Deposit and Application of Funds—Reduction and Reinstatement of Series Nominal Liquidation Amounts*” in this offering memorandum.

*Series 2024-A Investor Available Principal Amounts.* Under “*Deposit and Application of Funds—Allocation Percentages*” in this offering memorandum is a description of how principal collections will be allocated among each series and, within each series, between the Series 2024-A noteholders and the holders of the Transferor Interest. The portion of the Series 2024-A Allocable Principal Collections (as described under “*Deposit and Application of Funds—Allocation Percentages*” in this offering memorandum) allocated to the Series 2024-A noteholders during each Collection Period (other than Reallocated Principal Collections with respect to such Payment Date), together with (i) the amount of any Series 2024-A Investor Available Interest Amounts used by the indenture trustee on each Payment Date to fund the Series 2024-A Investor Defaulted Amounts and any Series 2024-A Nominal Liquidation Amount Deficit, as described in clause (4) of the fourth preceding paragraph and (ii) the amount of Series 2024-A Investor Available Interest Amounts treated as Series 2024-A Investor Available Principal Amounts, as described in clause (6) of the fourth preceding paragraph, will be referred to as “**Series 2024-A Investor Available Principal Amounts.**”

On each Payment Date, the servicer, or the indenture trustee, at the written direction of the servicer, will apply the Series 2024-A Investor Available Principal Amounts (together with other amounts specified in this offering memorandum):

- (1) first:
  - (a) if Series 2024-A is in its Accumulation Period, the indenture trustee will deposit an amount equal to the lesser of (x) the Controlled Deposit Amount for such Payment Date and (y) the Series 2024-A Invested Amount for such Payment Date in the Accumulation Account for payment to the Series 2024-A noteholders on the Series 2024-A Expected Final Payment Date, then to the extent of any remaining Series 2024-A Investor Available Principal Amounts, will treat any remaining Series 2024-A Investor Available Principal Amounts as Shared Excess Principal Amounts available to be used to satisfy the principal funding requirements of other series of notes included in Excess Principal Sharing Group One;
  - (b) if Series 2024-A is in an Early Amortization Period, the indenture trustee will pay the Series 2024-A Investor Available Principal Amounts plus all amounts on deposit in the Accumulation Account (up to the Series 2024-A Invested Amount (determined without giving effect to any reduction thereto arising from amounts on deposit in the Accumulation Account)) to the Series 2024-A noteholders in payment of principal of the Series 2024-A notes, then to the extent of any remaining Series 2024-A Investor Available Principal Amounts plus all amounts on deposit in the Accumulation Account, will treat any such remaining amounts as Shared Excess Principal Amounts available to be used to satisfy the principal funding requirements of other series of notes included in Excess Principal Sharing Group One;
  - (c) if Series 2024-A is not in its Accumulation Period or an Early Amortization Period, Series 2024-A Investor Available Principal Amounts will be treated as Shared Excess Principal Amounts to be used as described in this clause (1); and
- (2) second, any remaining funds will be reinvested in additional Receivables, if any, and the balance thereof, if any, will be distributed to the holders of the Transferor Interest, except under the circumstances described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum.

If Series 2024-A Investor Available Principal Amounts for any Payment Date are not sufficient to pay or deposit in full the amounts described in clauses (1)(a) or (b) of the preceding paragraph, as applicable, then Shared Excess Principal Amounts from all other series of notes in Excess Principal Sharing Group One will be applied to pay such shortfall. If such shortfall, together with other similar principal distribution shortfalls with respect to other series of notes in Excess Principal Sharing Group One, exceed Shared Excess Principal Amounts for such Payment Date, then (i) first, Shared Excess Principal Amounts will be allocated pro rata among the applicable series of notes in Excess Principal Sharing Group One (including Series 2024-A) based on their respective shortfalls and (ii) second, the Series 2024-A Allocation Percentage of funds, if any, in the Excess Funding Account will be used (to the extent available) to pay or deposit any remaining shortfall with respect to the Series 2024-A notes, as described in “*Sources of Funds to Pay the Notes—Excess Funding Account*” in this offering memorandum.

### **Reduction and Reinstatement of Series Nominal Liquidation Amounts**

The Series 2024-A Nominal Liquidation Amount as of the Series 2024-A Issuance Date is the sum of (i) the initial Series 2024-A Invested Amount (which equals the initial outstanding principal amount of the Series 2024-A notes) and (ii) the Series 2024-A Overcollateralization Amount as of the Series 2024-A Issuance Date. The portion of the Series 2024-A Nominal Liquidation Amount constituting the Series 2024-A Invested Amount will be calculated on each day. Generally, the portion of the Series 2024-A Nominal Liquidation Amount constituting the Series 2024-A Overcollateralization Amount for each Payment Date will be an amount equal to the Series 2024-A Overcollateralization Amount as calculated on the prior Payment Date, decreased by certain reductions since that date and increased by certain reinstatements and other amounts since that date. These reductions and reinstatements are described below.

*Reductions.* The Series 2024-A Nominal Liquidation Amount will be reduced (starting with the Series 2024-A Overcollateralization Amount as described below) on any Payment Date by the following amounts:

- (A) Reallocated Principal Collections, including any Reallocated Principal Collections from the Collection Period occurring in the same month as the Payment Date, not to exceed the Series 2024-A Overcollateralization Amount, as described under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Principal Amounts*” in this offering memorandum; and
- (B) the Series 2024-A Investor Defaulted Amounts in the related Collection Period to the extent that they are not covered by Series 2024-A Investor Available Interest Amounts, Shared Excess Interest Amounts and amounts on deposit in the Reserve Account that are treated as Series 2024-A Investor Available Principal Amounts to cover such Series 2024-A Investor Defaulted Amounts, as described under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Interest Amounts*” in this offering memorandum.

On each Payment Date, the amount of any reduction in the Series 2024-A Nominal Liquidation Amount due to clause (A) or (B) above will be allocated as follows:

- first, to reduce the Series 2024-A Overcollateralization Amount by the amount of such reduction until the Series 2024-A Overcollateralization Amount is reduced to zero; and
- second, to reduce the Series 2024-A Invested Amount by any remaining amount of such reduction until the Series 2024-A Invested Amount is reduced to zero.

In addition, the portion of the Series 2024-A Nominal Liquidation Amount constituting the Series 2024-A Invested Amount will be reduced by amounts deposited into the Accumulation Account and payments of principal of the Series 2024-A notes and will be increased on any date on which the issuing entity issues additional Series 2024-A notes, as discussed under “*Description of the Notes—Issuance of Additional Notes*” in this offering memorandum, in an amount equal to the invested amount of such additional Series 2024-A notes.

When the Series 2024-A Overcollateralization Amount is reduced as described in clause “first” in the second preceding paragraph, such reduction will be applied, first, to the portion of the Series 2024-A Overcollateralization Amount equal to the Primary Series 2024-A Overcollateralization Amount and second, to the portion of the Series 2024-A Overcollateralization Amount equal to the Incremental Overcollateralization Amount. In general, if the Primary Series 2024-A Overcollateralization Amount is reduced on any Payment Date below the applicable Series 2024-A Overcollateralization Percentage of the initial outstanding principal amount of the Series 2024-A notes, then an Early Amortization Event will occur.

While the Series 2024-A Overcollateralization Amount will be reduced as described above, the outstanding principal amount of the Series 2024-A notes will not be similarly reduced. However, the aggregate principal paid on the Series 2024-A notes will not exceed the Series 2024-A Invested Amount (except to the extent that the Series 2024-A Invested Amount has been reduced by amounts on deposit in the Accumulation Account). Consequently, you will incur a loss on your notes if the Series 2024-A Overcollateralization Amount is reduced to zero and the Series 2024-A Invested Amount is thereafter reduced and not reinstated as described under “*Deposit and Application of Funds—Series 2024-A Overcollateralization Amount*” in this offering memorandum.

*Reinstatements.* The Series 2024-A Nominal Liquidation Amount will be reinstated on any Payment Date by the amount of the Series 2024-A Investor Available Interest Amounts that are applied with respect to the Series 2024-A Nominal Liquidation Amount Deficit pursuant to clause (4) of the Payment Waterfall and by the amount of Shared Excess Interest Amounts from all other series of notes in Excess Interest Sharing Group One and the amounts on deposit in the Reserve Account that are applied to the Series 2024-A Nominal Liquidation Amount Deficit as described under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Interest Amounts*” in this offering memorandum. The amount of that reinstatement will be allocated on that Payment Date as follows:

- first, if the Series 2024-A Invested Amount has been reduced and not fully reinstated, the reinstatement amount will be allocated to the Series 2024-A Invested Amount until it equals the outstanding principal amount of the Series 2024-A notes; and
- second, any remaining reinstatement amount will be allocated to the Series 2024-A Overcollateralization Amount (first to reinstate the Incremental Overcollateralization Amount and then to reinstate the Primary Series 2024-A Overcollateralization Amount) until the Series 2024-A Overcollateralization Amount has been fully reinstated.

The Series Nominal Liquidation Amounts of other series of notes will be subject to similar reductions and reinstatements.

### **Series 2024-A Overcollateralization Amount**

The “**Series 2024-A Overcollateralization Amount**” will be equal to the sum of:

- the Primary Series 2024-A Overcollateralization Amount; and
- the Incremental Overcollateralization Amount.

As of the Series 2024-A Issuance Date, the Primary Series 2024-A Overcollateralization Amount will be equal to the product of the Series 2024-A Overcollateralization Percentage and the initial outstanding principal amount of the Series 2024-A notes. As of the Series 2024-A Issuance Date, the “**Series 2024-A Overcollateralization Percentage**” will be 22.70%; *provided, however*, that the Series 2024-A Overcollateralization Percentage will increase to 26.58% if the average of the Monthly Payment Rates for the three preceding Collection Periods is less than 30.00%, and will further increase to 30.72% if the average of the Monthly Payment Rates for the three preceding Collection Periods is less than 25.00%. However, if the Series 2024-A Overcollateralization Percentage is increased pursuant to the preceding sentence, and the average of the Monthly Payment Rates for the three preceding Collection Periods subsequently increases to 25.00% or more, but less than 30.00%, then the Series 2024-A Overcollateralization Percentage shall decrease to 26.58% and if the Series 2024-A Overcollateralization Percentage is further increased pursuant to the preceding sentence, and the average of the Monthly Payment Rates for the three preceding Collection Periods further increases to 30.00% or more, then the Series 2024-A Overcollateralization Percentage shall decrease to 22.70%.

The depositor may, in its sole discretion, increase the Series 2024-A Overcollateralization Percentage (which is used in calculating the Primary Series 2024-A Overcollateralization Amount), provided, however, that if the depositor voluntarily increases the Series 2024-A Overcollateralization Percentage, then it may, in its sole discretion, upon ten days prior notice to the indenture trustee, subsequently decrease the Series 2024-A Overcollateralization Percentage to 22.70% or higher so long as the Rating Agency Condition is satisfied with respect to the Series 2024-A notes or any other outstanding and rated series or class of notes. The depositor is under no obligation to increase the Series 2024-A Overcollateralization Percentage at any time. The Series 2024-A Overcollateralization Amount will vary from time to time and will be reduced, reinstated or increased as described under “*Deposit and Application of Funds—Reduction and Reinstatement of Series Nominal Liquidation Amounts*” in this offering memorandum.

### **Allocation Percentages**

In general, collections on the Receivables and Defaulted Receivables will first be allocated among all outstanding series based on the series nominal liquidation amount for each series as a percentage of the aggregate of the series nominal liquidation amounts for all outstanding series as described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum. With respect to each day in a Collection Period, collections on Receivables and Defaulted Receivables will be allocated to Series 2024-A on the basis of the Series 2024-A Allocation Percentage. The Series 2024-A Allocation Percentage will be calculated on each day in a Collection Period and will, with certain limited exceptions, be increased or decreased, as applicable, on each day in each Collection Period. In particular, (i) the Series 2024-A Allocable Principal Collections, (ii) the Series 2024-A

Allocable Interest Collections and (iii) the Series 2024-A Allocable Defaulted Amounts will be allocated to Series 2024-A, in each case, on each day in a Collection Period. The Series 2024-A Allocable Principal Collections and the Series 2024-A Allocable Interest Collections are called the “**Series 2024-A Allocable Collections**.”

Series 2024-A Allocable Collections and Series 2024-A Allocable Defaulted Amounts will be further allocated on each day in a Collection Period between the Series 2024-A noteholders and the holders of the Transferor Interest on the basis of various percentages, depending on whether Series 2024-A Allocable Interest Collections, Series 2024-A Allocable Defaulted Amounts or Series 2024-A Allocable Principal Collections are being allocated and, in the case of Series 2024-A Allocable Principal Collections, whether such amounts are received during the Revolving Period, provided that (i) in the circumstances described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum, and (ii) so long as NMAC is the servicer and other specified conditions are satisfied, the servicer, in its sole discretion, may distribute any amounts owed to the holders of the Transferor Interest directly to such holders in lieu of depositing such amounts into the Collection Account. Series 2024-A Allocable Collections and Series 2024-A Allocable Defaulted Amounts will be allocated to the Series 2024-A noteholders as follows:

- Series 2024-A Allocable Interest Collections and Series 2024-A Allocable Defaulted Amounts will be allocated based on the Series 2024-A Floating Allocation Percentage;
- if the Series 2024-A notes are not in the Revolving Period, then Series 2024-A Allocable Principal Collections will be allocated based on the Series 2024-A Fixed Allocation Percentage; and
- if the Series 2024-A notes are in the Revolving Period, then Series 2024-A Allocable Principal Collections will be allocated based on the Series 2024-A Floating Allocation Percentage.

The portion of the Series 2024-A Allocable Collections not allocated to the Series 2024-A noteholders will be paid to the holders of the Transferor Interest except to the extent applied as Series 2024-A Investor Available Interest Amounts as described under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Interest Amounts*” in this offering memorandum or required to be deposited in the Excess Funding Account as described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum.

### **Required Participation Percentage**

As described under “*Description of the Notes—General*” in this offering memorandum, the depositor will be required either to add to the assets of the issuing entity the Receivables of Additional Accounts or make a deposit to the Excess Funding Account if the Adjusted Pool Balance, as of the last day of any Collection Period, is less than the Required Participation Amount on such day. In addition, as described under “*Sources of Funds to Pay the Notes—Application of Collections*”, Principal Collections and Interest Collections otherwise distributable to the holders of the Transferor Interest must be deposited into the Excess Funding Account on any day on which the Adjusted Pool Balance on such day is less than the Required Participation Amount on such day. The Required Participation Amount is the sum of the following amounts with respect to each outstanding series: (1) the respective products for all series issued by the issuing entity of (a) the required participation percentages for each outstanding series as specified in the related indenture supplement and (b) their initial Invested Amounts (or, in the case of any series of notes issued as variable funding notes, their maximum Invested Amount or current outstanding principal amount of the notes of such series as specified in the related indenture supplement for such series); plus (2) if applicable, the sum of the required overcollateralization amounts for each outstanding series issued by the issuing entity as specified in the related indenture supplement. The Required Participation Percentage for Series 2024-A is 100%. The depositor may, in its sole discretion, increase the Required Participation Percentage; provided, however, that if the depositor voluntarily increases the Required Participation Percentage, then it may, in its sole discretion, upon ten days prior notice to the indenture trustee, subsequently decrease the Required Participation Percentage to 100% or higher, so long as the Rating Agency Condition is satisfied with respect to the rating of the Series 2024-A notes or any other outstanding and rated series or class of notes.



### **Shared Excess Interest Amounts**

Any Series 2024-A Investor Available Interest Amounts that are not needed to make payments or deposits for Series 2024-A on any Payment Date will be available for allocation to other series of notes that are included in Excess Interest Sharing Group One. Such excess will be treated as Shared Excess Interest Amounts and will be allocated to cover shortfalls, if any, in payments or deposits to be covered by investor available interest amounts for other series that are included in Excess Interest Sharing Group One, which have not been covered out of the investor available interest amounts allocable to those series. If these shortfalls exceed the Shared Excess Interest Amounts for any Payment Date, Shared Excess Interest Amounts will be allocated pro rata among the applicable series based on their respective shortfalls in investor available interest amounts. To the extent that Shared Excess Interest Amounts exceed those shortfalls, the balance will be paid to the holders of the Transferor Interest except under the circumstances described in “*Source of Funds to Pay the Notes—Application of Collections*” in this offering memorandum.

### **Shared Excess Principal Amounts**

Any Series 2024-A Investor Available Principal Amounts that are not needed to make payments or deposits for Series 2024-A on any Payment Date will be available for allocation to other series of notes that are included in Excess Principal Sharing Group One. Such excess will be treated as Shared Excess Principal Amounts and will be allocated to cover shortfalls, if any, in payments or deposits to be covered by investor available principal amounts for other series that are included in Excess Principal Sharing Group One, which have not been covered out of the investor available principal amounts allocable to those series. Any reallocation of Series 2024-A Investor Available Principal Amounts for this purpose will not reduce the Series 2024-A Nominal Liquidation Amount. If principal shortfalls exceed the Shared Excess Principal Amounts for any Payment Date, Shared Excess Principal Amounts will be allocated pro rata among the applicable series based on their respective shortfalls in investor available principal amounts. To the extent that Shared Excess Principal Amounts exceed principal shortfalls, the balance will be used to reinvest in additional Receivables, if any, and will then be paid to the holders of the Transferor Interest except under the circumstances described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum.

### **Early Amortization Events**

The occurrence and continuation of each of the following will constitute an “**Early Amortization Event**” with respect to the Series 2024-A notes:

- failure by the issuing entity, the depositor, the servicer or NMAC (if NMAC is no longer the servicer), as applicable (a) to make any payment or deposit required by the terms of the transfer and servicing agreement, the receivables purchase agreement, the Indenture or the Series 2024-A Indenture Supplement, including but not limited to any transferor deposit amounts, on or before the date occurring ten Business Days after the date such payment or deposit is required to be made or (b) to observe or perform in any material respect any other covenants or agreements set forth in the transfer and servicing agreement, the receivables purchase agreement, the Indenture or the Series 2024-A Indenture Supplement which failure has a material adverse effect on the Series 2024-A noteholders and which (in the case of this clause (b)) continues unremedied for a period of 60 days after the date on which notice of such failure requiring the same to be remedied, has been received by the issuing entity, the depositor, the servicer or NMAC (if NMAC is no longer the servicer), as applicable, by the Indenture Trustee, or to the issuing entity, the depositor, the servicer or NMAC (if NMAC is no longer the servicer), as applicable, and the indenture trustee by any Series 2024-A noteholder;
- any representation or warranty made by (x) NMAC, as seller, in the receivables purchase agreement or (y) the depositor in the transfer and servicing agreement, or any information required to be delivered by NMAC or the depositor to identify the Accounts, proves to have been incorrect in any material respect when made or when delivered, which failure has a material adverse effect on the Series 2024-A noteholders and which continues to be incorrect in any material respect for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, has been received by the issuing entity, NMAC or the depositor, as applicable, by the indenture trustee, or to the issuing entity, NMAC or the depositor, as applicable, and the indenture trustee by any Series 2024-A

noteholder and as a result the interests of the Series 2024-A noteholders are materially and adversely affected; provided, however, that an Early Amortization Event pursuant to this second bullet point will not be deemed to have occurred hereunder if the depositor has accepted reassignment of the related receivable, or all of such receivables, if applicable, during such period in accordance with the provisions of the transfer and servicing agreement;

- on any Payment Date, the Series 2024-A Overcollateralization Amount is reduced to an amount less than the product of (i) the applicable Series 2024-A Overcollateralization Percentage and (ii) the initial principal amount of the Series 2024-A notes; provided, that, for the purpose of determining whether an Early Amortization Event has occurred pursuant to this third bullet point, any reduction of the Primary Series 2024-A Overcollateralization Amount resulting from Reallocated Principal Collections to pay interest on the Series 2024-A notes in the event the SOFR Rate is equal to or greater than the Reference Rate upon which interest on the Receivables is calculated on the applicable SOFR Determination Time will be considered an Early Amortization Event only if the SOFR Rate remains equal to or greater than such Reference Rate for the next 30 consecutive days following such SOFR Determination Time; provided, further that, if the reduction occurs on any Payment Date on which the Series 2024-A Overcollateralization Percentage is increased because the average of the Monthly Payment Rates for the three preceding Collection Periods is less than 30.00% or the Series 2024-A Overcollateralization Percentage is further increased because the average of the Monthly Payment Rates for the three preceding Collection Periods is less than 25.00% or the Series 2024-A Overcollateralization Percentage is further increased because the average of the Monthly Payment Rates for the three preceding Collection Periods is less than 20.00%, then that reduction shall be an Early Amortization Event if the Series 2024-A Overcollateralization Amount remains less than the Required Series 2024-A Overcollateralization Amount for five or more days after the Payment Date on which the Series 2024-A Overcollateralization Percentage increased;
- the occurrence of certain events of bankruptcy, insolvency or receivership relating to the issuing entity, depositor, NMAC, NML or NNA which, if involuntary, remain in effect for a period of sixty (60) consecutive days;
- any Servicer Default that adversely affects in any material respect the interests of any Series 2024-A noteholder;
- on any Payment Date, the average of the Monthly Payment Rates for the three consecutive collection periods preceding such payment date is less than 20.00% for a period of at least five business days after the date on which written notice of such event has been received by the issuing entity, NMAC and the depositor;
- for three consecutive payment dates, the amounts on deposit in the Excess Funding Account on each such payment date after giving effect to any deposits and distributions on such date exceed 70% of the sum of the invested amounts of all outstanding series issued by the issuing entity;
- the Series 2024-A Outstanding Principal Amount is not repaid in full on the Series 2024-A Expected Final Payment Date;
- the occurrence of an Event of Default with respect to Series 2024-A notes and the declaration that the Series 2024-A notes are immediately due and payable pursuant to the Indenture;
- the failure of the depositor to transfer to the issuing entity the receivables arising in connection with additional designated Accounts within ten Business Days of the date required under the transfer and servicing agreement;
- the occurrence of certain events of bankruptcy, insolvency or receivership relating to the issuing entity, the depositor or NMAC which, if involuntary, remain in effect for a period of sixty (60) consecutive days; and
- the issuing entity or the depositor becomes an investment company required to be registered under the

#### Investment Company Act of 1940.

In the case of any event described in the first, second or fifth bullet points of the preceding paragraph, an Early Amortization Event with respect to Series 2024-A will be deemed to have occurred only if, after the applicable grace period described in those clauses, if any, either the indenture trustee or Series 2024-A noteholders holding Series 2024-A notes evidencing more than 50% of the outstanding principal amount of the Series 2024-A notes by written notice to the depositor, NMAC, the servicer and the indenture trustee, if given by Series 2024-A noteholders, declare that an Early Amortization Event has occurred as of the date of that notice. In the case of any event described in the third, fourth, sixth, seventh, eighth, ninth, tenth, eleventh and twelfth bullet points in the preceding paragraph, an Early Amortization Event with respect to Series 2024-A will be deemed to have occurred without any notice or other action on the part of the indenture trustee or the Series 2024-A noteholders immediately upon the occurrence of that event.

The Early Amortization Period begins upon the occurrence of an Early Amortization Event. Under the limited circumstances described in this paragraph, an Early Amortization Period which commences before the scheduled end of the Revolving Period may terminate and the Revolving Period may recommence. If any Early Amortization Event, other than an Early Amortization Event described in the ninth or tenth bullet point in the preceding paragraph occurs, the Revolving Period will recommence only upon the receipt of:

- satisfaction of the Rating Agency Condition with respect to the Hired Rating Agencies; and
- the consent to the recommencement by Series 2024-A noteholders holding Series 2024-A notes evidencing more than 50% of the outstanding principal amount of the Series 2024-A notes;

provided, that no other Early Amortization Event that has not been cured or waived as described in this offering memorandum has occurred and the scheduled termination of the Revolving Period has not occurred. If an Early Amortization Event described in the ninth or tenth bullet points in the third preceding paragraph occurs, the Early Amortization Period which commences as a result thereof will not terminate, and the Revolving Period will not recommence.

#### **Events of Default**

The Events of Default for the Series 2024-A notes, as well as the rights and remedies available to the indenture trustee and the Series 2024-A noteholders when an Event of Default occurs, are described in “*Description of the Indenture—Events of Default; Rights Upon Event of Default*” in this offering memorandum.

If an Event of Default for the Series 2024-A notes occurs as a result of the bankruptcy, insolvency or similar events relating to the issuing entity or the depositor, the indenture trustee will declare the Series 2024-A notes to be immediately due and payable by notice in writing to the issuing entity. If any other Event of Default for the Series 2024-A notes occurs, the indenture trustee or the holders of at least 66 2/3% of the outstanding principal amount of the Series 2024-A notes may declare the Series 2024-A notes to be immediately due and payable. If the Series 2024-A notes are accelerated, you may receive principal before the Series 2024-A Expected Final Payment Date.

#### **Collection Account**

The issuing entity has established a segregated account to serve as the Collection Account. The Collection Account will be maintained with the account bank in the name of the indenture trustee for the benefit of the noteholders of all series issued by the issuing entity, not just for the benefit of the holders of any particular series, including the Series 2024-A noteholders. At the direction of the servicer or its agent, the indenture trustee will invest funds on deposit in the Collection Account in eligible investments that mature no later than the Business Day preceding the following Payment Date. Net investment earnings on funds in the Collection Account will be credited to the Collection Account and included in interest collections for the related Collection Period except as otherwise provided in the Indenture. The servicer will have the revocable power to instruct the indenture trustee to make withdrawals and payments from the Collection Account for the purpose of carrying out its duties under the Indenture.

The servicer will deposit into the Collection Account the portions of amounts collected on the Receivables in the Trust Portfolio as are allocated to Series 2024-A. The servicer generally must make such required deposits into the Collection Account no later than two Business Days after processing. However, in the circumstances described in “*Sources of Funds to Pay the Notes—Application of Collections*” in this offering memorandum, so long as NMAC is the servicer and other specified conditions are satisfied, it will be able to make these deposits on a monthly basis.

### **Accumulation Account**

The issuing entity will establish a segregated account to serve as the Accumulation Account. The Accumulation Account will be maintained with the account bank in the name of the indenture trustee solely for the benefit of the Series 2024-A noteholders. If the issuing entity elects to begin the Accumulation Period, amounts available to pay principal of the Series 2024-A notes will be deposited (or credited) to the Accumulation Account during the Accumulation Period for payment to the Series 2024-A noteholders. During the Accumulation Period, if any, the indenture trustee, at the direction of the servicer, will transfer Series 2024-A Investor Available Principal Amounts and certain other amounts up to an amount equal to the lesser of (x) the Controlled Deposit Amount and (y) the Series 2024-A Invested Amount, for each related Payment Date from the Collection Account to the Accumulation Account as described under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Principal Amounts*” in this offering memorandum. On the first Payment Date occurring after the commencement of the Early Amortization Period, the indenture trustee will apply the amounts on deposit in the Accumulation Account, if any, together with Series 2024-A Investor Available Principal Amounts for that Payment Date and certain other amounts, to pay the principal of the Series 2024-A notes as described under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Principal Amounts*” in this offering memorandum.

At the direction of the servicer, the indenture trustee will invest funds on deposit in the Accumulation Account, if any, in eligible investments that mature no later than the Business Day preceding the following Payment Date. Net investment earnings on funds in the Accumulation Account will be deposited into the Collection Account and included in Series 2024-A Investor Available Interest Amounts for that Payment Date.

### **Reserve Account**

The issuing entity will establish a segregated account to serve as the Reserve Account. The Reserve Account will be maintained with the account bank in the name of the indenture trustee and held by the indenture trustee solely for the benefit of the Series 2024-A noteholders. On the Series 2024-A Issuance Date, the issuing entity will deposit an amount equal to at least 0.50% of the Series 2024-A Invested Amount as of the Series 2024-A Issuance Date, in the Reserve Account. Thereafter, the Reserve Account will be funded by the deposits therein, as described under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Interest Amounts*” in this offering memorandum, of amounts necessary to restore or bring the amounts on deposit in the Reserve Account to equal the Specified Reserve Account Balance.

If the Series 2024-A notes are not paid in full on the earlier of (x) the Final Maturity Date and (y) the first Payment Date on or after the occurrence of an Event of Default and a declaration that all of the Series 2024-A notes are immediately due and payable as set forth in this offering memorandum, any funds remaining in the Reserve Account, after giving effect to the distributions on such date as set forth under “*Deposit and Application of Funds—Application of Available Amounts—Series 2024-A Investor Available Interest Amounts*” in this offering memorandum, will be treated as Series 2024-A Investor Available Principal Amounts for distribution to the Series 2024-A noteholders on such date. Upon the payment in full of the Series 2024-A notes, any funds remaining in the Reserve Account will be treated as Shared Excess Principal Amounts and will be allocated to cover shortfalls, if any, in payments or deposits to be covered by investor available principal amounts for other series that are included in Excess Principal Sharing Group One, which have not been covered out of the investor available principal amounts allocable to those series. On the Payment Date on which the outstanding principal amount of the Series 2024-A notes are paid in full, and after giving effect to distributions, if any, made to other series to cover shortfalls in payments or deposits to be covered by investor available principal amounts for other series that are included in Excess Principal Sharing Group One, the indenture trustee, acting at the direction of the servicer, will distribute to the holders of the Transferor Interest all remaining amounts on deposit in the Reserve Account.

At the direction of the servicer and to the extent permitted by applicable laws, rules and regulations, the indenture trustee will invest all amounts held in the Reserve Account in eligible investments that mature no later than the Business Day preceding the following Payment Date. Net investment earnings on funds in the Reserve Account will be deposited into the Collection Account and included in Series 2024-A Investor Available Interest Amounts for the related Payment Date.

#### **Account Bank**

The Collection Account has been established with and maintained by U.S. Bank National Association as the account bank (the “**account bank**”) and will be subject to the amended and restated securities account control agreement, to be dated as of the Series 2024-A Issuance Date (the “**Amended and Restated Securities Account Control Agreement**”), between the account bank, the issuing entity, the servicer and the indenture trustee. The Reserve Account and the Accumulation Account will initially be established with and maintained by the account bank and will be subject to a securities account control agreement, to be dated as of the Series 2024-A Issuance Date (the “**Series 2024-A Securities Account Control Agreement**”), between the account bank, the issuing entity, the servicer and the indenture trustee.

### **DESCRIPTION OF THE INDENTURE**

The issuing entity is a party to an Indenture, under which the issuing entity has issued, and from time to time will issue, notes in one or more series, the terms of which will be specified in an indenture supplement to the Indenture. The Indenture has been, and each indenture supplement will be, executed by the issuing entity and the indenture trustee. The following section summarizes the material terms of the Indenture, as supplemented by the Series 2024-A Indenture Supplement.

#### **Events of Default; Rights Upon Event of Default**

Under the Indenture, the occurrence and continuation of any of the following events will be an “**Event of Default**” for any series of notes:

- the issuing entity fails to pay principal on the final maturity date those notes;
- the issuing entity fails to pay interest on the related notes when it becomes due and payable and the default continues for a period of 35 consecutive days;
- the bankruptcy, insolvency, conservatorship, receivership, liquidation or similar events relating to the issuing entity which, if involuntary, remain in effect for a period of 90 days;
- the issuing entity fails to observe or perform any covenants or agreements made in the Indenture if the failure materially and adversely affects the interests of the Series 2024-A noteholders for such series of notes and continues for 90 consecutive days after written notice to the issuing entity by the indenture trustee or to the issuing entity and the indenture trustee by Series 2024-A noteholders representing 50% or more of the outstanding principal amount of the affected series of notes; or
- the issuing entity fails to pay any make-whole payments or accrued step-up amounts on a Series 2024-A note on the final maturity date.

The related indenture supplement for each series of notes may specify additional Events of Default with respect to that series. There are no additional Events of Default with respect to the Series 2024-A notes. With respect to the notes of any other series, Events of Default will include the items specified in the four bullet points above as well as any additional items specified in the related indenture supplement.

Failure to pay the full principal amount of a Series 2024-A Note on the Series 2024-A Expected Final Payment Date will not constitute an Event of Default but will constitute an Early Amortization Event. An Event of Default with respect to the Series 2024-A notes will not necessarily be an Event of Default with respect to any other

series of notes and an Event of Default for any other Series of notes will not necessarily be an Event of Default for the Series 2024-A notes.

#### *Rights and Remedies Upon an Event of Default*

Following an Event of Default with respect to any series of notes (including the Series 2024-A notes), the holders of the notes of such series will have the right to take certain action and exercise certain remedies as described below. An Event of Default with respect to another series of notes may not result in an Event of Default with respect to the Series 2024-A notes, and the holders of the notes of another series may elect to accelerate those notes and pursue remedies as described below (including foreclosure of portion of the Issuing Entity Assets) even if the Series 2024-A notes have not been accelerated. Thus, it is possible that the holders of another series of notes may take one or more of the actions described below against the issuing entity or the Issuing Entity Assets even if the Series 2024-A notes are still in the Revolving Period.

If an Event of Default, other than a bankruptcy, insolvency or similar event with respect to the issuing entity, has occurred and is continuing with respect to a series of notes (including the Series 2024-A notes), the indenture trustee or the holders of at least 66 2/3% of the outstanding principal amount of the notes of each class of the affected series may declare all the notes of that series to be immediately due and payable. In addition, unless the holders of at least 66 2/3% of the outstanding principal amount of each class of the affected series otherwise elect, the indenture trustee will declare all of the notes immediately due and payable on the Issuing Entity Termination Date. If an event of bankruptcy, insolvency or similar event relating to the issuing entity should occur and be continuing, the indenture trustee will, by notice in writing to the issuing entity, declare all of the notes immediately due and payable. Upon any such declaration, the Revolving Period (or, if applicable, any other period of principal payment or accumulation, other than an Early Amortization Period) for the affected series will terminate and an Early Amortization Period will commence. Any such declaration of acceleration of the notes may, under limited circumstances, be rescinded by the holders of at least 66 2/3% of the outstanding principal amount of the notes of each class of that series or of all series, as applicable.

Generally, in the case of any Event of Default, the indenture trustee will be under no obligation to exercise any of the rights or powers under the Indenture even if requested or directed by any noteholder unless it is provided security or indemnity reasonably satisfactory to it against the costs, expenses and liabilities that might be incurred by it in complying with that request. Subject to those provisions for indemnification and limitations contained in the Indenture, the holders of at least a majority of the outstanding principal amount of the notes of the affected series:

- will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the indenture trustee or exercise any trust or power conferred on the indenture trustee with respect to the notes; and
- may, in limited cases, waive any past default with respect to the notes before the declaration of the acceleration of the notes, except for a default in the payment of principal or interest or a default relating to a covenant or provision of the Indenture that cannot be modified without the waiver or consent of each affected noteholder.

After acceleration of the notes, Principal Collections and Interest Collections allocated to those notes will be applied to make monthly principal and interest payments on the notes until the earlier of the date the notes are paid in full or the Final Maturity Date of the notes. Funds in the Collection Account and other issuing entity accounts for the accelerated notes will be applied to pay principal of and interest on those notes.

In general, the indenture trustee will enforce the rights and remedies of the holders of the accelerated notes. However, noteholders will have the right to institute any proceeding with respect to the Indenture if the following conditions are met:

- (1) the noteholders of at least 25% of the outstanding principal amount of the affected series make a written request to the indenture trustee to institute a proceeding in its own name as indenture trustee;

- (2) the noteholders give the indenture trustee written notice of a continuing Event of Default;
- (3) the noteholders offer reasonable indemnification to the indenture trustee against the costs, expenses and liabilities of instituting a proceeding;
- (4) the indenture trustee has not instituted a proceeding within 60 days after receipt of the notice, request and offer of indemnification; and
- (5) the indenture trustee has not received during the 60-day period described in clause (4) above, from the holders of at least a majority of the outstanding principal amount of the notes of that series a direction inconsistent with the request described in clause (1) above.

A noteholder, however, has the absolute and unconditional right to institute at any time a proceeding to enforce its right to receive all amounts of principal and interest due and owing to it under its Note, and such right may not be impaired without the consent of such noteholder.

Subject to the provisions of the Indenture relating to the duties of the indenture trustee, in case any Event of Default occurs and is continuing with respect to the notes, the indenture trustee:

- may institute proceedings in its own name for the collection of all amounts then payable on the affected notes, whether by declaration or otherwise, enforce any judgment obtained and collect from the issuing entity any other obligor upon such notes monies adjudged due;
- may take any other appropriate action to protect and enforce the rights and remedies of the indenture trustee and the noteholders of the affected notes;
- may, at its own election or must at the written direction of the holders of at least a majority of the outstanding principal amount of the accelerated notes of a series, excluding any notes held by the depositor or one of its affiliates, foreclose on the portion of the Issuing Entity Assets securing the accelerated notes by causing the issuing entity to sell assets having an aggregate principal amount equal to the product of the amount of all Issuing Entity Assets multiplied by the Series Allocation Percentage of the accelerated series of notes to a permitted assignee, who would not cause the issuing entity to be taxable as a publicly traded partnership for U.S. federal income tax purposes, but only if the indenture trustee determines that the proceeds of the sale of such assets will be sufficient to pay the principal of and interest on the accelerated notes in full; provided that the indenture trustee will not cause the issuing entity to sell Issuing Entity Assets the proceeds of which would exceed the outstanding principal amount of the notes of such series plus all accrued and unpaid interest and any amounts owing to Series Enhancers at the time of such sale; or
- must, at the written direction of the holders of at least 66 2/3% of the outstanding principal amount of the notes of each class of the accelerated series, excluding any notes held by the depositor or one of its affiliates, foreclose on the portion of the Issuing Entity Assets securing the accelerated notes by causing the issuing entity to sell assets in the Trust Portfolio having an aggregate principal amount equal to the product of the amount of all Issuing Entity Assets multiplied by the Series Allocation Percentage of the accelerated series of notes to a permitted assignee, who would not cause the issuing entity to be taxable as a publicly traded partnership for U.S. federal income tax purposes, regardless of the sufficiency of the proceeds from the sale of such assets to pay the principal of and interest on the accelerated notes in full; provided that the indenture trustee will not cause the issuing entity to sell Issuing Entity Assets the proceeds of which would exceed the outstanding principal amount of the notes of such series plus all accrued and unpaid interest and any amounts owing to Series Enhancers at the time of such sale.

In addition, unless the holders of at least 66 2/3% of the outstanding principal amount of the accelerated notes, excluding any notes held by the depositor or one of its affiliates, otherwise elect, the indenture trustee shall automatically foreclose on the assets of the issuing entity on the Issuing Entity Termination Date by causing the

issuing entity to sell assets having an aggregate principal amount equal to the product of the amount of all Issuing Entity Assets multiplied by the Series Allocation Percentage of the accelerated series of notes to a permitted assignee, who would not cause the issuing entity to be taxable as a publicly traded partnership for U.S. federal income tax purposes; provided that the indenture trustee will not cause the issuing entity to sell Issuing Entity Assets the proceeds of which would exceed the outstanding principal amount of such notes plus all accrued and unpaid interest and any amounts owing to Series Enhancers at the time of such sale.

Following the foreclosure and sale of all or a portion of the Issuing Entity Assets for the notes of a series and the application of the proceeds of that sale to those notes and the application of the amounts then held in the Collection Account, the Excess Funding Account and any other issuing entity accounts for that series and any amounts available from credit enhancement for that series, that series will no longer be entitled to any allocation of collections or other Issuing Entity Assets under the Indenture, and those notes will no longer be outstanding.

### **Material Covenants**

The Indenture provides that the issuing entity may not consolidate with, merge into or sell its assets to, another Person, unless:

- the Person (if other than the issuing entity) formed by or surviving the consolidation or merger, or that acquires by conveyance or transfer the issuing entity's assets substantially as an entirety is a Person (A) organized under the laws of the United States, any state of the United States or the District of Columbia and (B) expressly assumes, by supplemental indenture, the issuing entity's obligation to make due and punctual payments on the notes and the performance of every agreement and covenant of the issuing entity under the Indenture;
- no Early Amortization Event or Event of Default will have occurred and be continuing immediately after the merger, consolidation or sale;
- the issuing entity has delivered to the indenture trustee an officer's certificate and an opinion of counsel each stating that (A) all conditions in the Indenture provided for relating to such consolidation, merger, conveyance or transfer have been (or will be concurrently with the effectiveness of such transaction) satisfied and (B) the supplemental indenture is duly authorized, executed and delivered and is valid, binding and enforceable against such Person;
- the Rating Agency Condition has been satisfied;
- the issuing entity has received a Required Federal Income Tax Opinion dated the date of such consolidation, merger or transfer and has delivered copies thereof to the indenture trustee; and
- any action that is necessary to maintain the lien and security interest created by the Indenture will have been taken.

The issuing entity will not, among other things:

- except as expressly permitted by the Indenture, the Transfer and Servicing Agreement or related documents, sell, transfer, exchange or otherwise dispose of all or substantially all of the assets of the issuing entity;
- claim any credit on or make any deduction from payments in respect of the principal of or interest on the notes, other than amounts withheld under the Code or applicable state law, or assert any claim against any present or former noteholders because of the payment of taxes levied or assessed upon the issuing entity;
- incur, assume or guarantee any indebtedness other than indebtedness incurred under the notes and the Indenture and the other applicable Transaction Documents; or



- except as expressly permitted by the Indenture, (A) permit the validity or effectiveness of the Indenture to be impaired, or permit the lien under the Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations with respect to the notes under the Indenture, (B) permit any lien, charge, excise, claim, security interest, mortgage or other encumbrance to be created on or extend to or otherwise arise upon or burden the assets of the issuing entity or any part of the issuing entity, except as may be created by the terms of the Indenture, (C) permit the lien of the Indenture not to constitute a valid first priority perfected security interest in the assets of the issuing entity that secure the notes or (D) dissolve or liquidate in whole or in part.

### **Modification of the Indenture**

The issuing entity and the indenture trustee (when authorized by an order from the issuing entity) may, without the consent of any noteholders, the servicer, the depositor, the owner trustee or any other person enter into one or more supplemental indentures, subject to the satisfaction of one of the following conditions:

- the issuing entity delivers an officer's certificate or opinion of counsel to the indenture trustee to the effect that such amendment will not have a material adverse effect on the interests of the Series 2024-A noteholders; or
- the Rating Agency Condition is satisfied with respect to such amendment.

Subject to the satisfaction of the conditions described above under “*Description of the Notes—New Issuances*” in this offering memorandum, the issuing entity and the indenture trustee may also, without the consent of any noteholders, but upon satisfaction of the Rating Agency Condition, enter into one or more supplemental indentures in order to provide for the issuance of one or more series of notes under the Indenture.

The issuing entity and the indenture trustee will not, without the consent of each noteholder affected, enter into any supplemental indentures:

- to change the due date of any installment of principal of or interest on any Note or reduce the principal amount of a Note, the Series 2024-A Interest Rate or the redemption price of the Note or change any place of payment where or the coin or currency in which any Note or interest thereon is payable;
- to impair the right to institute suit for the enforcement of specified payment provisions of the Indenture;
- to reduce the percentage which constitutes a majority of the outstanding principal amount of the notes of any series the consent of the holders of which is required for execution of any supplemental indenture or the consent of the holders of which is required for any waiver of compliance with specified provisions of the Indenture or of some defaults under the Indenture and their consequences provided in the Indenture;
- to reduce the percentage of the outstanding principal amount of the notes required to direct the indenture trustee to sell or liquidate the Issuing Entity Assets if the proceeds of the sale would be insufficient to pay the principal amount and interest due on those notes;
- to decrease the percentage of the outstanding principal amount of the notes required to amend the sections of the Indenture that specify the percentage of the aggregate principal amount of the notes necessary to amend the Indenture or other related agreements which require such consent;
- to modify or alter any provisions of the Indenture regarding the voting of notes held by the issuing entity, any other party obligated on the notes or NMAC or any of their affiliates; or

- except as otherwise permitted or contemplated in the Indenture, to permit the creation of any lien ranking superior to or on parity with the lien of the Indenture with respect to any part of the collateral for any notes or terminate the lien of the Indenture on the collateral at any time or deprive any noteholder of the security provided by the lien of the Indenture.

The issuing entity and the indenture trustee will not enter into any amendment or supplemental indenture that would have a material adverse effect on the interests of (i) any Series Enhancer without the consent of such affected Series Enhancer, (ii) any Certificateholder without the consent of such Certificateholder or (iii) the owner trustee without the consent of the trustee Enhancer.

### **Compensation and Indemnity**

The issuing entity will:

- pay or cause the servicer to pay the indenture trustee reasonable compensation for the services rendered by it under the Indenture, which compensation will not be limited by any provision of law regarding the compensation of a trustee of an express trust;
- except as otherwise expressly provided in the Indenture, reimburse, or cause the servicer to reimburse, the indenture trustee on its request for all reasonable expenses, disbursements, and advances incurred or made by the indenture trustee pursuant to the Indenture, including all costs and expenses incurred by the indenture trustee exercising any remedies under the Indenture and the reasonable compensation and the expenses and disbursements of its agents and counsel, except any expense, disbursement, or advance to the extent attributable to its willful misconduct, negligence or bad faith; and
- indemnify the indenture trustee and its officers, directors, employees, and agents against, any loss, liability, expense, damage or injury suffered or sustained without willful misconduct, negligence or bad faith on its part, arising in connection with the acceptance or administration of the trust under the Indenture and in connection with the Transaction Documents, including the costs and expenses of defending itself against any claim or liability from the exercise or performance of its powers or duties under the Indenture.

The indenture trustee will be indemnified by the servicer or the depositor, as applicable, against any loss, liability or expense incurred by it by reason of (1) any acts or omissions of the servicer or the depositor, as applicable, in connection with the Transfer and Servicing Agreement, or (2) the acceptance or performance of the trusts and duties contained in the Transfer and Servicing Agreement by the indenture trustee, except that the indenture trustee will not be indemnified for:

- any such loss, liability or expense arising from the willful misconduct, negligence or bad faith of the indenture trustee;
- any liabilities, costs or expenses of the issuing entity with respect to any action taken by the indenture trustee at the request of the noteholders or Series Enhancers for a series to the extent that the indenture trustee is fully indemnified by such noteholders or Series Enhancers with respect to such action; or
- any U.S. federal, state or local income or franchise taxes required to be paid by the issuing entity or any noteholder or Series Enhancer in connection with the Transfer and Servicing Agreement or the Indenture;

provided, however, (1) the servicer is only required to pay any indemnity payments described in this offering memorandum under “*Description of the Indenture—Compensation and Indemnity*” to the extent funds are available after making the required monthly distributions in connection with any other series issuance for which the servicer, or any United States affiliate thereof, acts as a depositor or to the extent it receives additional funds designated for such purposes, and (2) any indemnification by the servicer will not be payable from the Issuing Entity Assets.

## **Annual Compliance Statement**

The issuing entity is required to furnish to the indenture trustee each year a written statement as to the performance of its obligations under the Indenture.

## **Noteholder Communication; List of Noteholders**

An Investor may send a request to the depositor at any time notifying the depositor that the Investor would like to communicate with other Investors with respect to an exercise of their rights under the terms of the Transaction Documents.

In addition, three or more noteholders of any series or the noteholders of at least 10% of the outstanding principal amount of the notes of any series may obtain access to the list of noteholders by submitting to the indenture trustee a written application and agreeing to indemnify the indenture trustee for its costs and expenses.

## **Satisfaction and Discharge of Indenture**

The Indenture will be discharged with respect to the notes of any series upon, among other things, the delivery to the indenture trustee for cancellation of all the notes or of such series, with specific limitations, upon irrevocable deposit by the issuing entity with the indenture trustee of funds sufficient for the payment in full of all such notes not delivered to the indenture trustee for cancellation.

## **Resignation and Removal of Indenture Trustee**

The indenture trustee may resign at any time by giving 30 days written notice to the issuing entity, in which event the administrator will appoint a successor indenture trustee. The holders of at least a majority of the outstanding principal amount of the notes of all series outstanding may remove the indenture trustee and may appoint a successor indenture trustee. The servicer must, by giving 30 days written notice, also remove the indenture trustee if it ceases to be eligible to continue as an indenture trustee under the Indenture, if the indenture trustee is adjudged bankrupt or insolvent, if a receiver of the indenture trustee or its property is appointed, or any public officer takes charge of the indenture trustee or its property or its affairs for the purpose of rehabilitation, conservation or liquidation, or if the indenture trustee otherwise becomes legally unable to act. The administrator will then be obligated to appoint a successor indenture trustee.

Any resignation or removal of the indenture trustee and appointment of a successor indenture trustee will not become effective until the successor indenture trustee accepts its appointment.

## **DESCRIPTION OF THE TRUST AGREEMENT**

The following summary describes material terms of the Trust Agreement pursuant to which the Certificates will be issued. The Trust Agreement is executed by the depositor and the owner trustee.

### **Authority and Duties of the Owner Trustee**

The owner trustee for the issuing entity will administer the issuing entity in the interest of the Certificateholders, subject to the lien of the related Indenture, in accordance with the Trust Agreement and the other Transaction Documents applicable to that series.

The owner trustee will be deemed to have discharged its duties and responsibilities under the Trust Agreement or the other Transaction Documents to the extent the administrator pursuant to the Administration Agreement has agreed to perform any act or to discharge any duty of the owner trustee or the issuing entity under the Trust Agreement or the other Transaction Documents.

The owner trustee will not manage, sell, dispose of or otherwise deal with the issuing entity or any part of the related issuing entity property except in accordance with (i) the powers granted to and the authority conferred upon that owner trustee pursuant to the Trust Agreement, and (ii) any document or instruction delivered to that owner trustee pursuant to the Trust Agreement.

## **Restrictions on Actions by the Owner Trustee**

The owner trustee may not:

- initiate or settle any claim or lawsuit involving the issuing entity or the owner trustee (except claims or lawsuits brought in connection with the collection of the Issuing Entity Assets);
- file an amendment to the certificate of trust for the issuing entity (unless such amendment is required to be filed under applicable law);
- amend the Indenture by a supplemental indenture in circumstances where the consent of any noteholder is required;
- amend the Indenture by a supplemental indenture where noteholder consent is not required if such amendment materially adversely affects any Certificateholder;
- amend the related Administration Agreement if such amendment materially adversely affects the interests of any Certificateholder; or
- appoint a successor note registrar or indenture trustee or consent to assignment of their respective obligations under the Indenture, by the note registrar, indenture trustee or administrator,

unless the owner trustee provides 30 days (or such shorter notice as will be acceptable to the Certificateholders) written notice thereof to the Certificateholders.

## **Restrictions on Certificateholder's Powers**

The Certificateholders may not direct the owner trustee to take any action that would violate the provisions of the Trust Agreement where the owner trustee agreed (i) not to manage, control, use, sell, dispose of or otherwise deal with any part of the Issuing Entity Assets except in accordance with the Trust Agreement and the other Transaction Documents to which the issuing entity or the owner trustee is a party, (ii) not to take any action that would violate the purposes of the issuing entity set forth in the Trust Agreement; and (iii) not to take any action that, to the actual knowledge of the owner trustee, would result in the issuing entity becoming an association (or publicly traded partnership) taxable as a corporation for U.S. federal income tax purposes or affect treatment of the notes as indebtedness for U.S. federal or state income tax purposes.

## **Resignation and Removal of the Owner Trustee**

The owner trustee of the issuing entity may resign at any time upon written notice to the administrator, whereupon the administrator will be obligated to appoint a successor owner trustee. The administrator may remove the related owner trustee if that owner trustee becomes insolvent, ceases to be eligible or becomes legally unable to act. Upon removal of the owner trustee, the administrator will appoint a successor owner trustee. The administrator will be required to deliver notice of such resignation or removal of that owner trustee and the appointment of a successor owner trustee to each Rating Agency.

The owner trustee and any successor thereto must at all times be an entity having a combined capital and surplus of at least \$50,000,000, be subject to supervision or examination by federal or state authorities and authorized to exercise trust powers in the State of Delaware.

If at any time the owner trustee ceases to be eligible in accordance with the Trust Agreement, or if the administrator, by unilateral act, decides to remove the owner trustee and provides the owner trustee with notice thereof, or if the owner trustee fails to resign after written request therefor by the administrator, or if at any time the owner trustee is legally unable to act, or is adjudged bankrupt or insolvent, or a receiver of the owner trustee or of its property is appointed, or any public officer takes charge or control of the owner trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the administrator may, but will not be required to, remove the owner trustee.

## Termination

The Trust Agreement will terminate following the wind-up of the issuing entity, which will occur on the date specified by the depositor (the “**Trust Termination Date**”, prior written notice of which shall be provided to the owner trustee), provided, that the Trust Termination Date will not be earlier than the day following the day on which the right of all series of notes to receive payments from the Issuing Entity Assets has terminated. Any money or other property held as part of the Issuing Entity Assets following such termination (and following the distribution of all amounts to which the noteholders and Series Enhancers are entitled) will be distributed to the Certificateholders in accordance with their respective interests in the Transferor Interest.

## Liabilities and Indemnification

The depositor will reimburse the owner trustee for any expenses incurred by the owner trustee in the performance of its rights and duties under the Trust Agreement. The depositor will not be entitled to make any claim upon the related Issuing Entity Assets for the payment of any such liabilities or indemnified expenses. The depositor will indemnify Wilmington Trust Company from and against any and all liabilities, obligations, losses, damages, taxes, claims, actions and suits, and any and all reasonable costs, expenses and disbursements against the owner trustee in any way relating to or arising out of the Trust Agreement or the other Transaction Documents or the Issuing Entity Assets; provided that the depositor will not indemnify the owner trustee for expenses resulting from (i) the willful misconduct, bad faith or negligence of that owner trustee, (ii) the inaccuracy of any representation or warranty of the owner trustee in the Trust Agreement or (iii) taxes imposed on Wilmington Trust Company in connection with the fees earned by the owner trustee pursuant to the Trust Agreement. The owner trustee will not be liable for:

- any error in judgment of a responsible officer of that owner trustee (except with respect to a claim based on the owner trustee’s failure to perform its duties under the Trust Agreement or based on the owner trustee’s willful misconduct, bad faith or negligence);
- any action taken or omitted to be taken in accordance with the instructions of the Certificateholders or the administrator;
- principal of and interest on the related series of notes or amounts distributable on the Certificates; or
- the default or misconduct of the administrator, the servicer, the depositor or the indenture trustee.

The owner trustee will be under no obligation to exercise any of its rights and powers under the Trust Agreement or institute, conduct or defend any litigation under the Trust Agreement or any other Transaction Document, at the request or order of the Certificateholders, unless the Certificateholders have offered to the owner trustee security or indemnity satisfactory to it against costs, expenses and liabilities that may be incurred by the owner trustee. In addition, the owner trustee will not be responsible for or in respect of the validity or sufficiency of the Trust Agreement or for the due execution thereof by the depositor or for the form, character, genuineness, sufficiency, value or validity of any of the issuing entity’s property or for or in respect of the validity or sufficiency of the other Transaction Documents, other than the execution of and the certificate of authentication of the Certificates, and the owner trustee will in no event be deemed to have assumed or incurred any liability, duty or obligation to any noteholder, or any Certificateholder, other than as expressly provided for in the Trust Agreement and the other Transaction Documents for that series.

## Amendment

The Trust Agreement may be amended by the depositor and the owner trustee, without the consent of the indenture trustee, the noteholders of any series, NMAC, as the seller, the servicer or any other Person, on the following conditions:

- the depositor delivers to the indenture trustee an officer’s certificate or an opinion of counsel to the effect that such amendment will not have a material adverse effect on the interests of the noteholders; or

- satisfaction of the Rating Agency Condition.

The Trust Agreement may also be amended by the depositor and the owner trustee for purposes of adding any provisions to or changing in any manner or eliminating any of the provisions of the Trust Agreement or of modifying in any manner the rights of the noteholders or the Certificateholder with the consent of the holders of notes evidencing not less than a majority of the Outstanding Principal Amount of the notes of all series that would suffer a material adverse effect from such amendment and the Holders of the Certificates.

### **Transferor Interest**

The Certificate will represent the equity interest in the issuing entity, which includes the Transferor Interest. The Transferor Interest represents the ownership interest in the trust and the rights to all trust property not allocated to any series. The Transferor Interest is generally made up of:

- a principal component, or the Transferor Amount, which represents the right to the principal collections on the portion of the Receivables that have not been allocated to any series; and
- an interest component which represents the right to receive (a) interest collections on the portion of the Receivables relating to the Transferor Amount and (b) excess spread for each series that is not needed to make payments on that series.

A portion of the Transferor Interest equal to the Overcollateralization Amount for each series is subordinated to the notes of that series and provides credit enhancement for that series. The Transferor Interest (or any portion thereof) will not be hedged or transferred by the depositor or any affiliate of the depositor to the extent such hedge or transfer is prohibited by Regulation RR. Additionally, NMAC will not (and will not permit the depositor or any of its other affiliates to) hedge or otherwise mitigate its credit risk under or associated with the Transferor Interest or sell, transfer or otherwise surrender all or part of the rights, benefits or obligations arising from the Transferor Interest, if, as a result, NMAC would not retain a material net economic interest of not less than 5% of the nominal value of the securitized exposures.

### **Supplemental Interest**

The Trust Agreement provides that the depositor may transfer its interest in all or a portion of the Transferor Interest by exchanging its Transferor Interest for a Supplemental Interest having terms defined in a supplement to the Trust Agreement. Before a Supplemental Interest is issued, the following must occur:

- the depositor has given notice of the exchange to the owner trustee, the indenture trustee and the servicer and each Rating Agency (unless waived);
- the depositor has delivered to the owner trustee and the indenture trustee an executed certificate supplement;
- the depositor has delivered to the owner trustee and the indenture trustee a certificate of an authorized officer to the effect that the depositor reasonably believes the exchange will not have a materially adverse effect on the issuing entity;
- the depositor shall have delivered to the owner trustee and indenture trustee (with a copy to each Rating Agency) a Required Federal Income Tax Opinion; and
- the Adjusted Pool Balance must equal or exceed the Required Participation Amount on and after the date of the exchange.

Neither the depositor nor any affiliate of the depositor will transfer or exchange the Transferor Interest to the extent such transfer or exchange would be prohibited by Regulation RR.

## DESCRIPTION OF THE TRANSFER AND SERVICING AGREEMENT

In the Transfer and Servicing Agreement, NMAC agrees to service the Receivables for the issuing entity. In the future, there may be more than one entity that is a depositor of Receivables to the issuing entity, in which case each such entity will enter into a separate Transfer and Servicing Agreement with the issuing entity and the servicer that will contain substantially the same provisions as the Transfer and Servicing Agreement. The Transfer and Servicing Agreement also permits the addition of subsequent depositors. The following summarizes the material terms of the Transfer and Servicing Agreement.

### Transfer of Assets

#### *Transfer of Receivables and Related Security*

Under the Transfer and Servicing Agreement, the depositor has transferred to the issuing entity all right, title and interest of the depositor in and to the foregoing:

- Receivables existing in connection with the designated Accounts as of the related Series Cut-Off Date for the first series issued by the issuing entity and Receivables arising in connection with Additional Accounts as of the applicable Additional Cut-Off Date;
- Receivables arising in connection with the designated Accounts after the first Series Cut-Off Date and the Additional Cut-Off Dates, as applicable;
- all related security consisting of (a) the first priority security interests granted by the Dealers in the related vehicles (other than with respect to a permitted lien), (b) the security interest in NMAC's right to amounts in any Cash Management Account, and the security interests, which may be subordinate, granted by some of the Dealers in non-vehicle related security, such as parts inventory, equipment, fixtures, service accounts, and, in some cases, realty, and in many cases, related security also consists of personal guarantees that are granted by the Dealers, (c) its rights under the related sales and service agreements and under certain intercreditor agreements between NMAC and third-party creditors of Dealers with respect to the designated Accounts, (d) its rights under the Floorplan Financing Agreements; and (e) all related rights under the repurchase agreements between NNA and NMAC and between non-Nissan manufacturers and NMAC;
- the depositor's rights relating to the Receivables under the Receivables Purchase Agreement with NMAC; and
- the proceeds of all of the above.

In addition to the foregoing, pursuant to the Transfer and Servicing Agreement, the depositor is obligated to transfer to the issuing entity (i) any proceeds from the exercise by NMAC of its right to set-off, pursuant to a cash management agreement, against a Dealer's principal balance of Receivables, (ii) any other amounts credited to the Cash Management Account that are applied to reduce a Dealer's principal balance of Receivables, (iii) amounts received by the depositor from NMAC as a result of reductions in the principal balance of any Receivable due to Dealer rebate, billing errors, returned merchandise and certain other similar non-cash items and (iv) all amounts received by the depositor from NMAC (which result from amounts received by NMAC from any manufacturer) in connection with a Dealer termination.

NMAC and the depositor each indicates in its computer records that the Receivables and other transferred assets are owned by the issuing entity and have been pledged by the issuing entity to the indenture trustee under the Indenture. The depositor will provide the indenture trustee with one or more account schedules showing each designated Account, identified by account number and by outstanding principal amount. At the time that the depositor designates any Additional Accounts for the issuing entity as described below under "*Description of the Transfer and Servicing Agreement—Representations and Warranties of the Depositor—Additional Designated Accounts*" in this offering memorandum or redesignates any Accounts as described below under "*Description of the*

*Transfer and Servicing Agreement—Redesignation of Accounts*” in this offering memorandum, the depositor will provide a new account schedule specifying the applicable Additional Accounts or Redesignated Accounts, as the case may be.

The servicer will provide to the indenture trustee access to the documentation regarding the Accounts and the related Receivables in such cases where the indenture trustee is required in connection with the enforcement of the rights of the noteholders or by applicable statutes or regulations to review such documentation but only (i) upon reasonable request, (ii) during normal business hours, (iii) subject to the servicer’s normal security and confidentiality procedures and (iv) at offices designated by the servicer. The depositor and the servicer will indicate generally in its computer files or other records that the Receivables arising in connection with the Accounts have been transferred to the issuing entity pursuant to the Transfer and Servicing Agreement for the benefit of the noteholders and any Series Enhancers. Furthermore, NMAC has filed one or more financing statements in accordance with applicable state law to perfect the depositor’s interest in the Receivables, the related security and their proceeds and the depositor has filed one or more financing statements in accordance with applicable state law to perfect the issuing entity’s interest in the Receivables, the related security, the Receivables Purchase Agreement and their proceeds. In addition, pursuant to the Indenture, the issuing entity has filed one or more financing statements in accordance with applicable state law to perfect the indenture trustee’s interest in the Receivables, the related security, the Receivables Purchase Agreement, the Transfer and Servicing Agreement and their proceeds. See “*Risk Factors—Risks related to the servicer and other transaction parties—Bankruptcy of NMAC or the depositor could result in delays in payments or losses on your notes*” above and “*Material Legal Aspects of the Receivables*” below in this offering memorandum. At NMAC’s sole discretion, the security interests transferred to the issuing entity in non-vehicle related security may be subordinate to a senior security interest that it or other lenders retain in the security. See “*The Dealer Floorplan Financing Business—Intercreditor Agreement Regarding Security Interests in Vehicles and Non-Vehicle Related Security*” above in this offering memorandum. Neither the indenture trustee nor the owner trustee is required to make periodic examinations of the Receivables transferred to the issuing entity or any records relating to them.

## **Representations and Warranties of the Depositor**

### ***Representations as to Depositor and Agreement***

Each time the issuing entity issues a series of notes (including the Series 2024-A notes), the depositor makes several representations and warranties to the issuing entity in the Transfer and Servicing Agreement. These representations and warranties include, among others, the following:

- the depositor is duly organized and in good standing under the laws of its state of formation and has the authority to consummate the transactions contemplated in the Transfer and Servicing Agreement and each other document relating to the issuance to which it is a party;
- the depositor’s execution and delivery of the Transfer and Servicing Agreement and each other document relating to the issuance to which it is a party will not conflict with any material law or any other material agreement to which the depositor is a party;
- all required governmental approvals in connection with the depositor’s execution and delivery of the Transfer and Servicing Agreement and each other document relating to the issuance have been obtained; and
- the Transfer and Servicing Agreement and the Receivables Purchase Agreement relating to the issuance constitutes a legal, valid and binding obligation, enforceable against the depositor, subject to applicable bankruptcy, insolvency or other similar laws affecting enforcement of creditors’ rights.



### ***Subsequent Depositors***

Under the Transfer and Servicing Agreement, the depositor may, from time to time, designate one or more of its affiliates as a subsequent depositor under the Transfer and Servicing Agreement. The Transfer and Servicing Agreement permits the designation of these subsequent depositors and the issuance of subsequent Transferor Interests without noteholder consent so long as:

- the subsequent depositor enters into a transfer and servicing agreement substantially similar to the Transfer and Servicing Agreement;
- the depositor has delivered to the owner trustee and the indenture trustee a Required Federal Income Tax Opinion regarding the exchange;
- such issuance will not result in any material and adverse effect on the issuing entity and the depositor shall have delivered to the owner trustee and the indenture trustee an Officers' Certificate of the depositor, dated the date of such surrender and exchange, to the effect that the depositor reasonably believes that such surrender and exchange will not, based on the facts known to such officer at the time of such certification, have a material and adverse effect on the issuing entity;
- the Rating Agency Condition has been satisfied; and
- the depositor directs the owner trustee to make appropriate entries in its books and records to reflect such subsequent depositor interests.

### ***Eligible Accounts***

Eligible Account is defined in the “*Glossary*” in this offering memorandum. Under the Transfer and Servicing Agreement, the definition of Eligible Account may be changed by amendment to the agreement in accordance with the amendment provisions set forth therein.

### ***Additional Designated Accounts***

As described above under “*The Trust Portfolio*” in this offering memorandum, the depositor has the right to designate, from time to time, Additional Accounts, which must be Eligible Accounts, to the issuing entity. In addition, the depositor will be required, as of the last day of each Collection Period, to designate Additional Accounts, to maintain, for so long as any notes issued by the issuing entity remain outstanding, the Adjusted Pool Balance, in an amount equal to or greater than the Required Participation Amount. Upon designation of any Additional Accounts, the depositor will transfer to the issuing entity the Receivables arising in connection with such Additional Accounts, whether the Receivables are then existing or subsequently created. If (a) the aggregate number of Additional Accounts designated by the depositor in any calendar quarter or the aggregate amount of Principal Receivables arising in connection with such Additional Accounts as of the related Additional Cut-Off Dates in such calendar quarter exceeds 10% of the number of all designated Accounts or 10% of the outstanding principal balance of all Receivables, respectively, as of the first day of such calendar quarter, or (b) the aggregate number of Additional Accounts designated by the depositor in any calendar year or the aggregate amount of Principal Receivables arising in connection with such Additional Accounts as of the related Additional Cut-Off Dates in such calendar year exceeds 20% of the number of all designated Accounts or 20% of the outstanding principal balance of all Receivables, respectively, as of the first day of such calendar year, then the Rating Agency Condition must be satisfied with respect to such designations of Additional Accounts.

Each Additional Account will be selected from Eligible Accounts in NMAC's portfolio of U.S. wholesale accounts. However, it is possible that any Additional Accounts designated for the issuing entity may not be of the same credit quality as those Accounts initially designated for the issuing entity. Additional Accounts may have been originated by NMAC using credit criteria different from those applied by NMAC to the initial designated Accounts. If any Additional Account has been acquired by NMAC from a third party, the Rating Agency Condition must be satisfied.

Additional Accounts designated for addition based on any requirement that the depositor designate additional Accounts must satisfy all conditions specified in the Transfer and Servicing Agreement, including:

- the depositor (or the servicer on its behalf) has delivered to the issuing entity, the indenture trustee and each Rating Agency with a written addition notice specifying the Additional Cut-Off Date for the Additional Accounts and the applicable Addition Date;
- the depositor has delivered to the issuing entity (i) a duly executed written assignment (including an acceptance by the issuing entity and the servicer) and (ii) an account schedule listing the Additional Accounts;
- the depositor has delivered to the servicer all collections relating to the Additional Accounts since the Additional Cut-Off Date and identified by the depositor (or the servicer on its behalf) on or before to two Business Days but not more than the 30<sup>th</sup> day before to such Addition Date;
- the depositor has represented and warranted that:
  - (A) as of the date of the addition notice and the Addition Date, none of NMAC, the depositor or the servicer is insolvent or will be made insolvent by the transfer and none of them is aware of any events or circumstances that would reasonably be expected to lead to its insolvency; and
  - (B) the addition of the related Receivables will not, in the depositor's reasonable belief, cause an Early Amortization Event to occur;
- the depositor has delivered to the issuing entity, the indenture trustee and any Series Enhancers an officer's certificate confirming, to the best of such officer's knowledge, the satisfaction of each of the conditions set forth in the four bullet points above; and
- if any additional Accounts have been acquired by NMAC from a third party, the Rating Agency Condition needs to be satisfied with respect to the inclusion of such additional Accounts.

## **Redesignation of Accounts**

### ***Eligible Accounts***

The Transfer and Servicing Agreement permits the depositor to redesignate Eligible Accounts and, in so doing, to either (x) repurchase from the issuing entity the outstanding related Receivables (or, at its option, redesignate the Accounts related to such Receivables and repurchase all Receivables under such Accounts) and any related Transferred Assets in connection with such redesignated accounts or (y) to cease the transfer to the issuing entity of Receivables and related Transferred Assets arising in such Redesignated Accounts after the related redesignation date.

The depositor's right to redesignate Eligible Accounts and to remove all the related Receivables from the issuing entity is subject to the conditions set forth in the Transfer and Servicing Agreement. These conditions include the following:

- the depositor has delivered to the servicer (if the servicer is not NMAC) on the Redesignation Date a written notice directing the servicer to select for redesignation those Eligible Accounts whose Principal Receivables approximately equal the amount specified by the depositor in such notice for removal from the Issuing Entity Assets on the Redesignation Date;
- the depositor (or the servicer on its behalf) has delivered to the issuing entity and the indenture trustee within the prescribed time period an account schedule specifying the Redesignated Accounts and the outstanding balance of all receivables therein;

- the Rating Agency Condition has been satisfied; and
- the depositor has represented and warranted that:
  - (1) the redesignation will not, in the depositor's reasonable belief, cause an Early Amortization Event to occur or cause the Adjusted Pool Balance to be less than the Required Participation Amount;
  - (2) no selection procedures reasonably believed by the responsible officer of the depositor primarily responsible for selecting such Redesignated Receivables to be materially adverse to the interests of the noteholders, any Series Enhancers or the holders of the Transferor Interest were used in selecting such Accounts; and
  - (3) the account schedule listing the Redesignated Accounts is true and correct in all material respects as of the date of its delivery.

In connection with the redesignation of Eligible Accounts, the depositor will also covenant in the Transfer and Servicing Agreement that on or promptly following the applicable Redesignation Date:

- the depositor (or the servicer on its behalf) will deliver to the issuing entity, the indenture trustee and any Series Enhancer a written notice specifying the Redesignation Date on which the related Receivables (or the Accounts relating to such Receivables and all Receivables under such Accounts) were removed from the issuing entity; and
- the depositor will deliver an officer's certificate to the issuing entity, the indenture trustee and any Series Enhancer confirming that each of the above conditions has been satisfied.

If no notes are outstanding, or the Accounts to be redesignated have been liquidated and have zero balances, then the foregoing requirements to deliver notices to the Series Enhancers will not apply.

Beginning on the date of redesignation, the depositor will cease to transfer to the issuing entity any Receivables arising in connection with a Redesignated Account. Unless such removal is accompanied by repurchase of the related outstanding Receivables, Principal Collections relating to such Redesignated Account will be allocated first to outstanding Receivables owned by the issuing entity relating to such Account until the amount of such Receivables, measured as of the Redesignation Date, has been reduced to zero, and Interest Collections will be allocated to the issuing entity on the basis of the ratio of the Principal Receivables owned by the issuing entity in connection with such Account on the date of determination to the total amount of Principal Receivables in connection with such Account on such date of determination, and the remainder of such Interest Collections will be allocated to the depositor. After the Redesignation Date and upon the request of the servicer in connection with any repurchase of the related Receivables for any Redesignated Account, the issuing entity will deliver to the depositor a written reassignment of the related Receivables.

### ***Ineligible Accounts***

On the Business Day on which the servicer's records indicate that an Account has become an Ineligible Account, the depositor will redesignate that Account and within the prescribed time period will:

- deliver to the issuing entity, the indenture trustee and any Series Enhancers a notice specifying the Redesignation Date; and
- deliver to the issuing entity and indenture trustee an account schedule specifying the Redesignated Accounts.

Beginning on the date of redesignation, the depositor will cease to transfer to the issuing entity any Receivables arising in connection with an ineligible Redesignated Account. Unless replacement Accounts and Receivables are being designated in connection with the removal of such Ineligible Accounts, any such removal will be accompanied by payment of any required Depositor Replacement Amount and may be accompanied by a repurchase of all related Receivables, as described above under “—*Eligible Accounts*.” To the extent the related Receivables are not repurchased in connection with the redesignation of Ineligible Accounts, Principal Collections relating to such Redesignated Account will be allocated first to outstanding Receivables owned by the issuing entity relating to such Account until the amount of such Receivables, measured as of the Redesignation Date, has been reduced to zero, and Interest Collections will be allocated to the issuing entity on the basis of the ratio of the Principal Receivables owned by the issuing entity in connection with such Account on the date of determination to the total amount of Principal Receivables in connection with such Account on such date of determination, and the remainder of such Interest Collections will be allocated to the depositor.

After the Redesignation Date and upon the request of the servicer in connection with any repurchase of the related Receivables for any Redesignated Account, the owner trustee will deliver to the depositor a written reassignment of the related Receivables.

### **Servicing Compensation and Payment of Expenses**

The servicer will receive a fee for its servicing activities and reimbursement of expenses incurred in administering the issuing entity and the Receivables. This servicing fee accrues for each outstanding series in the amounts set forth in the related indenture supplement and is calculated, with respect to Series 2024-A, as described under “*Description of the Notes—Servicing Compensation and Payment of Expenses*” in this offering memorandum. Each series’ servicing fee is payable periodically from Series Investor Available Interest Amounts and, if available, Shared Excess Interest Amounts and any other amounts available for such purpose set forth in the related indenture supplement. Neither the issuing entity nor any noteholder will be responsible for any servicing fee allocable to the Transferor Interest. The portion of the compensation and expense reimbursements owed to the servicer that is allocated to the Transferor Interest will be payable from Interest Collections and Principal Collections allocated to the Transferor Interest as specified in the Trust Agreement. Each series’ servicing fee will be paid to the servicer only to the extent that funds are available as set forth in the related indenture supplement.

### **Servicer Advances**

On each Payment Date, the servicer may (but will not be required to) deposit into the Collection Account an amount equal to the aggregate amount of Interest Receivables accrued but not yet received by the Servicer on each day during and prior to the related Collection Period (collectively, a “***servicer advance***”); *provided, however* that the servicer will not make a servicer advance if the servicer determines in its sole discretion that such servicer advance is not likely to be repaid from future Interest Collections. The share of any such servicer advance allocable to the Series 2024-A noteholders shall be deemed to be a “Series 2024-A Investor Available Interest Amount” for all purposes of the Series 2024-A Indenture Supplement.

All servicer advances will be reimbursable to the servicer, without interest, in accordance with and pursuant to the priority of payments set forth under payment waterfall.

### **Collection and Other Servicing Procedures**

Under the Transfer and Servicing Agreement, the servicer will service the Receivables in accordance in all material respects with its Customary Servicing Practices and in accordance with the Floorplan Financing Agreements, except where the failure to comply will not, in the servicer’s reasonable judgment, materially and adversely affect the issuing entity, the noteholders or any Series Enhancers. Servicing activities performed by the servicer include, among others, collecting and recording payments, making any required adjustments to the Receivables, monitoring Dealer payments, evaluating increases in credit limits and maintaining internal records with respect to each Account. Managerial and custodial services performed by the servicer on behalf of the issuing entity include, among others, maintaining books and records relating to the Accounts and Receivables and preparing the periodic and annual statements described above under “*Sources of Funds to Pay the Notes—Reports to Noteholders*” in this offering memorandum. Subject to compliance with all requirements of law and its Customary Servicing Practices, the servicer may modify, amend, supplement and/or amend and restate, on a temporary or permanent

basis, any term or provision of any of the Floorplan Financing Agreements in any respect (including the calculation of the amount or the timing of charge-offs and the rate of the interest charge assessed thereon). Without limiting the foregoing, and for the avoidance of doubt, the servicer may amend its Customary Servicing Practices from time to time in its sole discretion without the consent of the issuing entity, the indenture trustee, any Series 2024-A noteholder or any other person.

### **Servicer Covenants**

In the Transfer and Servicing Agreement, the servicer agrees that:

- it will satisfy in all material respects its material obligations under or in connection with any requirements of law applicable to the Receivables, except where the failure to comply would have a material adverse effect on interests of the issuing entity, the noteholders or any Series Enhancers;
- it will not permit any rescission or cancellation of a Receivable, except in accordance with the requirements of law, court order or regulatory guidance;
- it will not do anything to impair the rights of the issuing entity, the noteholders or any Series Enhancers in the Receivables, including any right to receive collections on the receivables, except in accordance with the Customary Servicing Practices, the Floorplan Financing Agreements or requirements of law, court order or regulatory guidance;
- except for the liens permitted by the Transaction Documents, it will not sell, transfer or pledge to any other Person or permit the creation or existence of any lien on the Receivables transferred to the issuing entity.

Upon discovery by the depositor, the issuing entity, indenture trustee or the servicer of a material breach of any of the foregoing representations and warranties, the party discovering such breach will give prompt written notice to the other parties and to any Series Enhancer; provided that the delivery of the Payment Date Statement identifying any Receivables that have been repurchased will be deemed to be prompt written notice of such breach. If a representation or warranty or covenant set forth above is not true and correct in any material respect then, unless cured, the servicer will purchase the Receivables (or, at its option, redesignate the Accounts related to such Receivables and repurchase all Receivables under such Accounts). The servicer will, on or before the payment date following the end of the Collection Period which includes the 60<sup>th</sup> day (or, if the servicer elects, an earlier date) after the earlier to occur of the discovery of any such breach by the servicer or receipt by the servicer of written notice of any such breach, purchase such Receivable (or, at the servicer's option, redesignate the Account related to such Receivable and purchase all Receivables under such Account) at the end of such grace period. No such purchase will be required to be made if, by the end of such grace period the representations and warranties are then true and correct in all material respects and any material adverse effect caused by the breach has been cured. Any inaccuracy in any of such representations or warranties will be deemed not to constitute a breach of such representation or warranty if such inaccuracy does not affect the ability of the issuing entity to receive and retain payment in full on the Receivables. The servicer will effect such purchase by depositing into the Collection Account in immediately available funds an amount equal to the purchase price of such Receivable. This purchase by the servicer constitutes the sole remedy available to the noteholders in case of a breach by the servicer of its covenants.

### **Matters Regarding the Servicer and Depositor**

The servicer may not resign from its obligations and duties under the Transfer and Servicing Agreement, except:

- upon a determination that performance of its duties is no longer permissible under applicable law and there is no reasonable action that the servicer could take to make the performance of its duties permissible under applicable law; or
- upon assumption of its obligations and duties by a successor in compliance with the requirements relating to the servicer's consolidation, merger or sale of its assets to another Person as described below in this section.

If within 120 days after the determination that the servicer is no longer permitted to act as servicer and the indenture trustee is unable to appoint a successor, the indenture trustee will act as servicer. The indenture trustee may, however, delegate any of its servicing obligations to any Person who agrees to conduct these duties in accordance with the applicable guidelines for servicing dealer floorplan Accounts and the Transfer and Servicing Agreement, or later appoint a successor servicer. If the indenture trustee is unwilling or unable to act as servicer, it will petition an appropriate court to appoint an eligible successor servicer that, at the time of such appointment (a) is legally qualified and has the capacity to service the Receivables and the related Accounts and (b) in the sole determination of the indenture trustee, which determination will be conclusive and binding, has demonstrated the ability to professionally and competently service receivables arising in connection with similar accounts in accordance with high standards of skill and care (each, along with the indenture trustee or an affiliate of the indenture trustee and the initial servicer, an “**Eligible Servicer**”).

The servicer may not resign until the indenture trustee or another successor has assumed the servicer’s obligations and duties. The servicer may, however, delegate certain of its servicing, collection, enforcement and administrative duties with respect to the Receivables and the Accounts to any Person who agrees to conduct these duties in accordance with the applicable guidelines for servicing dealer floorplan Accounts and the Transfer and Servicing Agreement. The servicer will remain liable for the performance of all such delegated duties.

The servicer will indemnify the issuing entity, the owner trustee and the indenture trustee for any losses suffered as a result of the servicer’s actions or omissions in connection with the Transfer and Servicing Agreement or the performance by the owner trustee or the indenture trustee of the obligations and duties under the Transfer and Servicing Agreement. The depositor will also indemnify the issuing entity, the owner trustee and the indenture trustee for any losses suffered as a result of the depositor’s actions or omissions in connection with the Transfer and Servicing Agreement or the performance by the owner trustee or the indenture trustee of the obligations and duties under the Transfer and Servicing Agreement. The depositor’s indemnification obligation, however, will be subordinated to its other obligations and only paid to the extent funds are available. The indenture trustee, however, will not be indemnified for:

- any loss arising from the willful misconduct, negligence or bad faith of the owner trustee or from the willful misconduct, negligence or bad faith of the indenture trustee, as applicable;
- any costs or liabilities of the issuing entity with respect to actions taken by the owner trustee or the indenture trustee at the request of noteholders or any Series Enhancers to the extent that the owner trustee or the indenture trustee has been indemnified by such noteholders or Series Enhancers; or
- any U.S. federal, state or local income or franchise taxes required to be paid by the issuing entity or any noteholder or Series Enhancer in connection with the Transfer and Servicing Agreement or the Indenture;

provided, however, (1) the servicer is only required to pay any indemnity payments described in this offering memorandum under “*Description of the Transfer and Servicing Agreement—Matters Regarding the Servicer and Depositor*” to the extent funds are available after making the required monthly distributions in connection with any other series issuance for which the servicer, or any United States affiliate thereof, acts as a depositor or to the extent it receives additional funds designated for such purposes, and (2) any indemnification by the servicer will not be payable from the Issuing Entity Assets.

Neither the servicer nor any of its directors, officers, employees or agents will be under any other liability to the issuing entity, the owner trustee, the indenture trustee, the noteholders, any Series Enhancer or any other Person for any action taken, or for refraining from taking any action, under the Transfer and Servicing Agreement. However, none of them will be protected against any liability resulting from willful misconduct, bad faith or gross negligence in the performance of its duties or by reason of reckless disregard of obligations and duties under the Transfer and Servicing Agreement. In addition, the Transfer and Servicing Agreement provides that the servicer is not under any obligation to appear in, prosecute or defend any legal action that is not incidental to its servicing responsibilities under the Transfer and Servicing Agreement and that in its opinion may expose it to any expense or liability.

The depositor will be liable for all of its obligations, covenants, representations and warranties under the Transfer and Servicing Agreement. Neither the depositor nor any of its directors, managers, officers, employees, incorporators or agents will be liable to the issuing entity, the owner trustee, the indenture trustee, the noteholders, any Series Enhancer or any other Person for any action taken, or for refraining from taking any action, under the Transfer and Servicing Agreement. However, none of them will be protected against any liability resulting from willful misconduct, bad faith or gross negligence in the performance of its duties or by reason of reckless disregard of obligations and duties under the Transfer and Servicing Agreement.

Subject to compliance with the provisions of the Transfer and Servicing Agreement, any person (i) into which the depositor may be merged or consolidated, (ii) resulting from any merger, conversion or consolidation to which the depositor is a party, (iii) succeeding to the business of the depositor or (iv) that is an entity more than 50% of the voting stock of which is owned directly by NML, which person in any of the foregoing cases executes an agreement of assumption to perform every obligation of the depositor under the Transfer and Servicing Agreement, will be the successor to the depositor under the Transfer and Servicing Agreement without the execution or filing of any document or any further act on the part of any of the parties to the Transfer and Servicing Agreement; provided, however, that (x) immediately after giving effect to such transaction, no representation or warranty related to the depositor will have been breached, (y) the depositor will deliver to the owner trustee and the indenture trustee an officer's certificate stating that such consolidation, merger or succession and such agreement or assumption comply with this paragraph and that all conditions precedent, if any, provided for in the Transfer and Servicing Agreement relating to such transaction have been complied with and (z) the depositor shall have delivered to the owner trustee and the indenture trustee an opinion of counsel either (a) stating that, in the opinion of such counsel, based on customary qualifications and assumptions, all financing statements and continuation statements and amendments thereto have been executed and filed that are necessary to fully perfect the interest of the issuing entity and the indenture trustee, respectively, in the Receivables, and reciting the details of such filings, or (B) stating that, in the opinion of such counsel, no such action shall be necessary to preserve and protect such interest. The depositor shall provide notice of any such merger, consolidation or succession to the Servicer and the Servicer shall provide notice thereof to each Rating Agency.

Any person (i) into which the servicer may be merged or consolidated, (ii) resulting from any merger, conversion or consolidation to which the servicer shall be a party, (iii) succeeding to the business of the servicer, or (iv) so long as NMAC acts as servicer, that is an entity more than 50% of the voting stock of which is owned directly or indirectly by NML, which person in any of the foregoing cases executes an agreement of assumption to perform every obligation of the servicer under this Transfer and Servicing Agreement, will be the successor to the servicer under the Transfer and Servicing Agreement without the execution or filing of any paper or any further act on the part of any of the parties to the Transfer and Servicing Agreement; *provided, however*, that (x) the servicer shall have delivered to the owner trustee and the indenture trustee an officer's certificate stating that such consolidation, merger or succession and such agreement of assumption comply with this paragraph and that all conditions precedent provided for in the Transfer and Servicing Agreement relating to such transaction have been complied with and (y) the Servicer shall have delivered to the owner trustee and the indenture trustee an opinion of counsel either (A) stating that, in the opinion of such counsel, based on customary qualifications and assumptions, all financing statements and continuation statements and amendments thereto have been executed and filed that are necessary fully to preserve and protect the interest of the issuing entity and the indenture trustee in the Receivables, and reciting the details of such filings, or (B) stating that, in the opinion of such counsel, no such action shall be necessary to perfect such interest. The servicer shall provide notice of any such merger, consolidation or succession pursuant to each Rating Agency.

### **Servicer Default**

The Transfer and Servicing Agreement specifies the duties and obligations of the servicer. A failure by the servicer to perform its duties or fulfill its obligations can result in a Servicer Default. For any series of notes, Servicer Defaults will include the items specified in the definition of Servicer Default in the "*Glossary*" in this offering memorandum.

The occurrence of any event comprising a Servicer Default will not relieve the servicer from using all commercially reasonable efforts to perform its obligations in a timely manner in accordance with the Transfer and Servicing Agreement. The servicer will be required to provide the indenture trustee, the owner trustee, the

depositor, any Series Enhancer and each Rating Agency with an officer's certificate giving prompt notice of its failure or delay, together with a description of its efforts to perform its obligations.

If a Servicer Default occurs, for as long as it has not been remedied, the indenture trustee or the holders of at least a majority of the outstanding principal amount of all of the issuing entity's outstanding notes of all series may, by notice to the servicer and the owner trustee, and to the indenture trustee if given by the noteholders, terminate all of the rights and obligations of the servicer under the Transfer and Servicing Agreement and the indenture trustee may appoint a new servicer. The indenture trustee will as promptly as possible appoint an Eligible Servicer as successor to the servicer. If no successor has been appointed or has accepted the appointment by the time the servicer ceases to act as servicer, the indenture trustee will automatically become the successor. If the indenture trustee is unable to obtain bids from eligible servicers and the servicer delivers a certificate of an authorized officer to the effect that it cannot in good faith cure the Servicer Default that gave rise to a transfer of servicing, and if the indenture trustee is legally unable to act as successor, then the indenture trustee will give the depositor a right of first refusal to purchase the interests of the noteholders in the assets of the issuing entity on the Payment Date in the next calendar month at a price equal to the sum of the amounts specified for each series outstanding in the related indenture supplement.

The rights and obligations of the depositor under the Transfer and Servicing Agreement will be unaffected by any change in the servicer. In the event of the bankruptcy of the servicer, the bankruptcy court may have the power to prevent either the indenture trustee or the noteholders from appointing a successor servicer.

#### **Amendments and Waivers**

The Transfer and Servicing Agreement may be amended by the depositor, the servicer and the issuing entity, without the consent of the indenture trustee, the noteholders of any series, the owner trustee or any other Person, subject to satisfaction of one of the following conditions:

- the depositor or the servicer delivers to the indenture trustee an officer's certificate or an opinion of counsel to the effect that such amendment will not have a material adverse effect on the interests of the noteholders; or
- satisfaction of the Rating Agency Condition.

The Transfer and Servicing Agreement may also be amended by the servicer and the owner trustee at the direction of the depositor, without the consent of the noteholders of any series or the Series Enhancers for any series to add, modify or eliminate any provisions necessary or advisable in order to enable the issuing entity or any portion of the issuing entity to avoid the imposition of state or local income or franchise taxes on the issuing entity's property or its income.

The following conditions apply for the amendments described in this paragraph:

- delivery to the owner trustee and the indenture trustee of a certificate of an authorized officer of the depositor to the effect that the requirements under the Transfer and Servicing Agreement applicable to the amendment have been met;
- satisfaction of the Rating Agency Condition;
- delivery to the owner trustee and the indenture trustee of a Required Federal Income Tax Opinion; and
- the amendment must not affect the rights, duties or obligations of the indenture trustee or the owner trustee under the Transfer and Servicing Agreement.

The Transfer and Servicing Agreement may also be amended by the depositor, the servicer and the issuing entity for purposes of adding any provisions to or changing any manner or eliminating any of the provisions of the Transfer and Servicing Agreement or of modifying in any manner the rights of the noteholders or the



certificateholder with the consent of the holders of notes evidencing not less than a majority of the outstanding principal amount of the notes of all series that would suffer a material adverse effect from such amendment.

The holders of more than a majority of the outstanding principal amount of the notes of each series, or, if a series has more than one class, a majority of each class (or, if the default does not relate to all series, a majority of the outstanding principal amount of each affected series, or, if an affected series has more than one class, a majority of each class) may waive certain defaults by the depositor or servicer in the performance of their obligations under the Transfer and Servicing Agreement.

## **DESCRIPTION OF THE RECEIVABLES PURCHASE AGREEMENT**

The following is a summary of the Receivables Purchase Agreement between NMAC and the depositor, pursuant to which NMAC sells Receivables and related security to the depositor. If more than one entity will transfer Receivables to the issuing entity, then each such entity will enter into a separate Receivables Purchase Agreement with NMAC containing substantially the same terms as the form of Receivables Purchase Agreement. The following summarizes the material terms of the Receivables Purchase Agreement.

### **Sale of Receivables**

Pursuant to the Receivables Purchase Agreement, NMAC (i) sells to the depositor all of its right, title and interest in all the Receivables covered under that agreement, together with all related security, including NMAC's interest in the security interests granted by the Dealers in the related vehicles, the security interest in NMAC's right to amounts in the Cash Management Account and any (possibly subordinated) security interest in other collateral and NMAC's rights under, as applicable, the sales and service agreement between the related Dealers and NNA, NMAC's rights under intercreditor agreements with third-party creditors of Dealers with respect to the designated Accounts, the repurchase agreements between NNA and NMAC and between non-Nissan manufacturers and NMAC, and the Floorplan Financing Agreement between NMAC and the related Dealers, and proceeds of the foregoing and (ii) is obligated to enforce, on behalf of the depositor (and its successors and assigns), the Receivables and all rights sold to the depositor under the foregoing agreements. Under the Transfer and Servicing Agreement, the depositor, in turn, transfers its right, title and interest in the Receivables Purchase Agreement relating to the Receivables, and all of the property and rights acquired under that agreement, to the issuing entity.

In addition to the foregoing, pursuant to the Receivables Purchase Agreement, NMAC is obligated to transfer to the depositor (i) any proceeds from the exercise by NMAC of its right to set-off, pursuant to a cash management agreement, against a Dealer's principal balance of Receivables and (ii) any other amounts credited to the Cash Management Account which are applied to reduce a Dealer's principal balance of Receivables. NMAC is also obligated to pay to the depositor (i) an amount equal to any and all reductions to the principal balance of any Receivable resulting from a dealer rebate, billing error, returned merchandise and certain other similar non-cash items, such payment to be made on the date such adjustment is made or occurs and (ii) all amounts received by NMAC from NNA and non-Nissan manufacturers in connection with a Dealer termination.

In connection with the sale of the Receivables to the depositor, NMAC indicates in its computer files that the Receivables have been sold to the depositor, and that they have been transferred in turn by the depositor to the issuing entity. NMAC provided the depositor with a list showing all the Accounts transferred, identifying the account numbers and the balances of the Receivables related to such Accounts as of the Series Cut-Off Date for the first series issued by the issuing entity, and at the time NMAC transfers any Additional Accounts to the depositor, NMAC will provide the depositor with a new account schedule specifying the Additional Accounts, their account numbers and outstanding principal amounts as of the applicable Additional Cut-off Date. The records and agreements relating to the Accounts and Receivables will not be segregated by NMAC from other documents and agreements relating to other accounts and receivables not relating to the issuing entity and will not be stamped or marked to reflect the sale or transfer of the Receivables to the depositor. However, the computer records of NMAC will be marked to evidence these sales. NMAC has filed UCC financing statements with respect to the Receivables meeting the requirements of applicable state law. See *"Risk Factors—Risks related to the servicer and other transaction parties—Bankruptcy of NMAC or the depositor could result in delays in payments or losses on your notes"* and *"Material Legal Aspects of the Receivables—Transfer of Receivables"* in this offering memorandum.

## Representations and Warranties

Under the Receivables Purchase Agreement, NMAC makes, among others, the representations and warranties listed below to the depositor as of the Series Issuance Date for each series of notes (including the Series 2024-A notes) issued by the issuing entity:

- NMAC was duly formed and is in good standing under the laws of its state of formation and has the authority to consummate the transactions contemplated in the Receivables Purchase Agreement;
- NMAC's execution and delivery of the Receivables Purchase Agreement and each other document relating to the issuance to which it is a party will not conflict with any material law or any other material agreement to which NMAC is a party;
- all required governmental approvals in connection with NMAC's execution and delivery of the Receivables Purchase Agreement have been duly obtained and are in full force and effect; and
- the Receivables Purchase Agreement constitutes a legal, valid and binding obligation, enforceable against NMAC, subject to applicable bankruptcy, insolvency or other similar laws affecting enforcement of creditors' rights.

In addition, NMAC makes the following representations and warranties to the depositor as of the Series Issuance Date for each series of notes (including the Series 2024-A notes) issued by the issuing entity:

- at the time of transfer, NMAC is selling each Receivable and its related security to the depositor free and clear of any liens, except as permitted under the Receivables Purchase Agreement, and has obtained all governmental consents required to sell that Receivable and related security;
- each designated Account is an Eligible Account at the time NMAC designates that Account under the Receivables Purchase Agreement and as of the applicable cut-off date; and
- at the time of transfer, each Receivable being sold is an Eligible Receivable.

If, as a result of a breach of a representation or warranty set forth in the first or third bullet points in the preceding paragraphs and such a breach has a material adverse effect on the interests of the Series 2024-A noteholders in any Receivable, then NMAC will either (i) correct or cure such breach or (ii) accept reassignment to it of the Receivables (or, redesignation of the Accounts related to such Receivables and reassignment of all Receivables under such Accounts) from the depositor (or its assignee), in either case on or before the payment date following the end of the Collection Period which includes the 60<sup>th</sup> day (or, if NMAC elects, an earlier date) after the date that NMAC became aware of or was notified of such breach. NMAC will accept reassignment of such Receivable (or, at NMAC's option, redesignate the Account related to such Receivable and purchase all Receivables under such Account) by making a payment to the depositor (or its assignee) in an amount equal to the repurchase price for such Receivables. Any inaccuracy in any of such representations or warranties will be deemed not to constitute a breach of such representation or warranty if such inaccuracy does not affect the ability of the depositor (or its assignee) to receive and retain payment in full on the Receivables. Upon repurchase of any such Receivable (or, at NMAC's option, redesignation of the Account related to such Receivable and purchase of all Receivables under such Account), the depositor (or its assignee) will automatically and without further action be deemed to transfer, assign, set over and otherwise convey to NMAC, without recourse, representation or warranty, all the right, title and interest of the issuing entity in and to such Receivable, all related Transferred Assets and all moneys due or to become due with respect thereto and all proceeds thereof.

Notwithstanding the foregoing, NMAC, in the event it elects to exercise its option to redesignate or remove one or more Accounts related to Receivables that are required to be repurchased under the Transaction Documents, it will not, as a result, purchase additional Receivables it would not otherwise be required to repurchase in an amount in excess of 10% of the Outstanding Principal Balance of all Receivables as of the first day of the prior calendar quarter.

## **Certain Covenants**

In the Receivables Purchase Agreement, NMAC covenants to comply in all material respects with its obligations with respect to the Accounts in accordance with its Customary Servicing Practices, the applicable Floorplan Financing Agreements relating to the Accounts, except to the extent any failure to so comply will not have a material adverse effect on the depositor (or its assignees) in the Accounts or the related Receivables.

NMAC covenants further that, except for the sale of Receivables under the Receivables Purchase Agreement and the interests created under the Transfer and Servicing Agreement, it will not sell, pledge, assign or transfer any interest in the Receivables to any other Person. NMAC also covenants to defend the right, title and interests of the depositor, the issuing entity and the indenture trustee in and to the Receivables and the related purchased asset.

NMAC subordinates its interests in all vehicles that secure Receivables to the interests of the issuing entity and the indenture trustee therein, and agrees not to foreclose or otherwise realize upon any security interest in a vehicle that it may have in respect of advances or loans made in connection with the designated Accounts other than the related Receivable until the issuing entity has fully realized on its security interest in that Receivable. See “*The Dealer Floorplan Financing Business—Intercreditor Agreement Regarding Security Interests in Vehicles and Non-Vehicle Related Security*” above in this offering memorandum.

In addition, NMAC expressly acknowledges and consents to the assignment to the issuing entity of the depositor’s rights relating to the Receivables sold under the Receivables Purchase Agreement.

## **Amendments**

The Receivables Purchase Agreement may be amended by the depositor and NMAC without the consent of the indenture trustee, the noteholders of any series, the issuing entity, the owner trustee or any other person, subject to the satisfaction of one of the following conditions:

- the depositor or NMAC delivers and officer’s certificate or opinion of counsel to the indenture trustee to the effect that such amendment will not have a material adverse effect on the interests of any noteholder; or
- satisfaction of the Rating Agency Condition with respect to such amendment.

The Receivable Purchase Agreement may also be amended by the depositor and NMAC for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or of modifying in any manner the rights of the noteholders or the Certificateholder with the consent of the holders of notes evidencing not less than a majority of the Outstanding Principal Amount of the notes of any series of notes that would suffer a material adverse effect from such amendment.

## **Termination**

The Receivables Purchase Agreement will terminate at the discretion of the depositor and NMAC after the issuing entity terminates. In addition, if NMAC becomes party to any bankruptcy or similar proceeding (other than as a claimant) and, except for a proceeding commenced or consented to by NMAC, if such proceeding is not dismissed within 90 days of its institution, NMAC will immediately cease to sell or transfer Receivables to the depositor.

## DESCRIPTION OF THE ADMINISTRATION AGREEMENT

### General

Pursuant to the Administration Agreement, the administrator will perform, to the extent provided in the Administration Agreement, certain duties required to be performed by the issuing entity and the owner trustee under the Indenture, any indenture supplement, the Transfer and Servicing Agreement, the Trust Agreement and certain other agreements. The administrator, on behalf of the issuing entity, will monitor the performance of the issuing entity and shall advise the owner trustee when action by the issuing entity or the owner trustee is necessary to comply with the issuing entity's duties under the Indenture and agreements between the issuing entity and DTC relating to the notes. The administrator will consult with the owner trustee regarding the duties of the issuing entity and the owner trustee under the enhancement agreements, the Trust Agreement, the Indenture, any indenture supplement, the Transfer and Servicing Agreement, the depository agreement and the note purchase agreement. The administrator will prepare, or cause to be prepared, for execution by the issuing entity, all documents, reports, filings, instruments, certificates and opinions that the issuing entity is required to prepare, file or deliver under the enhancement agreements, the Trust Agreement, the Indenture, any indenture supplement, the Transfer and Servicing Agreement, the depository agreement and the note purchase agreement.

With respect to any matters that in the reasonable judgment of the administrator are non-ministerial, the administrator will not take any action unless the administrator has first notified the owner trustee of the proposed action within a reasonable amount of time prior to the taking of that action and that the owner trustee will not have withheld consent or provided an alternative direction. Non-ministerial matters that may be performed by the administrator on behalf of the issuing entity include:

- the amendment of or any supplement to the Indenture or the amendment, change or modification of the enhancement agreements, the Trust Agreement, the Transfer and Servicing Agreement, the depository agreement and the note purchase agreement;
- the initiation or compromise of any claim or law suit brought by or against the trust other than in connection with the collection of the Receivables or eligible investments; and
- the appointment of successor note registrars, paying agents and indenture trustees and the consent to the assignment by the note registrar, Paying Agent or indenture trustee of its obligations under the Indenture.

The administrator is an independent contractor and is not subject to the supervision of the issuing entity or the owner trustee concerning the manner in which it accomplishes the performance of its obligations under the Administration Agreement.

As compensation for the performance of the administrator's obligations under the Administration Agreement and as reimbursement for its expenses related thereto, the administrator will be entitled to an administration fee, payable pro-rata with respect to each outstanding series, which fee shall be solely an obligation of, and paid by, the depositor and not from the proceeds of the Receivables or other Issuing Entity Assets.

The administrator may resign by providing the issuing entity with at least 60 days prior written notice. Upon the appointment of a successor servicer pursuant to the Transfer and Servicing Agreement, the administrator will immediately resign and such successor servicer will automatically become the successor administrator. Upon resignation of the administrator, the resigning administrator will continue to perform its duties as administrator until a successor administrator has been appointed by the issuing entity and such successor administrator agrees in writing to be bound by the terms of the Administration Agreement in the same manner as the resigning administrator. No resignation or removal of the administrator will be effective until a successor administrator has been appointed by the owner trustee and the satisfaction of the Rating Agency Condition with respect to the proposed appointment.

## Amendment

The Administration Agreement may be amended by the issuing entity and the administrator, without the consent of the indenture trustee, the owner trustee, any noteholder, the depositor or any other person subject to the satisfaction of one of the following conditions:

- NMAC delivers and officer's certificate or opinion of counsel to the indenture trustee to the effect that such amendment will not have a material adverse effect on the interests of the noteholders; or
- satisfaction of the Rating Agency Condition with respect to such amendment.

The Administration Agreement may also be amended by the issuing entity and NMAC from time to time the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or of modifying in any manner the rights of the noteholders or the Certificateholder with the consent of the holders of notes evidencing not less than a majority of the Outstanding Principal Amount of the notes of all series that would suffer a material adverse effect from such amendment.

## PLAN OF DISTRIBUTION

The notes are not being registered under the Securities Act and are being offered by BofA Securities, Inc., Citigroup Global Markets Inc., Mizuho Securities USA LLC, MUFG Securities Americas Inc., BNP Paribas Securities Corp., Lloyds Securities Inc., U.S. Bancorp Investments, Inc. and Wells Fargo Securities, LLC (collectively, the “**initial purchasers**”) to prospective purchasers that are (x) QIBs in reliance on Rule 144A or (y) non-U.S. Persons purchasing outside the United States in reliance on Regulation S.

In addition, with respect to the notes initially sold pursuant to Regulation S, until 40 days after the later of the commencement of this offering or the date the notes are originally issued, an offer or sale of such notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Subject to the terms and conditions set forth in the note purchase agreement relating to the offered notes, the depositor has agreed to sell and the initial purchasers named below have severally but not jointly agreed to purchase the principal amount of the offered notes set forth opposite its name below subject to the satisfaction of certain conditions precedent.

<b><u>Initial Purchaser</u></b>	<b><u>Principal Amount of Series 2024-A notes</u></b>
BofA Securities, Inc.....	\$ 180,000,000
Citigroup Global Markets Inc. ....	\$ 90,000,000
Mizuho Securities USA LLC.....	\$ 90,000,000
MUFG Securities Americas Inc. ....	\$ 90,000,000
BNP Paribas Securities Corp. ....	\$ 12,500,000
Lloyds Securities Inc.....	\$ 12,500,000
U.S. Bancorp Investments, Inc.....	\$ 12,500,000
Wells Fargo Securities, LLC.....	\$ 12,500,000
<b>Total</b>	<b><u>\$ 500,000,000</u></b>

The notes will be sold by the depositor to the initial purchasers, who will offer the notes from time to time in negotiated transactions at varying prices to be determined at the time of sale when, as and if delivered to and accepted by the initial purchasers and subject to various prior conditions, including the initial purchasers' right to reject orders in whole or in part.

The depositor and NMAC have agreed, jointly and severally, to indemnify the initial purchasers against certain liabilities, including civil liabilities under the Securities Act, or to contribute to payments which the initial

purchasers may be required to make in respect thereof. In the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and may, therefore, be unenforceable.

Until the distribution of the offered notes is completed, rules of the SEC may limit the ability of the initial purchasers and certain selling group members to bid for and purchase the notes. As an exception to these rules, the initial purchasers are permitted to engage in certain transactions that stabilize the prices of the offered notes. Such transactions consist of bids or purchases for the purpose of pegging, fixing or maintaining the price of such offered notes.

The initial purchasers have advised the depositor that they may engage in over-allotment transactions, stabilizing transactions, syndicate covering transactions and penalty bids with respect to the offered notes in accordance with Regulation M under the Securities Exchange Act of 1934, as amended (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 offered notes so long as the stabilizing bids do not exceed a specified maximum. Syndicate coverage transactions involve purchases of the offered 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 offered notes originally sold by the syndicate member are purchased in a syndicate covering transaction. These over-allotment transactions, stabilizing transactions, syndicate covering transactions and penalty bids may cause the prices of the offered notes to be higher than they would otherwise be in the absence of these transactions. Neither the depositor nor any of the initial purchasers will represent that it will engage in any of these transactions or that these transactions, once commenced, will not be discontinued without notice.

In connection with any sale of notes outside of the United States, the initial purchasers may act through one or more of their affiliates.

Rule 15c6-1 under the Exchange Act generally requires trades in the secondary market to settle in two Business Days, unless the parties to such trade expressly agree otherwise. Because delivery of notes to purchasers hereunder will settle more than two Business Days after the date hereof, purchasers hereunder who wish to trade notes in the secondary market on the date hereof will be required to specify an alternative settlement cycle with their secondary purchasers to prevent a failed settlement of the secondary purchase. Purchasers hereunder who wish to make such secondary trades on the date hereof are encouraged to consult their own advisors.

In the ordinary course of its business, one or more of the initial purchasers and their affiliates have provided, and in the future may provide other investment banking and commercial banking services to the depositor, the servicer, the issuing entity and their affiliates. Further, one or more of the initial purchasers or their affiliates may be holding, buying or selling interests in motor vehicle receivables similar to the receivables in the pool of receivables or in credit default swaps or similar derivatives related to such similar receivables, not originating or limiting origination of such similar receivables or taking long or short positions with respect to securities backed by such similar receivables. One of the initial purchasers is an affiliate of the indenture trustee. Such activities may result in conflicts of interest and, consequently, the interest of the initial purchasers or their affiliates may not be aligned with the interests of investors in the notes.

The indenture trustee, at the direction of the servicer, on behalf of the issuing entity, may from time to time invest the funds in accounts and in eligible investments acquired from the initial purchasers or their affiliates.

The offered notes are new issues of securities with no established trading market and there is a risk that one will not develop or, if it does develop, that it will continue or that it will provide sufficient liquidity. The initial purchasers tell us that they intend to make a market in the offered notes as permitted by applicable laws and regulations. However, the initial purchasers are not obligated to make a market in the offered notes and any such market-making may be discontinued at any time at the sole discretion of the initial purchasers.

The notes not offered hereby are expected to be retained, and certain of the offered notes initially may be retained, by the depositor or an affiliate of the depositor on the Series 2024-A Issuance Date (the “**retained notes**”). Any retained notes will not be sold to the initial purchasers under the note purchase agreement. Retained notes may be subsequently sold from time to time to purchasers directly by the depositor or an affiliate of the depositor or

through initial purchasers, broker-dealers or agents who may receive compensation in the form of discounts, concessions or commissions from the depositor or the purchasers of the retained notes. If the retained notes are sold through initial purchasers or broker-dealers, the sponsor will be responsible for underwriting discounts or commissions or agent's commissions. The retained notes may be sold in one or more transactions at fixed prices, prevailing market prices at the time of sale, varying prices determined at the time of sale or negotiated prices.

### **Offering Restrictions**

Each initial purchaser has severally, but not jointly, represented to and agreed with the issuing entity that:

- it will not offer or sell any offered notes within the United States, its territories or possessions or to persons who are citizens thereof or residents therein, except in transactions that are not prohibited by any applicable securities, bank regulatory or other applicable law; and
- it will not offer or sell any notes in any other country, its territories or possessions or to persons who are citizens thereof or residents therein, except in transactions that are not prohibited by any applicable securities law.

### **United Kingdom**

Each initial purchaser will represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in the UK Prospectus Regulation; and

(b) the expression "offer" includes 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 for the notes.

In addition, each initial purchaser will represent and agree that: (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any notes in circumstances in which Section 21(1) of the FSMA does not apply to the issuing entity or the depositor; 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 any notes in, from or otherwise involving the United Kingdom.

### **European Economic Area**

Each initial purchaser will represent and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "retail investor" means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II, (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in the EU Prospectus Regulation; and

(b) the expression "offer" includes 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 for the notes.

## LEGAL INVESTMENT

### Certain Investment Considerations

The issuing entity is not registered or required to be registered as an “investment company” under the Investment Company Act of 1940, as amended. The issuing entity is relying on the exemption or exclusion from the definition of “investment company” set forth in Section 3(c)(5) of the Investment Company Act of 1940, as amended, or Rule 3a-7 under the Investment Company Act of 1940, as amended, although other exceptions or exclusions may be available to the issuing entity. The issuing entity will be structured so as not to constitute a “covered fund” as defined in the final regulations issued December 10, 2013 implementing the “Volcker Rule” (Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act).

### Requirements for Certain European Regulated Investors and Affiliates

Regulation (EU) 2017/2402 of the European Parliament and of the Council of December 12, 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitization and amending certain other EU directives and regulations, as amended (the “**EU Securitization Regulation**”) is directly applicable in member states of the EU and will be applicable in any non-EU states of the European Economic Area (“**EEA**”) in which it has been implemented.

Article 5 of the EU Securitization Regulation places certain due diligence conditions on investments in a “securitisation” (as defined in the EU Securitization Regulation) (the “**EU Due Diligence Requirements**”) by an “institutional investor,” defined to include (a) a credit institution or an investment firm as defined in and for purposes of Regulation (EU) No 575/2013, as amended, known as the Capital Requirements Regulation (the “**EU CRR**”), (b) an insurance undertaking or a reinsurance undertaking as defined in Directive 2009/138/EC, as amended, known as Solvency II, (c) an alternative investment fund manager as defined in Directive 2011/61/EU that manages and/or markets alternative investment funds in the EU, (d) an undertaking for collective investment in transferable securities (“**UCITS**”) management company, as defined in Directive 2009/65/EC, as amended, known as the UCITS Directive, or an internally managed UCITS, which is an investment company that is authorized in accordance with that Directive and has not designated such a management company for its management, and (e) with certain exceptions, an institution for occupational retirement provision falling within the scope of Directive (EU) 2016/2341, or an investment manager or an authorized entity appointed by such an institution for occupational retirement provision as provided in that Directive Pursuant to Article 14 of the EU CRR, the EU Due Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of institutions regulated under the EU CRR (such affiliates, together with all “institutional investors,” the “**EU Affected Investors**”).

None of NMAC, the depositor, the initial purchasers or any of their affiliates will retain or commit to retain a 5% material net economic interest with respect to the transaction described in this offering memorandum in accordance with the EU Securitization Regulation or makes or intends to make any representation or agreement that it or any other party is undertaking or will undertake to take or refrain from taking any action to facilitate or enable the compliance by EU Affected Investors with the EU Due Diligence Requirements, or to comply with the requirements of any other law or regulation now or hereafter in effect in the EU or any EEA member state, in relation to risk retention, due diligence and monitoring, credit granting standards or any other conditions with respect to investments in securitization transactions by EU Affected Investors. The arrangements as described in “*Credit Risk Retention*” in this offering memorandum have not been structured with the objective of ensuring compliance with the requirements of the EU Securitization Regulation by any person.

Failure by an EU Affected Investor to comply with the EU Due Diligence Requirements with respect to an investment in the notes described in, and offered by, this offering memorandum may result in the imposition of a penalty regulatory capital charge on that investment or other regulatory sanctions and/or remedial measures being taken or imposed by the competent authority of such EU Affected Investor. The EU Due Diligence Requirements and any other changes to the regulation or regulatory treatment of the notes for some or all investors may negatively impact the regulatory position of an EU Affected Investor and have an adverse impact on the value and liquidity of the notes offered by this offering memorandum. Prospective investors should analyze their own legal and regulatory position, and are encouraged to consult with their own investment and legal advisors, regarding application of the



EU Securitization Regulation, the EU Due Diligence Requirements and compliance with any other applicable regulations and the suitability of the offered notes for investment. The transaction described in this offering memorandum is structured in a way that is unlikely to allow EU Affected Investors to comply with the EU Due Diligence Requirements.

### **Requirements for Certain UK Regulated Investors and Affiliates**

From 1 January 2021, relevant UK-established or UK-regulated persons (as described below) are subject to the restrictions and obligations of Regulation (EU) 2017/2402 applicable at that date as it forms part of the domestic law of the UK by operation of the EUWA and as amended by the Securitization (Amendment) (EU Exit) Regulations 2019 and as further amended from time to time (the “**UK Securitization Regulation**”).

Article 5 of the UK Securitization Regulation places certain conditions on investments in a “securitisation” (as defined in the UK Securitization Regulation) (the “**UK Due Diligence Requirements**”) by an “institutional investor” defined in the UK Securitization Regulation to include (a) an insurance undertaking as defined in section 417(1) of the FSMA, (b) a reinsurance undertaking as defined in section 417(1) of the FSMA, (c) an occupational pension scheme as defined in section 1(1) of the Pension Schemes Act 1993 that has its main administration in the UK, or a fund manager of such a scheme appointed under section 34(2) of the Pensions Act 1995 that, in respect of activity undertaken pursuant to that appointment, is authorised for the purposes of section 31 of the FSMA, (d) an AIFM as defined in regulation 4(1) of the Alternative Investment Fund Managers Regulations 2013 which markets or manages AIFs (as defined in regulation 3 of those Regulations) in the UK, (e) a management company as defined in section 237(2) of the FSMA, (f) a UCITS as defined by section 236A of the FSMA which is an authorised open ended investment company as defined in section 237(3) of the FSMA, and (g) a CRR firm as defined by Article 4(1)(2A) of Regulation (EU) No 575/2013, as it forms part of UK domestic law by virtue of the EUWA and as amended (the “**UK CRR**”); and (h) an FCA investment firm as defined by Article 4(1)(2AB) of the UK CRR. The UK Due Diligence Requirements also apply to investments by certain consolidated affiliates, wherever established or located, of entities subject to the UK CRR (such affiliates, together with all such institutional investors, “**UK Affected Investors**”).

None of NMAC, the depositor, the initial purchasers or any of their affiliates will retain or commit to retain a 5% material net economic interest with respect to the transaction described in this offering memorandum in accordance with the UK Securitization Regulation or makes or intends to make any representation or agreement that it or any other party is undertaking or will undertake to take or refrain from taking any action to facilitate or enable the compliance by UK Affected Investors with the UK Due Diligence Requirements, or to comply with the requirements of any other law or regulation now or hereafter in effect in the UK, in relation to risk retention, due diligence and monitoring, credit granting standards or any other conditions with respect to investments in securitization transactions by UK Affected Investors. The arrangements as described in “*Credit Risk Retention*” in this offering memorandum have not been structured with the objective of ensuring compliance with the requirements of the UK Securitization Regulation by any person.

Failure by a UK Affected Investor to comply with the UK Due Diligence Requirements with respect to an investment in the notes described in, and offered by, this offering memorandum may result in the imposition of a penalty regulatory capital charge on that investment or other regulatory sanctions and/or remedial measures being taken or imposed by the competent authority of such UK Affected Investor. The UK Due Diligence Requirements and any other changes to the regulation or regulatory treatment of the notes for some or all investors may negatively impact the regulatory position of a UK Affected Investor and have an adverse impact on the value and liquidity of the notes offered by this offering memorandum. Prospective investors should analyze their own legal and regulatory position, and are encouraged to consult with their own investment and legal advisors, regarding application of the UK Securitization Regulation, the UK Due Diligence Requirements and compliance with any other applicable regulations and the suitability of the offered notes for investment. The transaction described in this offering memorandum is structured in a way that is unlikely to allow UK Affected Investors to comply with the UK Due Diligence Requirements.

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

Subject to the following discussion, the Series 2024-A notes may be acquired with the assets of 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, a “plan” as defined in and subject to Section 4975 of the Code or an entity deemed to hold plan assets of the foregoing (each, a “**Benefit Plan Investor**”), as well as by governmental plans (as defined in Section 3(32) of ERISA) or other employee benefit plans or plans that are not subject to Title I of ERISA or Section 4975 of the Code and any entity deemed to hold plan assets of the foregoing (collectively, with Benefit Plan Investors, referred to as “**Plans**”).

Section 406 of ERISA and Section 4975 of the Code prohibit Benefit Plan Investors from engaging in certain transactions with persons that are “parties in interest” under ERISA or “disqualified persons” under the Code with respect to such Benefit Plan Investor. A violation of these “prohibited transaction” rules may result in an excise tax or other penalties and liabilities under ERISA and the Code for such persons or the fiduciaries of such Benefit Plan Investor. In addition, Title I of ERISA requires fiduciaries of a Benefit Plan Investor subject to ERISA to make investments that are prudent, diversified and in accordance with the governing plan documents. Certain Plans, such as governmental plans (as defined in Section 3(32) of ERISA), are not subject to the fiduciary and prohibited transaction provisions of ERISA or Section 4975 of the Code. However, such Plans may be subject to similar restrictions under applicable federal, state, local or other law (“**Similar Law**”).

Certain transactions involving the issuing entity might be deemed to constitute prohibited transactions under ERISA and the Code with respect to a Benefit Plan Investor that acquired Series 2024-A notes if assets of the issuing entity were deemed to be assets of the Benefit Plan Investor. Under a regulation issued by the U.S. Department of Labor, as modified by Section 3(42) of ERISA (the “**Plan Assets Regulation**”), the assets of the issuing entity would be treated as plan assets of a Benefit Plan Investor for the purposes of ERISA and the Code only if the Benefit Plan Investor acquired an “equity interest” in the issuing entity and none of the exceptions to plan assets contained in the Plan Assets Regulation was applicable. An equity interest is defined under the Plan Assets Regulation as an interest other than an instrument which is treated as indebtedness under applicable local law and which has no substantial equity features. Although there is little guidance on the subject, it is anticipated that, at the time of their issuance, the Series 2024-A notes should be treated as indebtedness of the issuing entity without substantial equity features for purposes of the Regulation. This determination is based upon the traditional debt features of the Series 2024-A notes, including the reasonable expectation of purchasers of Series 2024-A notes that the Series 2024-A notes will be repaid when due, traditional default remedies, as well as on the absence of conversion rights, warrants and other typical equity features. The debt treatment of the Series 2024-A notes for ERISA purposes could change subsequent to their issuance if the issuing entity incurs losses. This risk of recharacterization is enhanced for Series 2024-A notes that are subordinated to other classes of securities. In the event of a withdrawal or downgrade to below investment grade of the rating of the Series 2024-A notes or a characterization of the Series 2024-A notes as other than indebtedness under applicable local law, the subsequent acquisition of the Series 2024-A notes or interest therein by a Benefit Plan Investor or a Plan that is subject to Similar Law is prohibited.

However, without regard to whether the Series 2024-A notes are treated as an equity interest in the issuing entity for purposes of the Plan Assets Regulation, the acquisition or holding of Series 2024-A notes by or on behalf of a Benefit Plan Investor could be considered to give rise to a prohibited transaction if the issuing entity, the depositor, the servicer, the administrator, the initial purchasers, the owner trustee, the indenture trustee or any of their respective affiliates (the “**Transaction Parties**”) is or becomes a party in interest or a disqualified person with respect to such Benefit Plan Investor. Certain exemptions from the prohibited transaction rules could be applicable to the acquisition and holding of the Series 2024-A notes by a Benefit Plan Investor depending on the type and circumstances of the plan fiduciary making the decision to acquire such Series 2024-A notes and the relationship of the party in interest or disqualified person to the Benefit Plan Investor. Included among these exemptions are: Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code for certain transactions between a Benefit Plan Investor and persons who are parties in interest or disqualified persons solely by reason of providing services to the Benefit Plan Investor or being affiliated with such service providers; Prohibited Transaction Class Exemption (“**PTCE**”) 96-23, regarding transactions effected by “in-house asset managers;” PTCE 95-60, regarding investments by insurance company general accounts; PTCE 91-38, regarding investments by bank collective investment funds; PTCE 90-1, regarding investments by insurance company pooled separate accounts; and PTCE 84-14, regarding

transactions effected by “qualified professional asset managers.” Even if the conditions specified in one or more of these exemptions are met, the scope of the relief provided by these exemptions might or might not cover all acts which might be construed as prohibited transactions. There can be no assurance that any of these, or any other exemption, will be available with respect to any particular transaction involving the Series 2024-A notes, and prospective purchasers that are Benefit Plan Investors should consult with their legal advisors regarding the applicability of any such exemption.

The Transaction Parties may receive fees or other compensation as a result of a Plan’s acquisition of the Series 2024-A notes. Accordingly, none of the Transaction Parties are undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the acquisition of the Series 2024-A notes by any Plan.

By acquiring a Series 2024-A Note (or interest therein), each purchaser and transferee (and if the purchaser or transferee is a Plan, its fiduciary) will be deemed to (a) represent and warrant that either (i) it is not acquiring and will not hold such Series 2024-A Note (or interest therein) on behalf of, or with the assets of, a Benefit Plan Investor or Plan that is subject to Similar Law or (ii) the acquisition, holding and disposition of the Series 2024-A Note (or any interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any Similar Law and (b) acknowledge and agree if it is a Benefit Plan Investor or a Plan that is subject to Similar Law, it will not acquire any Series 2024-A Notes (or any interest therein) at any time that such Series 2024-A Note does not have an investment grade rating from at least one nationally recognized statistical rating organization or if such note has been characterized as other than indebtedness for applicable local law purposes.

A Plan fiduciary considering the acquisition of Series 2024-A notes should consult its legal and financial advisors regarding the matters discussed above and other applicable legal requirements. Moreover, each fiduciary of a Benefit Plan Investor subject to Title I of ERISA should determine whether, under the general fiduciary standards of ERISA, an investment in the Series 2024-A notes or an interest therein is appropriate for the Benefit Plan Investor, taking into account the overall investment policy of the Benefit Plan Investor and the composition of the Benefit Plan Investor’s investment portfolio.

## **LEGAL PROCEEDINGS**

Other than disclosed in this offering memorandum, no material litigation or governmental proceeding is pending, or, to the knowledge of the sponsor, has been threatened, against the servicer, the depositor, the issuing entity, the indenture trustee or the owner trustee.

NMAC is party to, and is vigorously defending, numerous legal proceedings, all of which NMAC believes constitute ordinary routine litigation, incidental to the business and activities conducted by NMAC. Some of the actions naming NMAC and/or the titling company are or purport to be class action suits. In the opinion of management of NMAC, the amount of ultimate liability on pending claims and actions as of the date of this offering memorandum should not have a material adverse effect on its condition, financial or otherwise, or on the Series 2024-A notes. However, there can be no assurance in this regard or that future litigation will not adversely affect NMAC. See “*Risk Factors—Risks related to the servicer and other transaction parties—Adverse events with respect to NMAC, its affiliates or third-party service providers to whom NMAC outsources its activities may adversely affect the timing or amount of payments on your notes or may reduce the market value and/or liquidity of your notes*” in this offering memorandum.

## **CERTAIN RELATIONSHIPS**

The depositor is a wholly-owned subsidiary of NMAC. In addition to the agreements described in this offering memorandum, NMAC may from time to time enter into agreements in the ordinary course of business or that are on arms’ length terms with its parent, NNA. The owner trustee and the indenture trustee are entities that NMAC or its affiliates may have other business relationships with directly or with their affiliates in the ordinary course of their businesses. In some instances the owner trustee and the indenture trustee may be acting in similar capacities for asset-backed transactions of NMAC for similar or other asset types. Further, the indenture trustee and one of the initial purchasers, U.S. Bancorp Investments, Inc., are affiliates.

## LEGAL MATTERS

Certain legal matters relating to the Series 2024-A notes and U.S. federal income tax and other matters will be passed upon for the issuing entity, the depositor and NMAC by the general counsel of NMAC and Mayer Brown LLP. In addition, certain matters relating to the issuance of the Series 2024-A notes will be passed upon for the initial purchasers by Orrick, Herrington & Sutcliffe LLP

### MATERIAL LEGAL ASPECTS OF THE RECEIVABLES

#### Transfer of Receivables

NMAC has sold, and continues to sell, the Receivables to the depositor, and the depositor in turn has transferred, and will continue to transfer, the Receivables to the issuing entity. Each of NMAC and the depositor represents and warrants on each Series Issuance Date that:

- its transfer to the depositor or to the issuing entity, as the case may be, constitutes a valid transfer and assignment of all of its right, title and interest in the Receivables and related security; and
- under the UCC (as in effect in each applicable jurisdiction) or other applicable law, the transferee has:
  - (1) a valid, subsisting and enforceable first priority perfected ownership interest in the Receivables, in existence at the time the Receivables are sold and assigned or transferred or at the date of addition of any Additional Accounts, and
  - (2) a valid, subsisting and enforceable first priority perfected ownership interest in the Receivables created thereafter, in existence at and after their creation.

Nonetheless, each such transfer of Receivables could be deemed to create a security interest under the UCC, rather than a sale. For a discussion of the issuing entity's rights arising from these representations and warranties not being satisfied, see "*Description of the Transfer and Servicing Agreement*" above in this offering memorandum.

NMAC and the depositor represent that the Receivables are "accounts," "chattel paper," "instruments," "general intangibles" or "payment intangibles" for purposes of the UCC as in effect in each applicable jurisdiction. To the extent the Receivables are deemed to be chattel paper or accounts and the transfer of the Receivables by NMAC to the depositor or by the depositor to the issuing entity is deemed to be a sale or to create a security interest, then the UCC as in effect in each applicable jurisdiction will apply and the transferee must file appropriate financing statements (or as an alternative in the case of instruments and tangible chattel paper, take possession thereof or as an alternative in the case of electronic chattel paper, take control thereof) in order to perfect its interest in the Receivables. Both the depositor and the issuing entity have filed financing statements covering the Receivables under the UCC as in effect in each applicable jurisdiction in order to perfect their respective interests in the Receivables and they will file continuation statements as required to continue the perfection of their interests. However, the Receivables will not be stamped to indicate the interest of the depositor or the indenture trustee.

Under the UCC and applicable federal law, there are certain limited circumstances in which prior or subsequent transferees of Receivables could have an interest that has priority over the issuing entity's interest in the Receivables. A purchaser of the Receivables who gives new value and takes possession of the instruments or chattel paper that evidence the Receivables may, under certain circumstances, have priority over the interest of the issuing entity in the Receivables. A tax or other government lien on property of NMAC or the depositor that arose before the time a Receivable is conveyed to the issuing entity may also have priority over the interest of the issuing entity in that Receivable. Under the Receivables Purchase Agreement, NMAC represents to the depositor, and under the Transfer and Servicing Agreement the depositor warrants to the issuing entity, that the Receivables have been transferred free and clear of the lien of any third party. NMAC and the depositor also covenant that they will not sell, pledge, assign, transfer or grant any lien on any Receivable or, except as described above under "*Description of the Transfer and Servicing Agreement—Matters Regarding the Servicer and Depositor*" in this offering

memorandum, on the Transferor Interest other than to the issuing entity. In addition, so long as NMAC is the servicer, collections on the Receivables may, under certain circumstances, be commingled with NMAC's own funds before each Payment Date and, in the event of the bankruptcy of NMAC, the issuing entity may not have a perfected security interest in these collections.

### **Matters Relating to Bankruptcy**

In the Receivables Purchase Agreement, NMAC represents and warrants to the depositor that its sale of the Receivables to the depositor is a valid sale. In addition, NMAC and the depositor agree to treat the transactions described in this offering memorandum as a sale of the Receivables to the depositor. NMAC has taken, and will continue to take, all actions that are required under California law to perfect the depositor's ownership interest in the Receivables. Nonetheless, if NMAC were to become a debtor in a bankruptcy case and a creditor or a trustee-in-bankruptcy were to take the position that the sale of Receivables from NMAC to the depositor should be recharacterized as a pledge of the Receivables by NMAC to secure a borrowing from the depositor, then delays in payments of collections on the Receivables to the depositor could occur. Moreover, if the bankruptcy court were to rule in favor of the trustee in bankruptcy, debtor in possession or creditor, reductions in the amount of payments of collections on the Receivables to the depositor could result.

In addition, if NMAC were to become a debtor in a bankruptcy case and one of its creditors or the trustee-in-bankruptcy or NMAC itself were to request a court to order that NMAC should be substantively consolidated with the depositor, delays in payments on the notes could result. In that situation, if the bankruptcy court were to rule in favor of the creditor, trustee-in-bankruptcy or NMAC, reductions in such payments to the noteholders could result.

In the Transfer and Servicing Agreement, the depositor represents and warrants to the issuing entity that the transfer of the Receivables to the issuing entity is a valid transfer of the Receivables to the issuing entity. The depositor has taken, and will continue to take, all actions that are required under Delaware law to perfect the issuing entity's interest in the Receivables and the depositor represents and warrants that the issuing entity will at all times have a first priority perfected ownership interest in the Receivables and, with certain exceptions, the proceeds of the Receivables. Nonetheless, a tax or government lien on property of NMAC or the depositor that arose before the time a Receivable is transferred to the issuing entity may have priority over the issuing entity's interest in that Receivable.

The organization documents under which the depositor was established provide that it is required to have at least one "independent" director and the affirmative vote of its independent director is required for a voluntary application for relief under the federal bankruptcy code to be filed. Under the Transfer and Servicing Agreement, NMAC, the owner trustee, all the holders of the Transferor Interest and any Series Enhancers covenant that at no time will they institute any bankruptcy, reorganization or other proceedings against the depositor under any federal or state bankruptcy or similar law. In addition, certain other steps have been taken to avoid the depositor becoming a debtor in a bankruptcy case. Notwithstanding these steps, if the depositor were to become a debtor in a bankruptcy case and if a trustee-in-bankruptcy for the depositor or the depositor as debtor in possession or a creditor of the depositor were to argue that the transfer of the Receivables by the depositor to the issuing entity should be recharacterized as a pledge of the Receivables, then delays in payments on the notes could occur. In addition, should the court rule in favor of the bankruptcy trustee, debtor in possession or creditor, reductions in the amount of payments to noteholders could result.

If NMAC or the depositor were to become a debtor in a bankruptcy case, the transfer of new Receivables to the depositor would be prohibited under the Receivables Purchase Agreement and only collections on Receivables previously sold to the depositor and transferred to the issuing entity would be available to pay interest on and principal of the notes.

Under these circumstances, the servicer is obligated to allocate all collections on Principal Receivables to the oldest principal balance first. If the bankruptcy court were to alter this allocation method, the rate and amount of payments on the notes might be adversely affected.

In addition, if NMAC were to become a debtor in a bankruptcy case, NMAC may not be able to satisfy its obligation to pay over amounts received upon the exercise of its right, under a cash management agreement between NMAC and a Dealer, to set-off against such Dealer's principal balance of Receivables the amounts in a Cash Management Account of such Dealer or to pay over other amounts credited to the Cash Management Account which are applied to reduce a Dealer's principal balance of Receivables.

The occurrence of certain events of bankruptcy, insolvency or receivership with respect to the servicer will result in a Servicer Default that, in turn, will result in an Early Amortization Event. If no other Servicer Default other than the commencement of a bankruptcy or similar event exists, a trustee-in-bankruptcy of the servicer may have the power to prevent either the trustee or the noteholders from appointing a successor servicer.

Payments made by NMAC or the depositor to repurchase Receivables pursuant to the Receivables Purchase Agreement and the Transfer and Servicing Agreement, respectively, may be recoverable by NMAC or the depositor, as debtor in possession, or by a creditor or a trustee-in-bankruptcy of NMAC or of the depositor as a preferential transfer from NMAC or the depositor if the payments were made within one year before the filing of a bankruptcy case in respect of NMAC or the depositor and certain other conditions are satisfied. Additionally, if payments are found to have been made for less than fair or reasonably equivalent value and at a time when NMAC or the depositor was insolvent, inadequately capitalized, or was rendered insolvent by the transfers, among other things, it is possible that transfers made more than one year before the filing of the bankruptcy petition may be recoverable.

### **Dodd-Frank Orderly Liquidation Framework**

*General.* On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “**Dodd-Frank Act**”) was enacted. The Dodd-Frank Act, among other things, gives the Federal Deposit Insurance Corporation (“**FDIC**”) authority (known as the Orderly Liquidation Framework or “**OLA**”) to act as receiver of financial companies and their subsidiaries in specific situations as described in more detail below. The OLA provisions were effective on July 22, 2010. The proceedings, standards, powers of the receiver and many other substantive provisions of OLA differ from those of the United States Bankruptcy Code in many 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 exactly what impact these provisions will have on any particular company, including NMAC, the depositor or the issuing entity, or its creditors.

*Potential Applicability to NMAC, the Depositor and Issuing Entity.* There is uncertainty about which companies will be subject to OLA rather than the United States Bankruptcy Code. For a company to become subject to OLA, the Secretary of the Treasury (in consultation with the President of the United States) must determine, among other things, that the company is in default or in danger of default, the failure of such company and its resolution under the United States Bankruptcy Code would have serious adverse effects on financial stability in the United States, no viable private sector alternative is available to prevent the default of the company and an OLA proceeding would mitigate these adverse effects.

The issuing entity or the depositor could also potentially be subject to the provisions of OLA as a “covered subsidiary” of NMAC. For the issuing entity or the depositor to be subject to receivership under OLA as a covered subsidiary of NMAC (1) the FDIC would have to be appointed as receiver for NMAC under OLA as described above, and (2) the FDIC and the Secretary of the Treasury would have to jointly determine that (a) the issuing entity or depositor is in default or in danger of default, (b) the liquidation of that covered subsidiary would avoid or mitigate serious adverse effects on the financial stability or economic conditions of the United States and (c) such appointment would facilitate the orderly liquidation of NMAC.

The Secretary of the Treasury could determine that the failure of NMAC would have serious adverse effects on financial stability in the United States. In addition, OLA could apply to NMAC, the depositor or the issuing entity or, if it were to apply, the timing and amounts of payments to the Series 2024-A noteholders could be less favorable than under the United States Bankruptcy Code.

*FDIC's Repudiation Power Under OLA.* If the FDIC were appointed receiver of NMAC or of a covered subsidiary under OLA, the FDIC would have various powers under OLA, including the power to repudiate any contract to which NMAC or a covered subsidiary was a party, if the FDIC determined that performance of the contract was burdensome and that repudiation would promote the orderly administration of NMAC's affairs. In January 2011, the Acting General Counsel of the FDIC issued an advisory opinion regarding, among other things, its intended application of the FDIC's repudiation power under OLA. In that advisory opinion, the Acting General Counsel stated that nothing in the Dodd-Frank Act changes the existing law governing the separate existence of separate entities under other applicable law. As a result, the Acting General Counsel was of the opinion that the FDIC as receiver for a covered financial company, which could include NMAC or its subsidiaries (including the depositor or the issuing entity), cannot repudiate a contract or lease unless it has been appointed as receiver for that entity or the separate existence of that entity may be disregarded under other applicable law. In addition, the Acting General Counsel was of the opinion that until such time as the FDIC Board of Directors adopts a regulation further addressing the application of Section 210(c) of the Dodd-Frank Act, if the FDIC were to become receiver for a covered financial company, which could include NMAC or its subsidiaries (including the depositor or the issuing entity), the FDIC will not, in the exercise of its authority under Section 210(c) of the Dodd-Frank Act, reclaim, recover, or recharacterize as property of that covered financial company or the receivership assets transferred by that covered financial company prior to the end of the applicable transition period of a regulation provided that such transfer satisfies the conditions for the exclusion of such assets from the property of the estate of that covered financial company under the United States Bankruptcy Code. Although this advisory opinion does not bind the FDIC or its Board of Directors, and could be modified or withdrawn in the future, the advisory opinion also states that the Acting General Counsel will recommend that the FDIC Board of Directors incorporates a transition period of 90 days for any provisions in any further regulations affecting the statutory power to disaffirm or repudiate contracts. To date, no such regulations have been issued by the FDIC. As a result, the foregoing Acting General Counsel's interpretation currently remains in effect. To the extent any future regulations or actions of the FDIC or subsequent FDIC actions in an OLA proceeding involving NMAC or its subsidiaries (including the depositor or the issuing entity), are contrary to this advisory opinion, payment or distributions of principal and interest on the securities issued by the issuing entity could be delayed or reduced.

Among the contracts that might be repudiated in an OLA proceeding are the receivables purchase agreement between NMAC, as seller and the depositor, as purchaser, the transfer and servicing agreement, and the administration agreement. Under OLA, none of the parties to those contracts could exercise any right or power to terminate, accelerate, or declare a default under those contracts, or otherwise affect NMAC's or a covered subsidiary's rights under those contracts without the FDIC's consent for 90 days after the receiver is appointed. During the same period, the FDIC's consent would also be needed for any attempt to obtain possession of or exercise control over any property of NMAC or of a covered subsidiary. The requirement to obtain the FDIC's consent before taking these actions relating to a covered company's contracts or property is comparable to the requirement to request bankruptcy court relief from the "automatic stay" in bankruptcy.

The transfer of receivables under the receivables purchase agreement between NMAC and the depositor, as purchaser, will be structured with the intent that they would be treated as legal true sales under applicable state law. If the transfers are so treated, based on the Acting General Counsel of the FDIC's advisory opinion rendered in January 2011 and other applicable law, NMAC believes that the FDIC would not be able to recover the receivables transferred under the receivables purchase agreement using its repudiation power. However, if those transfers were not respected as legal true sales, then the purchaser under the receivables purchase agreement would be treated as having made a loan to NMAC, secured by the transferred receivables. The FDIC, as receiver, generally has the power to repudiate secured loans and then recover the collateral after paying damages to the lenders. If the issuing entity were placed in receivership under OLA, this repudiation power would extend to the notes issued by the issuing entity. The amount of damages that the FDIC would be required to pay would be limited to "actual direct compensatory damages" determined as of the date of the FDIC's appointment as receiver. Under OLA, in the case of any debt for borrowed money, actual direct compensatory damages are no less than the amount lent plus accrued interest plus any accreted original issue discount as of the date the FDIC was appointed receiver and, to the extent that an allowed secured claim is secured by property the value of which is greater than the amount of such claim and any accrued interest through the date of repudiation or disaffirmance, such accrued interest.

Regardless of whether the transfers under the receivables purchase agreement are respected as legal true sales, as receiver for NMAC or a covered subsidiary the FDIC could:

- require the issuing entity, as assignee of the related purchaser, to go through an administrative claims procedure to establish its rights to payments collected on the receivables; or
- if the issuing entity were a covered subsidiary, require the indenture trustee or the holders of the related notes to go through an administrative claims procedure to establish their rights to payments on the notes; or
- request a stay of proceedings to liquidate claims or otherwise enforce contractual and legal remedies against NMAC or a covered subsidiary (including the depositor or the issuing entity); or
- repudiate NMAC's ongoing servicing obligations under a servicing agreement, such as its duty to collect and remit payments or otherwise service the receivables; or
- prior to any such repudiation of a servicing agreement, prevent any of the indenture trustee or the securityholders from appointing a successor servicer.

There are also statutory prohibitions on (1) any attachment or execution being issued by any court upon assets (such as the receivables) in the possession of the FDIC, as receiver, (2) any property (such as the receivables) in the possession of the FDIC, as receiver, being subject to levy, attachment, garnishment, foreclosure or sale without the consent of the FDIC, and (3) any person exercising any right or power to terminate, accelerate or declare a default under any contract to which NMAC or a covered subsidiary (including the depositor or the issuing entity) that is subject to OLA is a party, or to obtain possession of or exercise control over any property of NMAC or any covered subsidiary or affect any contractual rights of NMAC or a covered subsidiary (including the depositor or the issuing entity) that is subject to OLA, without the consent of the FDIC for 90 days after appointment of FDIC as receiver.

If the issuing entity were itself to become subject to OLA as a covered subsidiary, the FDIC may repudiate the debt of the issuing entity. In such an event, the noteholders of the related series would have a secured claim in the receivership of the issuing entity as described above but delays in payments on such series of notes would occur and possible reductions in the amount of those payments could occur.

If the FDIC, as receiver for NMAC, the depositor or the issuing entity, were to take any of the actions described above, payments or distributions of principal and interest on the securities issued by the issuing entity would be delayed and may be reduced.

*FDIC's Avoidance Power Under OLA.* The proceedings, standards and many substantive provisions of OLA relating to preferential transfers differ from those of the United States Bankruptcy Code. If NMAC or its affiliates were to become subject to OLA, there are provisions of the Dodd-Frank Act that state that previous transfers of receivables by NMAC perfected for purposes of state law and the United States Bankruptcy Code could nevertheless be avoided as preferential transfers under OLA.

In December 2010, the Acting General Counsel of the FDIC issued an advisory opinion providing an interpretation of OLA which concludes that the treatment of preferential transfers under OLA was intended to be consistent with, and should be interpreted in a manner consistent with, the related provisions under the United States Bankruptcy Code. In addition, on July 6, 2011, the FDIC issued a final rule that, among other things, codified the Acting General Counsel's interpretation. The final rule was effective August 15, 2011. Based on the final rule, the transfer of the receivables by NMAC would not be avoidable by the FDIC as a preference under OLA. To the extent subsequent FDIC actions in an OLA proceeding are contrary to the final rule, payment or distributions of principal and interest on the securities issued by the issuing entity could be delayed or reduced.



## CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

### General

The following is a summary of the material U.S. federal income tax consequences resulting from the purchase, ownership and disposition of the Series 2024-A notes offered by this offering memorandum to “U.S. Holders” and “non-U.S. Holders” (as described below) that are unrelated to the issuing entity who have acquired their Series 2024-A notes upon original issuance at their initial offering price. To the extent that the following summary relates to matters of law or legal conclusions with respect thereto, except for any other series of notes which is specifically identified as receiving different tax treatment in this offering memorandum, this summary represents the opinion of Mayer Brown LLP, special tax counsel for the issuing entity, subject to the qualifications set forth in this section. Except where noted, this summary deals only with Series 2024-A notes that are held as capital assets, and does not deal with taxpayers subject to special treatment under the U.S. federal income tax laws, such as dealers in securities or currencies, financial institutions, regulated investment companies, real estate investment trusts, insurance companies, tax exempt organizations, persons holding Series 2024-A notes as part of a hedging, integrated or conversion transaction, constructive sale or straddle, traders in securities that have elected the mark-to-market method of accounting for securities, persons liable for any alternative minimum tax, accrual method taxpayers subject to acceleration of income under Section 451(b) of the Code, U.S. persons whose “**functional currency**” is not the U.S. dollar or persons who purchased the Series 2024-A notes subsequent to the initial offering at a price different from the initial offering price.

The discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the “**Code**”), its legislative history, existing and proposed Treasury Regulations thereunder, published rulings and judicial decisions, all as currently in effect. There are no cases or IRS rulings on similar transactions involving debt interests issued with terms similar to those of the Series 2024-A notes by an issuer that is similar to the issuing entity. As a result, there can be no assurance that the IRS will not challenge the conclusions set forth in this offering memorandum, and no ruling from the IRS has been sought on any of the issues discussed below. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below.

This discussion does not include any description of the tax laws of any state, local or foreign government that may be applicable to the Series 2024-A notes or the noteholders. Persons considering the acquisition of Series 2024-A notes are urged to consult their own tax advisors concerning the application of the U.S. federal income tax laws to their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction.

A “**U.S. Holder**” means a beneficial owner of a Series 2024-A Note that, for U.S. federal income tax purposes, is either a citizen or resident of the United States, a corporation created or organized in or under the laws of the United States or any political subdivision of the United States, an estate the income of which is subject to U.S. federal income taxation regardless of its source, or a trust that (i) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons or (ii) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person. A “**non-U.S. Holder**” is a beneficial owner of a Series 2024-A Note that is not a U.S. Holder.

If an entity treated as a partnership for U.S. federal income tax purposes under Sections 701 through 777 of the Code holds the Series 2024-A notes, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Partners in a partnership that holds the Series 2024-A notes should consult their own tax advisors.

### Tax Characterization of the Issuing Entity

On the Series 2024-A Issuance Date, Mayer Brown LLP, special tax counsel to the issuing entity, will deliver an opinion, subject to the assumptions and qualifications therein, to the effect that, for U.S. federal income tax purposes, under Treasury Regulations Section 301.7701-3, the issuing entity will not be classified as an association taxable as a corporation and under Section 7704 of the Code and Treasury Regulations Sections 1.7704-1(h) and 1.7704-3, the issuing entity will not be classified as an association or publicly traded partnership taxable as a corporation (as such terms are defined in Sections 7704 and 7701(a)(3) of the Code and Treasury Regulations

Section 301.7701-2(b), based on the terms of the Series 2024-A notes, the transactions relating to the receivables as set forth herein and the applicable provisions of the Indenture and related documents. This opinion is based on the assumption that the Series 2024-A notes will be issued pursuant to the terms of the Indenture and all other documents relating to the issuance of the Series 2024-A notes and in compliance with such terms.

The Transferor Interest will be owned by the depositor on the Series 2024-A Issuance Date. Accordingly, the issuing entity will be disregarded as separate from the depositor for U.S. federal income tax purposes. If the depositor sells or otherwise transfers any interest in the Transferor Interest, this characterization may change.

However, such counsel's opinion is not binding on the IRS. For example, the IRS may be able to assert that the Series 2024-A notes constitute equity, rather than indebtedness, for U.S. federal income tax purposes. If the Series 2024-A notes are classified as equity rather than indebtedness for U.S. federal income tax purposes, and if the Series 2024-A notes are deemed to be "publicly traded" as defined under the Code, the issuing entity may be classified as a publicly traded partnership. As a publicly traded partnership, the issuing entity may become subject to U.S. federal income tax as a corporation, which may materially adversely affect the issuing entity's ability to make payments on the Series 2024-A notes. Pursuant to Section 301 of the Code, any payments made to noteholders in such event would be treated, first, as taxable dividend income to the extent of the issuing entity's accumulated and current earnings and profits, next as a return of the noteholders' basis in their Series 2024-A notes to the extent thereof, and thereafter as taxable capital gain. Moreover, except to the extent that an applicable treaty provides otherwise, payments to non-U.S. Holders of Series 2024-A notes in such event generally would be subject to U.S. federal tax withholding at a 30% rate.

Even if the Series 2024-A notes are properly characterized as debt, the issuing entity is also able to issue other series or classes of notes which may be treated as debt or equity interests in the issuing entity. The issuance of such additional notes requires the delivery of a new opinion of counsel generally to the effect that the issuance will not cause the issuing entity to be treated as an association or publicly traded partnership taxable as a corporation for federal income tax purposes. However, any new opinion also is not binding on the IRS, and the issuing entity could become taxable as a corporation as a result of the issuance of such additional notes, thereby also potentially diminishing cash available to make payments on the previously issued Series 2024-A notes.

If the issuing entity is treated as a partnership for U.S. federal income tax purposes, partnership audit rules would generally apply to the issuing entity. Under these rules, unless an entity elects otherwise, taxes arising from audit adjustments are required to be paid by the entity rather than by its partners or members. In certain circumstances, exceptions may be available under these provisions (including any changes) and Treasury Regulations so that the issuing entity's members, to the fullest extent possible, rather than the issuing entity itself, would be liable for any taxes arising from audit adjustments to the issuing entity's taxable income if the issuing entity is treated as a partnership. To the extent authorized to do so, the issuing entity may utilize these exceptions. Prospective investors are urged to consult with their tax advisors regarding the possible effect of these rules.

### **Treatment of the Notes as Indebtedness**

On the Series 2024-A issuance date, Mayer Brown LLP, special tax counsel to the issuing entity, will deliver an opinion, subject to the assumptions and qualifications therein, to the effect that based on the terms of the Series 2024-A notes, the transactions relating to the receivables as set forth herein and the applicable provisions of the Indenture and related documents, under existing law, the Series 2024-A notes (other than Series 2024-A notes beneficially owned by (A) the issuing entity or a person treated as the same person as the issuing entity for U.S. federal income tax purposes, (B) a member of an expanded group (as defined in Treasury Regulation Section 1.385-1(c)(4) or any successor regulation then in effect) that includes the issuing entity or a person considered to be the same person as the issuing entity for United States federal income tax purposes, (C) a "controlled partnership" (as defined in Treasury Regulation Section 1.385-1(c)(1) or any successor regulation then in effect) of such expanded group or (D) a disregarded entity owned directly or indirectly by a person described in preceding clause (B) or (C)) will be treated as debt. This opinion is based on the assumption that the Series 2024-A notes will be issued pursuant to the terms of the Indenture and all other documents relating to the issuance of the Series 2024-A notes and in compliance with such terms.

Pursuant to the Indenture and related Transaction Documents, the issuing entity and the indenture trustee agree, and the noteholders and each U.S. Holder and non-U.S. Holder, by acceptance of their Series 2024-A notes, will agree, to treat the Series 2024-A notes as indebtedness for U.S. federal income tax purposes. It is assumed for the remainder of this discussion that the Series 2024-A notes are treated as indebtedness for U.S. federal income tax purposes.

*Related-Party Note Acquisition Considerations.* The United States Department of the Treasury and the IRS issued Treasury Regulations under Section 385 of the Code that address the debt or equity treatment of instruments held by certain parties related to the issuing entity. In particular, in certain circumstances, a Series 2024-A Note that otherwise would be treated as debt is treated as stock for U.S. federal income tax purposes during periods in which the Series 2024-A Note is held by an applicable related party (meaning a member of an “expanded group” that includes the issuing entity (or its owner(s)), generally based on a group of corporations or controlled partnerships connected through 80% direct or indirect ownership links). Under the Treasury Regulations, any Series 2024-A notes treated as stock under these rules could result in adverse consequences to such related party noteholder, including that U.S. federal withholding taxes could apply to distributions on the Series 2024-A notes. If the issuing entity were to become liable for any such withholding or failure to so withhold, the resulting impositions could reduce the cash flow that would otherwise be available to make payments on all Series 2024-A notes. In addition, when a recharacterized Series 2024-A Note is acquired by a beneficial owner that is not an applicable related party, that Series 2024-A Note is generally treated as reissued for U.S. federal income tax purposes and thus may have tax characteristics differing from notes of the same class that were not previously held by a related party. The issuing entity does not intend to separately track any such Series 2024-A notes. While the issuing entity does not believe that these regulations will apply to any of the Series 2024-A notes, the regulations are complex and have not yet been applied by the IRS or any court. In addition, the IRS has reserved certain portions of the regulations pending its further consideration. Prospective investors should note that the Treasury Regulations are complex and we urge you to consult your tax advisors regarding the possible effects of these rules.

## **Tax Consequences to U.S. Holders of Notes**

*Treatment of Stated Interest.* Assuming the Series 2024-A notes are not issued with original issue discount or OID, the stated interest on a Series 2024-A Note will be taxable to a noteholder as ordinary income, in accordance with Section 61 of the Code, when received or accrued in accordance with each noteholder’s method of tax accounting for U.S. federal income tax purposes. Interest received on a Series 2024-A Note may constitute “investment income” for purposes of some provisions in the Code limiting the deductibility of investment interest expense.

*Original Issue Discount.* It is anticipated that the Series 2024-A notes sold to investors in connection with this offering will not be issued with more than a *de minimis* amount (i.e., 0.25% of the principal amount of the Series 2024-A notes multiplied by the number of whole years to expected maturity) of original issue discount (“OID”). If the Series 2024-A notes offered hereunder are in fact issued at a greater than *de minimis* discount or are treated as having been issued with OID under the Treasury Regulations, the following general rules will apply.

The excess of the “**stated redemption price at maturity**” of the Series 2024-A notes offered hereunder (generally equal to their principal amount as of the date of original issuance plus all interest other than “**qualified stated interest payments**” payable prior to or at maturity) over their original issue price (in this case, the initial offering price at which a substantial amount of the Series 2024-A notes offered hereunder are sold to the public) will constitute OID. A noteholder must include OID in income over the term of the Series 2024-A notes under a constant yield method. In general, under Section 1272 of the Code, OID must be included in income in advance of the receipt of the cash representing that income.

In the case of a note purchased with *de minimis* OID, generally, a portion of such OID is taken into income upon each principal payment on the note. Such portion equals the *de minimis* OID times a fraction whose numerator is the amount of principal payment made and whose denominator is the stated principal amount of the note. Such income generally is capital gain. If the Series 2024-A notes are not issued with OID but a holder purchases a note at a discount greater than the *de minimis* amount set forth above, such discount will be market discount. Generally, a portion of each principal payment will be treated as ordinary income to the extent of the accrued market discount not previously recognized as income. Gain on sale of such Series 2024-A Note is treated as ordinary income to the

extent of the accrued but not previously recognized market discount. Market discount generally accrues ratably, absent an election to base accrual on a constant yield to maturity basis.

Noteholders should consult their tax advisors with regard to OID and market discount matters concerning their Series 2024-A notes.

Under Section 1272(a)(2)(C) of the Code, a holder of a Series 2024-A Note which has a fixed maturity date not more than one year from the issue date of such Series 2024-A Note (a “**Short-Term Note**”) will generally not be required to include OID income on the Series 2024-A Note as it accrues. However, the foregoing rule may not apply if such holder holds the instrument as part of a hedging transaction, or as a stripped bond or stripped coupon or if the holder is:

- an accrual method taxpayer;
- a bank;
- a broker or dealer that holds the Series 2024-A Note as inventory;
- a regulated investment company or common trust fund; or
- the beneficial owner of specified pass-through entities specified in the Code.

A holder of a Short-Term Note who is not required to include OID income on the Series 2024-A Note as it accrues will instead include the OID accrued on the Series 2024-A Note in gross income upon a sale or exchange of the Series 2024-A Note or at maturity, or if the Short-Term Note is payable in installments, as principal is paid thereon. A holder would be required to defer deductions for any interest expense on an obligation incurred to purchase or carry the Short-Term Note except to the extent it exceeds the sum of any interest income and OID accrued on such Series 2024-A Note. However, a holder may elect to include OID in income as it accrues on all obligations having a maturity of one year or less held by the holder in that taxable year or thereafter, in which case the deferral rule of the preceding sentence will not apply. For purposes of this paragraph, OID accrues on a Short-Term Note on a straight-line basis, unless the holder irrevocably elects, under regulations to be issued by the Treasury Department, to apply a constant interest method, using the holder’s yield to maturity and daily compounding.

A holder who purchases a Series 2024-A Note after its initial distribution at a discount that exceeds a statutorily defined de minimis amount will be subject to the “market discount” rules of Sections 1276 through 1278 of the Code, and a holder who purchases a Series 2024-A Note at a premium will be subject to the bond premium amortization rules of Section 171 of the Code.

*Sale, Exchange and Retirement of Notes.* When a U.S. Holder sells, exchanges, retires or otherwise disposes of a Series 2024-A Note, capital gain or loss will be recognized by the U.S. Holder equal to the difference between the amount realized upon the sale, exchange, retirement or other disposition (not including an amount equal to any accrued but unpaid interest, which will be taxable as such to U.S. Holders if not previously included into income) and the adjusted tax basis of the Series 2024-A Note. For this purpose, a defeasance of a Series 2024-A Note may be treated as a deemed taxable sale or exchange. A U.S. Holder’s adjusted tax basis for a Series 2024-A Note generally will equal the holder’s cost for the Series 2024-A Note, increased by any OID and market discount previously included by such holder in income with respect to the Series 2024-A Note and decreased by any bond premium previously amortized and any payments of principal and OID previously received by such holder with respect to such Series 2024-A Note. Capital gains of individuals derived in respect of capital assets held for more than one year are eligible for reduced rates of taxation. The deductibility of capital losses recognized by U.S. Holders is subject to limitations.

*Net Investment Income Tax.* Section 1411 of the Code generally imposes a tax of 3.8% on the “net investment income” of certain individuals, trusts and estates. Among other items, net investment income generally includes gross income from interest and net gain attributable to the disposition of certain property, less certain

deductions. U.S. Holders should consult their own tax advisors regarding the possible implications of this tax in their particular circumstances.

### **Tax Consequences to Non-U.S. Holders of Notes**

*Payments of Interest.* Except as provided below with respect to backup withholding and FATCA, with respect to non-U.S. Holders that are not engaged in a U.S. trade or business to which interest on the Series 2024-A notes is effectively connected, the U.S. federal withholding tax will not apply to any payment of interest on the Series 2024-A notes provided that: (i) the non-U.S. Holder does not actually, or constructively, own 10% or more of the issuing entity's capital and profits within the meaning of Section 871(h)(3) of the Code and applicable Treasury Regulations; (ii) the non-U.S. Holder is not a controlled foreign corporation (within the meaning of Section 957(a) of the Code) that is "related" to the issuing entity through stock or interest ownership; (iii) the non-U.S. Holder is not a bank whose receipt of interest on the Series 2024-A notes is described in Section 881(c)(3)(A) of the Code; and (iv) either (a) the non-U.S. Holder provides his, her or its name and address on a fully completed and executed IRS Form W-8BEN or IRS Form W-8BEN-E, as applicable, before the time of a payment on the Series 2024-A notes or (b) the non-U.S. Holder holds the Series 2024-A notes through certain foreign intermediaries and in either case the certification requirements of applicable Treasury Regulations are satisfied. Special certification rules apply to certain non-U.S. Holders that are entities (including entities treated for U.S. federal income tax purposes as pass-through entities) rather than individuals.

If a non-U.S. Holder is engaged in a trade or business in the United States and interest on the Series 2024-A notes is effectively connected with the conduct of that trade or business, the non-U.S. Holder, although exempt from the withholding tax discussed above, may be subject to U.S. federal income tax on such interest, less any deductions allowed against such income, at rates applicable to U.S. persons. In addition, if a non-U.S. Holder is a foreign corporation, it may be subject to a branch profits tax equal to 30%, or lower applicable treaty rate, on its net effectively connected earnings and profits for the taxable year, subject to certain adjustments. For this purpose, interest on the Series 2024-A notes will be included in earnings and profits.

*Sale, Exchange and Retirement of Offered Notes.* Except as provided below with respect to backup withholding and FATCA, any gain that a non-U.S. Holder realizes on the sale, exchange, retirement or other disposition of a Series 2024-A Note generally will not be subject to U.S. federal income or withholding tax if (i) such gain is not effectively connected with a U.S. trade or business of such non-U.S. Holder and (ii), in the case of an individual, such non-U.S. Holder is not present in the United States for 183 days or more in the taxable year of the sale, exchange, retirement or other disposition and certain other conditions are satisfied.

### **Information Reporting and Backup Withholding**

Where required, the issuing entity will report to the holders of Series 2024-A notes and the IRS the amount of any interest paid on the Series 2024-A notes in each calendar year and the amounts of tax withheld, if any, with respect to the payments.

A U.S. Holder may be subject to backup withholding tax (currently at a rate of 24%) with respect to interest payments and gross proceeds from the sale, exchange, retirement or other disposition of Series 2024-A notes under Section 3406 of the Code unless (1) the U.S. Holder is a corporation or comes within certain other exempt categories or (2) prior to payment, the U.S. Holder provides an accurate taxpayer identification number and certifies as required on a duly completed and executed IRS Form W-9, and, in either case, the U.S. Holder otherwise complies with the requirements of the backup withholding rules.

Non-U.S. Holders who have provided the form and certifications mentioned under the heading "*Tax Consequences to Non-U.S. Holders—Payments of Interest*" above or who have otherwise established an exemption will generally not be subject to backup withholding tax if neither the issuing entity nor its agent has actual knowledge or reason to know that any information in that form or those certifications is unreliable or that the conditions of the exemption are in fact not satisfied. Amounts paid to non-U.S. Holders will, however, be subject to information reporting by the issuing entity or its agents.

Payments of the proceeds from the sale of a Series 2024-A Note held by a non-U.S. Holder who is not engaged in a U.S. trade or business to or through a foreign office of a broker will not be subject to information reporting or backup withholding. However, information reporting may apply to those payments if the broker is one of the following:

- a U.S. person;
- a controlled foreign corporation for U.S. tax purposes;
- a foreign person 50 percent or more of whose gross income from all sources for the three-year period ending with the close of its taxable year preceding the payment was effectively connected with a U.S. trade or business; or
- a foreign partnership with specified connections to the United States,

but those payments will not be subject to backup withholding unless the payor has actual knowledge that the payee is a U.S. Holder and no exception to backup withholding is otherwise established.

Payment of the proceeds from a sale of a Series 2024-A Note held by a non-U.S. Holder who is not engaged in a U.S. trade or business to or through the U.S. office of a broker is subject to information reporting and backup withholding unless the holder in question certifies as to its taxpayer identification number or otherwise establishes an exemption from information reporting and backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be refunded or credited against the holder's U.S. federal income tax liability, provided that the required information is furnished to the IRS.

### **Foreign Account Tax Compliance**

Sections 1471 through 1474 of the Code and the Treasury Regulations thereunder (commonly referred to as the “**Foreign Account Tax Compliance Act**” or “**FATCA**”) generally imposes a withholding tax of 30 percent on interest payments (including OID) from debt instruments and, under rules previously scheduled to take effect beginning January 1, 2019, the gross proceeds of a disposition of debt instruments paid to a foreign financial institution (including where such foreign financial institution is not the beneficial owner of such income), unless such institution enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities substantial information regarding certain U.S. account holders of such institution (which would include certain account holders that are foreign entities with U.S. owners). FATCA also generally imposes a withholding tax of 30 percent on interest payments (including OID) from debt instruments and, under rules previously scheduled to take effect beginning January 1, 2019, the gross proceeds of a disposition of debt instruments paid to a non-financial foreign entity unless such entity provides the withholding agent with certain certification or information relating to U.S. ownership of the entity. Proposed Treasury Regulations eliminate withholding on payments of gross proceeds from dispositions of debt instruments (whether paid to a foreign financial institution or a non-financial foreign entity). Pursuant to these proposed Treasury Regulations, the issuing entity and any withholding agent may rely on this change to FATCA withholding until the final Treasury Regulations are issued. Under certain circumstances, such foreign persons might be eligible for refunds or credits of such taxes. In addition, certain countries have entered into, and other countries are expected to enter into, agreements with the United States to facilitate the type of information reporting required under FATCA. While the existence of such agreements will not eliminate the risk that Series 2024-A notes will be subject to the withholding described above, these agreements are expected to reduce the risk of the withholding for investors in (or indirectly holding Series 2024-A notes through financial institutions in) those countries. Prospective investors are encouraged to consult with their tax advisors regarding the possible implications of this legislation with respect to an investment in the Series 2024-A notes.

*The federal tax discussions set forth above are included for general information only and may not be applicable depending upon a noteholder's particular tax situation. Prospective purchasers should consult their tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of offered notes, including the tax consequences under state, local, foreign and other tax laws and the possible effects of changes in federal or other tax laws.*

## State and Local Tax Consequences

In addition to the U.S. federal income tax considerations described above under “*Certain Federal Income Tax Considerations*” in this offering memorandum, potential investors should consider the state and local income tax consequences of acquiring, owning and disposing of the Series 2024-A notes. The activities of servicing and collecting the Receivables will be undertaken by the servicer, which is a California corporation. Because of the variation on each state’s tax laws based in whole or in part upon income, state and local income tax law may differ substantially from the corresponding federal law, and it is thus impossible to predict tax consequences to noteholders in all of the state taxing jurisdictions in which they are subject to tax. Additionally, it is possible a state or local jurisdiction may assert its right to impose tax on the issuing entity with respect to its income related to receivables collected from customers located in such jurisdiction. It is also possible that a state may require that a noteholder treated as an equity-owner (including non-resident noteholders) file state income tax returns with the state pertaining to income from receivables collected from customers located in such state (and may require withholding by the issuing entity on related income). Certain states have also recently enacted partnership audit rules that mirror or connect with the audit rules that now apply to partnerships for U.S. federal income tax purposes, and similar considerations apply to those state partnership audit rules as apply to the current federal partnership audit rules. Accordingly, this discussion does not purport to describe any aspect of the income tax laws of any state or locality. Therefore, potential investors should consult their own tax advisors with respect to the various state and local tax consequences of an investment in the Series 2024-A notes.

## TRANSFER RESTRICTIONS

Because of the following restrictions applicable to the notes, investors are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the notes. Investors in the notes are advised that such interests are not transferable at any time except in accordance with the following restrictions and the terms of the Indenture. No person may acquire an interest in any note except in compliance with the terms provided below and in the Indenture. Notwithstanding the foregoing, transfers of notes to the depositor or any of its affiliates and by the depositor or any of its affiliates as part of the initial distribution or any redistribution of the notes by the depositor or any of its affiliates pursuant to the note purchase agreement or any similar agreement are not subject to the restrictions set forth below.

Each beneficial owner of a note shall be deemed to represent and agree as follows (terms used in this paragraph that are defined in Rule 144A or Regulation S under the Securities Act are used herein as defined therein):

(1) The owner either (a) (i) is a QIB, (ii) is aware that the sale of the notes to it is being made in reliance on the exemption from registration provided by Rule 144A under the Securities Act, and (iii) is acquiring the notes for its own account or for one or more accounts, each of which is a QIB, and as to each of which the owner exercises sole investment discretion, and in a principal amount of not less than the minimum denomination of such note for the purchaser and for each such account or (b) is a Non-U.S. Person and is purchasing the notes pursuant to Rule 903 or 904 of Regulation S, and in a principal amount of not less than the minimum denomination of such note.

(2) The owner understands that the notes will bear the applicable legend set forth below other than to the extent set forth in the Indenture. The notes may not at any time be held by or on behalf of any person (other than the depositor or an affiliate of the depositor) that is not a QIB or a Non-U.S. Person purchasing in accordance with Regulation S.

(3) The owner understands that the notes are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, the notes have not been and will not be registered under the Securities Act, and, if in the future the owner decides to offer, resell, pledge or otherwise transfer the notes, such notes may only be offered, resold, pledged or otherwise transferred in accordance with the Indenture. The owner acknowledges that no representation is made by the issuing entity or the initial purchasers, as the case may be, as to the availability of any exemption under the Securities Act or any applicable state securities laws for resale of the notes.

(4) The owner understands that an investment in the notes involves certain risks, including the risk of loss of all or a substantial part of its investment under certain circumstances. The owner has had access to such financial

and other information concerning the issuing entity and the notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the notes, including an opportunity to ask questions of and request information from the servicer, the depositor and the issuing entity. The owner has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of its investment in the notes, and the owner and any accounts for which it is acting are each able to bear the economic risk of the holder's or of its investment.

(5) In connection with the purchase of the notes (a) none of the issuing entity, the grantor trust, the owner trustee, the servicer, the depositor, the initial purchasers nor the indenture trustee is acting as a fiduciary or financial or investment adviser for the owner; (b) the owner is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the initial purchasers, the issuing entity, the grantor trust, the owner trustee, the servicer, the depositor or the indenture trustee other than in the most current offering memorandum for such notes and any representations expressly set forth in a written agreement with such party; (c) none of the initial purchasers, the issuing entity, the grantor trust, the owner trustee, the servicer, the depositor or the indenture trustee has given to the owner (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting, or otherwise) of its purchase or the documentation for such notes; (d) the owner has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisers to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisers as it has deemed necessary and not upon any view expressed by the issuing entity, the grantor trust, the owner trustee, the initial purchasers, the servicer, the depositor or the indenture trustee; (e) the owner has determined that the rates, prices or amounts and other terms of the purchase and sale of such notes reflect those in the relevant market for similar transactions; (f) the owner is purchasing such notes with a full understanding of all of the terms, conditions and risks thereof (economic and otherwise), and is capable of assuming and willing to assume (financially and otherwise) these risks; and (g) the owner is a sophisticated investor familiar with transactions similar to its investment in such notes.

(6) The owner will not, at any time, offer to buy or offer to sell the notes by any form of general solicitation or advertising, including, but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television or radio or at a seminar or meeting whose attendees have been invited by general solicitations or advertising.

(7) The owner is not purchasing the notes with a view to the resale, distribution or other disposition thereof in violation of the Securities Act.

(8) The owner will provide notice to each person to whom it proposes to transfer any interest in the notes of the transfer restrictions and representations set forth in the Indenture, including the exhibits thereto.

(9) The owner acknowledges that the notes do not represent deposits with or other liabilities of the indenture trustee, the owner trustee, the initial purchasers, the servicer, the depositor or any entity related to any of them (other than the issuing entity) or any other purchaser of notes. Unless otherwise expressly provided herein, each of the indenture trustee, the owner trustee, the initial purchasers, the servicer, the depositor, any entity related to any of them and any other purchaser of notes will not, in any way, be responsible for or stand behind the capital value or the performance of the notes or the assets held by the issuing entity. The owner acknowledges that the purchase of notes involves investment risks including prepayment and interest rate risks, possible delay in repayment and loss of income and principal invested. The purchaser has considered carefully, in the light of its own financial circumstances and investment objectives, all of the information set forth herein and, in particular, the risk factors described herein.

(10) The notes will bear legends to the following effect unless the issuing entity determines otherwise in compliance with applicable law:

“THIS NOTE OR ANY INTEREST HEREIN HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND THE ISSUER



HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THIS NOTE OR ANY INTEREST HEREIN MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT (A) (1) TO A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT (A "QUALIFIED INSTITUTIONAL BUYER") WHO IS EITHER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A PRINCIPAL AMOUNT OF NOT LESS THAN \$100,000 AND IN GREATER WHOLE NUMBER DENOMINATIONS OF \$1,000 IN EXCESS THEREOF (EXCEPT FOR TWO SUCH NOTES WHICH MAY BE ISSUED IN INTEGRAL MULTIPLES IN EXCESS THEREOF OF OTHER THAN \$1,000) FOR THE PURCHASER AND FOR EACH SUCH ACCOUNT, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS SPECIFIED IN THE INDENTURE, OR (2) TO THE SELLER OR ANY OF ITS U.S. CORPORATE AFFILIATES (OR DISREGARDED ENTITIES THEREOF) AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION. EACH PURCHASER WILL BE DEEMED TO HAVE MADE CERTAIN REPRESENTATIONS AND AGREEMENTS SET FORTH IN THE INDENTURE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE INDENTURE TRUSTEE, OR ANY INTERMEDIARY. IF AT ANY TIME, THE ISSUER DETERMINES OR IS NOTIFIED THAT THE HOLDER OF SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE WAS IN BREACH, AT THE TIME GIVEN, OF ANY OF THE REPRESENTATIONS SET FORTH IN THE INDENTURE, THE ISSUER AND THE INDENTURE TRUSTEE MAY CONSIDER THE ACQUISITION OF THIS NOTE OR SUCH INTEREST IN SUCH NOTE VOID AND REQUIRE THAT THIS NOTE OR SUCH INTEREST HEREIN BE TRANSFERRED TO A PERSON DESIGNATED BY THE ISSUER.

BY ACQUIRING THIS NOTE (OR ANY INTEREST HEREIN), EACH PURCHASER AND TRANSFEREE (AND, IF THE PURCHASER OR TRANSFEREE IS A PLAN (AS DEFINED BELOW), ITS FIDUCIARY) SHALL BE DEEMED TO (I) REPRESENT, WARRANT AND COVENANT THAT EITHER (A) IT IS NOT ACQUIRING AND WILL NOT HOLD THIS NOTE (OR ANY INTEREST HEREIN) FOR, ON BEHALF OF, OR WITH THE ASSETS OF ANY PLAN (AS DEFINED BELOW) THAT IS SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") (EACH OF THE FOREGOING, A "BENEFIT PLAN"), OR A PLAN (AS DEFINED BELOW) THAT IS SUBJECT TO A LAW THAT IS SIMILAR TO THE FIDUCIARY RESPONSIBILITY OR PROHIBITED TRANSACTION PROVISIONS OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") OR (B) THE ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR ANY INTEREST HEREIN) DOES NOT AND WILL NOT GIVE RISE TO A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA, SECTION 4975 OF THE CODE OR A VIOLATION OF ANY SIMILAR LAW AND (II) ACKNOWLEDGE AND AGREE THAT BENEFIT PLANS OR PLANS THAT ARE SUBJECT TO SIMILAR LAW MAY NOT ACQUIRE THIS NOTE AT ANY TIME THAT THIS NOTE DOES NOT HAVE AN INVESTMENT GRADE RATING FROM AT LEAST ONE NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION OR THIS NOTE HAS BEEN CHARACTERIZED AS OTHER THAN INDEBTEDNESS FOR APPLICABLE LOCAL LAW PURPOSES. FOR PURPOSES OF THE FOREGOING, "PLAN" MEANS AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF ERISA, WHETHER OR NOT SUBJECT TO THE PROVISIONS OF TITLE I OF ERISA, A "PLAN" AS DEFINED IN SECTION 4975 OF THE CODE OR ANY ENTITY DEEMED TO HOLD PLAN ASSETS OF THE FOREGOING.

TRANSFERS OF THIS NOTE MUST GENERALLY BE ACCOMPANIED BY APPROPRIATE TAX TRANSFER DOCUMENTATION AND ARE SUBJECT TO RESTRICTIONS AS PROVIDED IN THE INDENTURE."

(11) Each Book-Entry Note will bear a legend in substantially the following form:

“UNLESS THIS SERIES 2024-A 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 SERIES 2024-A 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.”

(12) By acquiring a Series 2024-A Note (or interest therein), each purchaser and transferee (and if the purchaser or transferee is a Plan, its fiduciary) will be deemed to (i) represent and warrant that either (a) it is not acquiring and will not hold such note (or interest therein) on behalf of, or with the assets of, a Benefit Plan Investor or Plan that is subject to Similar Law or (b) the acquisition, holding and disposition of such note (or any interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of any Similar Law and (ii) acknowledge and agree if it is a Benefit Plan Investor or a Plan that is subject to Similar Law, it will not acquire such note (or any interest therein) at any time that such note does not have an investment grade rating from at least one nationally recognized statistical rating organization or if such note has been characterized as other than indebtedness for applicable local law purposes.

(13) Any purported transfer of a note to a transferee that does not comply with the requirements of the preceding paragraphs shall be null and void ab initio. If at any time the issuing entity determines or is notified that the Series 2024-A noteholder or note owner was in breach of an applicable transfer restriction, the issuing entity may require that such note or such beneficial interest therein be transferred to a person designated by the issuing entity. If the transferee fails to transfer such note or such beneficial interests in such note within thirty (30) days after notice of the voided transfer, then the issuing entity shall cause such Series 2024-A noteholder’s interest or note owner’s interest in such note to be transferred in a commercially reasonable sale arranged by the issuing entity to a person that certifies to the indenture trustee and the issuing entity, in connection with such transfer, that such person is a QIB or to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or 904 (as applicable) of Regulation S.

(14) Each purchaser of the notes represented by an interest in a Regulation S Book-Entry Note (or any interest therein) will be deemed to have made the representations set forth above and to have further represented and agreed as follows:

The purchaser is aware that the sale of notes to it is being made in reliance on the exemption from registration provided by Regulation S under the Securities Act and understands that the notes offered in reliance on Regulation S under the Securities Act will bear the legend set forth above and be represented by one or more Regulation S Book-Entry Notes. The notes so represented may not at any time be held by or on behalf of a U.S. Person under the Securities Act. The purchaser and each beneficial owner of the notes that it holds is not, and will not be, a U.S. Person under the Securities Act or a United States resident for purposes of the Investment Company Act. Before any interest in a Regulation S Book-Entry Note may be exchanged, offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a definitive note, the transferor thereof and the transferee thereof will be required to provide the indenture trustee with a written certification in the form prescribed by the Indenture as to compliance with the transfer restrictions.

(15) In determining compliance with applicable transfer restrictions, the indenture trustee may rely upon a written opinion of counsel, the cost of obtaining which will be an expense of the beneficial owner of a note (or, in the case of a definitive note, the Series 2024-A noteholder of the note) to be transferred (or the transferee thereof).

With respect to the references in the note legends set forth in clauses (10) and (11) above to certain representations, warranties and agreements by the beneficial owner of a note set forth in the indenture, please see the descriptions thereof in this caption.

## GLOSSARY

All references in this offering memorandum to any agreement should be understood to be references to that agreement as it may be amended, amended and restated or otherwise modified from time to time.

**“Account”** means, as of any date of determination, each Eligible Account, which shall include each initial Account and, from and after the related Addition Date, each Additional Account and excluding, from and after the related Redesignation Date, each Redesignated Account.

**“Accrued Step-Up Amounts”** means, with respect to a Class and each Payment Date after the Series 2024-A Expected Final Payment Date, the sum of the Step-Up Amounts and the Step-Up Shortfall for such Class.

**“Accumulation Account”** means a trust account designated as such, established and maintained pursuant to this offering memorandum.

**“Accumulation Shortfall”** means, if there is an Accumulation Period, (i) on the first Payment Date with respect to the Accumulation Period, zero, and (ii) thereafter, on each Payment Date with respect to the Accumulation Period, the excess, if any of the Controlled Deposit Amount for the preceding Payment Date over all amounts deposited in the Accumulation Account on such Payment Date.

**“Addition Date”** means, for an Additional Account designated for the issuing entity, the date on which Receivables arising in connection with that Account are first transferred to the issuing entity, as specified in the assignment in respect of such Additional Account.

**“Additional Account”** means each Eligible Account from time to time designated for the issuing entity after the Series 2024-A Issuance Date, the then-existing and subsequently created Receivables of which will be transferred to the issuing entity.

**“Additional Cut-Off Date”** means, for an Additional Account designated for the issuing entity, the date specified in the assignment in respect of such Additional Account.

**“Additional Interest”** means, if the Interest Deficiency with respect to any Payment Date is greater than zero, on each subsequent Payment Date until such Interest Deficiency is fully paid, an additional amount equal to the product of (i) a fraction, the numerator of which is the actual number of days in the related Interest Period and the denominator of which is 360, (ii) the applicable Series 2024-A Interest Rate with respect to the related Interest Period and (iii) such Interest Deficiency (or the portion thereof which has not been paid to the Series 2024-A noteholders).

**“Adjusted Pool Balance”** means, as of any day in a Collection Period, the sum of the Pool Balance and amounts on deposit in the Excess Funding Account (determined after giving effect to amounts transferred to the issuing entity on that date), on such day.

**“Administration Agreement”** means the Second Amended and Restated Administration Agreement, dated as of the Series 2024-A Issuance Date, between the issuing entity, the administrator, the indenture trustee and the owner trustee, as the same may be further amended, restated, supplemented or otherwise modified from time to time.

**“Business Day”** means any day other than a Saturday, a Sunday, a legal or federal holiday or a day on which banking institutions or trust companies in New York, New York, Wilmington, Delaware, Irving, Texas, Franklin, Tennessee, or the city and state where the corporate trust office of the Indenture Trustee is located are authorized or obligated by law, regulation executive order or government decree to be closed; *provided that*, when used in the context of a Payment Date, “Business Day” means any day other than (i) a Saturday or Sunday or (ii) a day on which the Federal Reserve Bank of New York is closed.

**“Cash Management Account”** means one or more deposit, demand deposit or similar accounts or any securities account administered by NMAC, into which a Dealer may, from time to time, pursuant to a cash management agreement between NMAC and such Dealer, deposit funds for the purpose of reducing the balance on which interest accrues under the Floorplan Financing Agreement between NMAC and such Dealer.

**“Cash Management Account Balance”** means, at any time, the aggregate of all amounts on deposit in the Cash Management Account pursuant to the applicable cash management agreement between NMAC and a Dealer.

**“Certificateholders”** means the holders of the Certificates.

**“Certificates”** means the depositor’s uncertificated interest in the Transferor Interest; provided, however, if the depositor elects to evidence its interest in the Transferor Interest in certificated form pursuant to the Trust Agreement, the certificates will be executed by the depositor and authenticated by or on behalf of the owner trustee in the form specified in the Trust Agreement.

**“Clearstream Banking Luxembourg”** means Clearstream Banking, société anonyme and its successors.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Collection Account”** means the account designated as such, established and maintained pursuant to this offering memorandum.

**“Collection Period”** means (i) with respect to the initial Payment Date, the Series 2024-A Initial Collection Period and (ii) with respect to any other Payment Date, the calendar month preceding the month in which that Payment Date occurs and (b) for all other series and any Payment Date for such series, the calendar month preceding the month in which that Payment Date occurs.

**“Controlled Accumulation Amount”** means, if there is an Accumulation Period, for any Payment Date with respect to such Accumulation Period, an amount equal to the quotient obtained by dividing (i) the Series 2024-A Initial Invested Amount by (ii) the Accumulation Period Length.

**“Controlled Deposit Amount”** means, if there is an Accumulation Period, for any Payment Date with respect to such Accumulation Period, an amount equal to the sum of the Controlled Accumulation Amount for such Payment Date and any Accumulation Shortfall existing on such Payment Date.

**“Customary Servicing Practices”** means the customary servicing practices of the Servicer with respect to all comparable floorplan financing facilities that the Servicer services for itself and others, as such practices may be changed from time to time by the Servicer in its sole discretion.

**“Dealer Overconcentrations”** means, on any Payment Date, with respect to the following Dealers or groups of affiliated Dealers, the sum of the following:

- the amount by which the aggregate balance of Principal Receivables due from the largest Dealer or group of affiliated Dealers, less any amounts in the Cash Management Account relating to such Receivables, exceeds 10.00% of the Pool Balance, in each case, on the last day of the Collection Period immediately preceding such Payment Date;
- the amount by which the aggregate balance of Principal Receivables, less any amounts in the Cash Management Account relating to such Receivables, due from the second largest Dealer or group of affiliated Dealers exceeds 4.00% of the Pool Balance, in each case, on the last day of the Collection Period immediately preceding such Payment Date;
- the amount by which the aggregate balance of Principal Receivables, less any amounts in the Cash Management Account relating to such Receivables, due from the third largest Dealer or group of affiliated Dealers exceeds 3.50% of the Pool Balance, in each case, on the last day of the Collection Period immediately preceding such Payment Date;
- the amount by which the aggregate balance of Principal Receivables, less any amounts in the Cash Management Account relating to such Receivables, due from the fourth largest Dealer or group of affiliated Dealers exceeds 3.25% of the Pool Balance, in each case, on the last day of the Collection Period immediately preceding such Payment Date;

- the amount by which the aggregate balance of Principal Receivables, less any amounts in the Cash Management Account relating to such Receivables, due from the fifth largest Dealer or group of affiliated Dealers exceeds 3.00% of the Pool Balance, in each case, on the last day of the Collection Period immediately preceding such Payment Date;
- the amount by which the aggregate balance of Principal Receivables, less any amounts in the Cash Management Account relating to such Receivables, due from the sixth largest Dealer or group of affiliated Dealers exceeds 2.50% of the Pool Balance, in each case, on the last day of the Collection Period immediately preceding such Payment Date; and
- the amount by which the aggregate balance of Principal Receivables, less any amounts in the Cash Management Account relating to such Receivables, due from any other Dealer or group of affiliated Dealers exceeds 2.00% of the Pool Balance, in each case, on the last day of the Collection Period immediately preceding such Payment Date.

**“Defaulted Amount”** means, for any day in a Collection Period, an amount (which shall not be less than zero) equal to (a) the principal balance of Receivables (net of any amounts on deposit in the Cash Management Account with respect to such Receivables) that became Defaulted Receivables on such day, minus (b) the principal amount of any such Defaulted Receivables that are to be reassigned to NMAC (except that this amount will be zero if events of bankruptcy, insolvency or receivership have occurred with respect to the depositor), minus (c) the principal amount of any such Defaulted Receivables which are to be purchased by the servicer in accordance with the terms of the Transfer and Servicing Agreement (except that this amount will be zero if events of bankruptcy, insolvency or receivership have occurred with respect to the servicer).

**“Defaulted Receivable”** means, as of any date of determination, a Receivable owned by the issuing entity that has been charged off in full as uncollectible in accordance with Customary Servicing Practices.

**“Definitive Notes”** means notes issued in fully registered, certificated form.

**“Depositor Deposit Amount”** means the amounts that represent Interest Collections or Principal Collections that are allocated to but not distributed to the depositor on any date, in each case in an amount equal to the amount by which the Adjusted Pool Balance would be less than the Required Participation Amount, after giving effect to (a) Principal Receivables transferred to the issuing entity on that date, (b) any deduction by the servicer of the principal balance of a Receivable from the Pool Balance because of a breach of a representation or warranty with respect to such Receivable, and (c) any other allocations, distributions, withdrawals and deposits to be made on such date, if such date is a Payment Date.

**“Depositor Replacement Amount”** means the amount that the depositor is required to deposit into the Excess Funding Account in connection with the redesignation of Ineligible Accounts and the removal of any Receivables therein and the failure to redesignate sufficient replacement Accounts and deliver additional Receivables, which amount equals (i) the excess, if any, between the Principal Receivables of such Ineligible Account over the Principal Receivables of any related replacement Account as measured on the date of such transfer or (ii) if no such replacement Account is designated, an amount equal to the Principal Receivables of such Ineligible Account.

**“Determination Date”** means, for any Payment Date, the day that is two Business Days before such Payment Date.

**“DTC”** means the Depository Trust Company and its successors.

**“DTC Participants”** means participating members of DTC.

**“Early Amortization Period”** means (a) with respect to Series 2024-A, the period that begins on the day on which an Early Amortization Event occurs and ends on the earliest of (i) the last day of the Collection Period preceding the Payment Date on which the outstanding principal amount of the Series 2024-A notes will be paid in full, (ii) if an Early Amortization Event has occurred before the commencement of the Accumulation Period (if there

is an Accumulation Period), the day on which the Revolving Period recommences under the limited circumstances described in “*Deposit and Application of Funds—Early Amortization Events*” in this offering memorandum and (iii) the Issuing Entity Termination Date and (b) with respect to any other series, the period during which principal is paid in varying amounts each month based primarily on the amount of Principal Receivables collected and allocable to noteholders following an early amortization event. For the avoidance of doubt, no make-whole payment will be made with respect to the payment of principal earlier than the Series 2024-A Expected Final Payment Date during the Early Amortization Period unless the issuing entity elects to redeem the Series 2024-A notes, in whole but not in part. See “*Description of the Notes—Optional Redemption*”.

“**Eligible Receivable**” means a Receivable that:

- (1) was originated by NMAC or acquired by NMAC from one of its affiliates (and if acquired by NMAC from a third party, the Rating Agency Condition has been satisfied);
- (2) is secured by a perfected first priority interest in the related floorplan financed vehicle;
- (3) is the subject of a valid transfer and assignment from the depositor to the issuing entity of all the depositor’s rights and interest in the Receivable, including all Related Security and all related proceeds;
- (4) complied at the time it was originated or made with all requirements of applicable law and pursuant to the Floorplan Financing Agreement;
- (5) immediately prior to the transfer and assignment by NMAC to NWRC II and by NWRC II to the issuing entity, NMAC had good and marketable title to the Receivable, free and clear of all liens arising before the transfer or arising at any time, other than liens permitted under the Transfer and Servicing Agreement;
- (6) if it relates to a New Vehicle, is covered by a repurchase agreement or other similar agreement from the related vehicle manufacturers;
- (7) will at all times be the legal and assignable payment obligation of the related Dealer, enforceable against the Dealer in accordance with its terms, except as enforceability may be limited by applicable bankruptcy or other similar laws;
- (8) as to which the records of NMAC do not reflect that such Receivable is subject to any right of rescission, setoff or any other defense of the related Dealer;
- (9) as to which the records of NMAC do not reflect that such Receivable has been satisfied, subordinated or rescinded, nor that any Vehicle has been released from the lien granted by the related Receivable in whole or in part; and
- (10) constitutes either an “account” or “chattel paper,” each as defined in Article 9 of the Uniform Commercial Code as in effect in the applicable jurisdiction.

“**Euroclear**” means the Euroclear System.

“**Euroclear Participants**” means participants of the Euroclear System.

“**Excess Funding Account**” means a segregated account (or segregated accounts) established by the issuing entity and maintained in the name of the indenture trustee by the indenture trustee for the benefit of the noteholders of all series issued by the issuing entity and any Series Enhancer for such series as described in this offering memorandum.

“**Excess Interest Amounts**” means, with respect to Series 2024-A, for any Payment Date, the excess (if any) of (i) the Series 2024-A Investor Available Interest Amounts for the related Collection Period over (ii) the full amount required to be paid, pursuant to clause first through fourth of the Payment Waterfall.

**“Excess Interest Sharing Group One”** means Series 2024-A and each other Series specified in the related Indenture Supplement to be included in Excess Interest Sharing Group One from which, or to which, Excess Interest Amounts (and comparable amounts with respect to each such other Series) may be allocated to cover shortfalls in payments or deposits of the other Series in Excess Interest Sharing Group One.

**“Excess Principal Amounts”** means, with respect to any series and any Collection Period, the amount, if any, of Series Investor Available Principal Amounts for such series remaining after all other required payments or applications thereof have been made (or allocated to be made) on the related Payment Date as stated in the Indenture and as described in this offering memorandum.

**“Excess Principal Sharing Group One”** means each series of notes, including Series 2024-A notes, included in Excess Principal Sharing Group One as specified in the Series 2024-A Indenture Supplement.

**“Final Maturity Date”** means February 15, 2028.

**“Fixed Allocation Percentage”** means, with respect to any series and any day in a Collection Period during a Collection Period or portion thereof occurring after the end of the Revolving Period, the percentage equivalent (not to exceed 100%) of a fraction, the numerator of which is the Series Nominal Liquidation Amount of such series as of the close of business on the last day of the Revolving Period and the denominator of which is the product of (a) the Series Allocation Percentage on such day in the Collection Period and (b) the Pool Balance on the last day of the preceding Collection Period.

**“Floating Allocation Percentage”** means, with respect to any series and any day in a Collection Period, the percentage equivalent of a fraction, the numerator of which is the Series Nominal Liquidation Amount on such day and the denominator of which is the product of (a) the Series Allocation Percentage on such day and (b) the Pool Balance on the last day of the preceding Collection Period. Notwithstanding the foregoing, on any day in a Collection Period in which there is an Early Amortization Event or during the Accumulation Period (if there is an Accumulation Period) or after the end of the Revolving Period with respect to a series, the Series Nominal Liquidation Amount of such series shall be as of the last day of the preceding Collection Period.

**“Floorplan Financing Agreement”** means, collectively, the group of related agreements, as in effect from time to time, between and among NMAC (either as the originator of a floorplan financing account or by virtue of an assignment and assumption by NMAC from the applicable originator of such account), the Dealer with respect thereto and, if applicable, a manufacturer, pursuant to which (a) NMAC agrees to extend credit to such Dealer to finance its purchase of New Vehicles, Pre-Owned Vehicles and/or Used Vehicles, (b) NMAC has a security interest in the specific vehicles so financed by NMAC and may have a security interest in certain other vehicles and/or a subordinated security interest in other collateral and the proceeds thereof and (c) such Dealer agrees to repay advances made by NMAC at the time of sale or lease of such financed vehicle, or pursuant to a payment schedule if such vehicle is not sold or leased before the first payment is due pursuant to such schedule.

**“Global Notes”** means any notes offered in book-entry form.

**“Hired Rating Agency”** means any nationally recognized statistical rating organization that is hired to assign ratings on the Series 2024-A notes and is then rating the Series 2024-A notes.

**“Incremental Overcollateralization Amount”** means, on any Payment Date, the product obtained by multiplying (i) a fraction, the numerator of which is the Series 2024-A Invested Amount on such Payment Date before giving effect to distributions on such date, and the denominator of which is the Pool Balance as of the last day of the preceding Collection Period by (ii) the sum of (x) the aggregate principal amount of Ineligible Receivables, other than Ineligible Receivables that (A) became Defaulted Receivables during the preceding Collection Period or (B) are subject to reassignment from the issuing entity, and (y) the amount by which the aggregate principal balance of Receivables relating to Used Vehicles and Pre-Owned Vehicles less any amounts in the Cash Management Account relating to such Receivables exceeds 20% of the Pool Balance as of the last day of the preceding Collection Period, in each calculated as of the Determination Date using balances and amounts as of the last day of the preceding Collection period, minus the reductions, and plus the reinstatements, in the Incremental Overcollateralization Amount as provided in the Series 2024-A Indenture Supplement.

**“Indenture”** means the Second Amended and Restated Indenture, dated as of the Series 2024-A Issuance Date, between the issuing entity and the indenture trustee, as the same may be further amended, restated, supplemented or otherwise modified and in effect from time to time.

**“Ineligible Account”** means a floorplan financing account established by NMAC for the benefit of a Dealer under a Floorplan Financing Agreement that, as of the date on which eligibility is determined, fails to satisfy one or more of the required eligibility criteria specified in the definition of “Eligible Account.”

**“Ineligible Receivable”** means a Receivable that does not satisfy the eligibility criteria specified in the definition of “Eligible Receivable.”

**“Interest Collections”** means, with respect to any day in a Collection Period, the sum of the following amounts:

- (1) all collections of Interest Receivables owned by the issuing entity;
- (2) the interest portion of the reassignment amount or purchase price of Receivables reassigned to the depositor or purchased by the servicer; and
- (3) all amounts received, including any insurance proceeds, by the depositor or the servicer with respect to Defaulted Receivables (including all recoveries).

**“Interest Deficiency”** means, as determined by the servicer, on the Interest Determination Date immediately preceding each Payment Date, the excess, if any, of (x) the Monthly Interest for such Payment Date over (y) the aggregate amount of funds allocated and available to pay such Monthly Interest on such Payment Date.

**“Interest Period”** means, with respect to any Payment Date, the period from (and including) the preceding Payment Date to (but excluding) such Payment Date or, in the case of the first Payment Date, the period from (and including) the Series 2024-A Issuance Date to (but excluding) the first Payment Date.

**“Interest Receivable”** means, in connection with an Account designated for the issuing entity, all amounts billed and payable by the related Dealer under the Receivables in that Account pursuant to the related Floorplan Financing Agreement with NMAC in respect of interest.

**“Interest Shortfall”** means with respect to Series 2024-A and Payment Date, the excess, if any, of (a) the full amount required to be paid, without duplication, by Series Investor Available Interest Amounts for such series pursuant to this offering memorandum on such Payment Date over (b) the Series Investor Available Interest Amounts for such series for such Payment Date.

**“Invested Amount”** means, for any series as of any day in a Collection Period, an amount equal to:

- (1) the initial Invested Amount of the notes of that series; plus
- (2) any increase in the principal amount of the notes of that series as and to the extent provided in this offering memorandum; minus
- (3) the amount of principal previously paid to the noteholders of that series; minus
- (4) amounts on deposit in the Accumulation Account; minus
- (5) the cumulative amount of unreimbursed Investor Charge-Offs for that series as of the Payment Date on or preceding such day, but after the Overcollateralization Amount for that series has been reduced to zero.

If so specified in the indenture supplement relating to any series of notes, under limited circumstances the Invested Amount may be further adjusted by funds on deposit in any specified account and any other amounts specified in the indenture supplement.



**“Investor”** means (a) with respect to any Series 2024-A notes issued as Global Notes, a Note Owner with respect to such Global Notes and (b) with respect to any Series 2024-A notes issued as Definitive notes, a noteholder with respect to such Definitive Notes.

**“Investor Charge-Offs”** means, for any series, the excess of the Series Investor Defaulted Amount for that series over the amount available to reimburse such Series Investor Defaulted Amount as specified in the Indenture.

**“IRS”** means Internal Revenue Service and its successors.

**“Issuing Entity Assets”** means all money, instruments, documents, securities, contract rights, general intangibles and other property that are subject to, or intended to be subject to, the lien of the Indenture for the benefit of the noteholders and any Series Enhancers, and includes, without limitation, all property and interest granted to the indenture trustee, including all proceeds thereof.

**“Issuing Entity Termination Date”** means the date on which the issuing entity will terminate as specified in the Trust Agreement.

**“Make-Whole Payment”** means, for any payment of the Series 2024-A Outstanding Principal Amount made on a Payment Date before the start of the Note Redemption Period as a result of the occurrence of a Series 2024-A Redemption Date, an amount (not less than zero) equal to, the excess of (a) the present value of (i) the amount of all future interest payments that would otherwise accrue on the Series 2024-A Outstanding Principal Amount at the Series 2024-A Interest Rate on such Payment Date until the start of the Note Redemption Period and (ii) the principal payment, discounted from the Payment Date on which such payment would have been made to such Payment Date monthly on an actual/360 basis at the SOFR Rate and such Payment Date over (b) the principal payment.

**“Monthly Interest”** means, for any Payment Date, the amount of interest accrued in respect of the Series 2024-A notes in the Interest Period for that Payment Date.

**“Monthly Payment Rate”** means, for a Collection Period, the percentage obtained by dividing the Principal Collections for such Collection Period by the average of the Pool Balance as of the first and last day of such Collection Period.

**“Monthly Servicing Fee”** means, for any Payment Date, an amount equal to one-twelfth of the product of (a) the Servicing Fee Rate, (b) the percentage equal to (i) the Series 2024-A Floating Allocation Percentage, divided by (ii) the sum of the Floating Allocation Percentages for all series for that month and (c) the Pool Balance as of the last day of such Collection Period.

**“New Vehicles”** consist of new Nissan and Infiniti vehicles distributed by NNA and satisfying the criteria set forth in the applicable repurchase agreement or new non-Nissan vehicles purchased from other manufacturers, funded under NMAC financing arrangements and satisfying substantially the same criteria.

**“Note Owner”** means, with respect to a Global Note, the Person who is the owner of such Global Note, as reflected on the books of the clearing agency or of a person maintaining an account with such clearing agency (directly as a clearing agency participant or as an indirect participant, in accordance with the rules of such clearing agency).

**“Note Redemption Period”** means the period beginning with the second Payment Date before the Series 2024-A Expected Final Payment Date.

**“noteholder”** means, as of any date, the holder of any note.

**“Noteholders’ Interest”** means, for any series of notes, the undivided beneficial interests in certain assets of the issuing entity allocated to the noteholders of such series as described in this offering memorandum.

**“notes”** means the notes of any series or class issued by the issuing entity (including the Series 2024-A notes) pursuant to the terms of the Indenture and the related indenture supplement.

**“Original Trust Agreement”** means the trust agreement, dated as of May 13, 2003, between the depositor and the owner trustee.

**“Overcollateralization Amount”** has, for any series, the meaning specified in the related indenture supplement. In general, the Overcollateralization Amount with respect to any series of notes is the amount of overcollateralization for that series of notes.

**“Paying Agent”** means the indenture trustee, acting as the initial paying agent, together with any successor to the indenture trustee acting in that capacity, and any Person specified in the Indenture or appointed by the indenture trustee or Trustee to act in that capacity for the related series.

**“Payment Date”** means (a) with respect to Series 2024-A, the 15<sup>th</sup> day of each month (or if the 15<sup>th</sup> day is not a Business Day, the next following Business Day), commencing on April 15, 2024 and (b) with respect to any other series, the date specified as such in the related indenture supplement.

**“Payment Date Statement”** means, with respect to any Series, a report prepared by the servicer and forwarded to the Paying Agent for distribution to the noteholders on each Payment Date that will contain the information about such series specified in the Indenture.

**“Person”** means any legal person, including any individual, corporation, partnership, association, joint-stock company, limited liability company, trust, unincorporated organization, governmental entity or other entity of similar nature.

**“Pool Balance”** means, on any date, the aggregate amount of the principal balances of the Receivables on that date, net of the Cash Management Account Balance on such date.

**“Pre-Owned Vehicles”** consist of previously owned Nissan or Infiniti vehicles, purchased at a closed auction conducted by NMAC or any of its affiliated companies or authorized agents (including demonstration vehicles), or from a non-Nissan sponsored auction and which Nissan or Infiniti vehicles or are current model year vehicles, or model years within five years of such current model year.

**“Primary Series 2024-A Overcollateralization Amount”** means, as of any Payment Date, the Series 2024-A Overcollateralization Percentage of the initial outstanding principal amount of the Series 2024-A notes minus the reductions, and plus the reinstatements, in the Primary Series 2024-A Overcollateralization Amount as described under *“Deposit and Application of Funds—Reduction and Reinstatement of Series Nominal Liquidation Amounts”* in this offering memorandum.

**“Principal Collections”** means, with respect to any day in a Collection Period, the sum of the following amounts:

- (1) all collections of Principal Receivables owned by the issuing entity (excluding, in all cases, all amounts recovered on Defaulted Receivables);
- (2) any cash proceeds transferred by NMAC to the depositor and by the depositor to the issuing entity arising in connection with the exercise by NMAC of its right to set-off against a Dealer’s principal balance of Receivables under the cash management agreement, between NMAC and such Dealer;
- (3) all other amounts paid by NMAC to the depositor and by the depositor to the issuing entity arising in connection with the application of amounts credited to the Cash Management Account to reduce a Dealer’s principal balance of Receivables;

(4) the principal portion of the reassignment amount or purchase price of Receivables reassigned to the depositor or purchased by the servicer;

(5) all amounts paid by NMAC to the depositor and by the depositor to the issuing entity resulting from reductions in the principal amount of Receivables due to dealer rebates, billing errors, returned merchandise and certain other similar non-cash items and repurchase obligations; and

(6) all amounts paid by NMAC to the depositor and by the depositor to the issuing entity in connection with Dealer terminations.

**“Principal Receivables”** means, in connection with an Account designated for the issuing entity, all amounts billed and payable by the related Dealer under the Receivables in that Account pursuant to the related Floorplan Financing Agreement with NMAC in respect of principal, as such may be reduced by repayments of principal, allocation of amounts on deposit in the related Cash Management Account or adjustments to reflect rebates to Dealers, billing errors, returned merchandise and certain other non-cash items, in each case, as determined in accordance with Customary Servicing Practices.

**“Principal Shortfalls”** means any principal distributions to noteholders of any series of notes which are either scheduled or permitted and which have not been covered out of Principal Collections and certain other amounts allocated to the series as specified in the Indenture and this offering memorandum.

**“Rating Agency”** means, with respect to any series of notes, any nationally recognized statistical rating organization that is hired by NMAC to assign a rating or ratings on such series of notes and is, at the time of reference thereto, still rating such series of notes.

**“Rating Agency Condition”** means, with respect to any action and each Rating Agency, that (i) each Rating Agency has received notice of such action within ten days (or, if ten (10) days’ advance notice is impracticable, as much advance notice as is practicable) of such action and no Rating Agency has informed the indenture trustee and the owner trustee that such action might or could result in the withdrawal or reduction of the then existing rating of any outstanding series or class of notes, or (ii) each Rating Agency has notified the Depositor, NMAC, the issuing entity and the indenture trustee in writing (which may be in the form of a letter, a press release or other publication, or a change in such Rating Agency’s published ratings criteria to this effect) that such action will not result in a reduction or withdrawal of the then existing rating of any outstanding series or class of notes rated by such Rating Agency; provided, that with respect to any outstanding series or Class of notes not rated by any Rating Agency, “Rating Agency Condition” has the meaning set forth in the related indenture supplement.

**“Reallocated Principal Collections”** means any Series 2024-A Investor Available Principal Amounts reallocated to pay accrued and unpaid interest on the Series 2024-A notes.

**“Receivable”** means a payment obligation owed by a Dealer in respect of funds borrowed from NMAC in a floorplan or wholesale financing arrangement which is secured by one or more Vehicles, and which may be secured by a security interest in NMAC’s rights to amounts (if any) on deposit in any Cash Management Account and a subordinated security interest in parts inventory, equipment, fixtures, service accounts, realty, personal guarantees or similar assets with respect to any Dealer.

**“Receivables Purchase Agreement”** means the Second Amended and Restated Receivables Purchase Agreement, dated as of the Series 2024-A Issuance Date, entered into by and between NMAC and the Depositor, as the same may be further amended, restated, supplemented or otherwise modified from time to time, pursuant to which NMAC sells Receivables to the Depositor, and each additional receivable purchase agreement entered into between NMAC and any other Person that will transfer Receivables to the issuing entity after the date of the Receivables Purchase Agreement.

**“Redesignated Account”** means an Account as to which the related Receivables will cease to be conveyed to the issuing entity and/or the Receivables previously generated have been reconveyed by the issuing entity pursuant to the Transfer and Servicing Agreement.

**“Redesignation Date”** means, with respect to any Redesignated Account, the date on which such Account is no longer designated for the issuing entity and all the related Receivables thereafter generated (and, if repurchased by the depositor, all previously generated and conveyed Receivables) will be removed from the issuing entity as specified in the notice of redesignation relating thereto delivered by the depositor (or the servicer on its behalf) to the owner trustee, the indenture trustee and any Series Enhancer.

**“Redesignation Date”** means, with respect to any Redesignated Account, the date on which such Account is no longer designated for the issuing entity and all the related Receivables thereafter generated (and, if repurchased by the depositor, all previously generated and conveyed Receivables) will be removed from the issuing entity as specified in the notice of redesignation relating thereto delivered by the depositor (or the servicer on its behalf) to the owner trustee, the indenture trustee and any Series Enhancer.

**“Reference Rate”** means, with respect to any Receivable, the per annum rate of interest designated from time to time by NMAC pursuant to the related Floorplan Financing Agreement.

**“Required Federal Income Tax Opinion”** means, with respect to the issuing entity as to any action, an opinion of counsel to the effect that, for federal income tax purposes:

(1) the action will not adversely affect the tax characterization as debt of the notes of any outstanding series or class issued by the issuing entity that were characterized as debt at the time of their issuance;

(2) the action will not cause the issuing entity to be treated as an association (or publicly traded partnership) taxable as a corporation; and

(3) the action will not cause or constitute an event in which gain or loss would be recognized by any holder of notes issued by the issuing entity.

**“Required Overcollateralization Amount”** has, for any series, the meaning specified in the related indenture supplement. In general the Required Overcollateralization Amount with respect to any series is the same as the Overcollateralization Amount without giving effect to any reductions thereto as specified in the related indenture supplement.

**“Required Participation Amount”** means the sum of the following amounts with respect to each outstanding series: (i) the product of (x) the Required Participation Percentage for such series and (y) the Invested Amount for such Series and (ii) the Overcollateralization Amount for such series.

**“Required Participation Percentage”** means, with respect to the Series 2024-A, 100%, provided, however, that the depositor may, in its sole discretion, increase this percentage, provided, however, that if the depositor voluntarily increases the Required Participation Percentage, then it may, in its sole discretion, upon ten days prior notice to the indenture trustee, subsequently decrease the Required Participation Percentage to 100% or higher, so long as the Rating Agency Condition shall have been satisfied with respect to the Series 2024-A notes and any other outstanding and rated series or class of notes.

**“Required Series 2024-A Overcollateralization Amount”** means, for any Payment Date, the sum of (i) the Series 2024-A Overcollateralization Percentage on such day of the initial outstanding principal amount of the Series 2024-A notes and (ii) the Incremental Overcollateralization Amount on such day.

**“Reserve Account”** means a segregated account established by the issuing entity, maintained in the name of the indenture trustee, solely for the benefit of the Series 2024-A noteholders, into which the issuing entity will initially deposit an amount equal to 0.50% of the initial Series 2024-A Invested Amount, which amount will be used to cover interest shortfalls and other amounts as set forth in this offering memorandum.

**“Retained Notes”** means notes retained by the depositor or conveyed to an affiliate of the depositor which will be issued as definitive notes.

**“Revolving Period”** means (a) for Series 2024-A, the period beginning on the Series 2024-A Issuance Date and terminating on the earlier of (i) if there is an Accumulation Period, the close of business on the day immediately preceding the Accumulation Period Commencement Date and (ii) the close of business on the day immediately preceding the day on which an Early Amortization Period commences and (b) for any other series, a period during which the issuing entity will not pay or accumulate principal for payment to the noteholders of that series. The Revolving Period, however, may under certain limited circumstances recommence upon the termination of an Early Amortization Period.

**“Securities Account Control Agreement”** means (a) the Amended and Restated Securities Account Control Agreement, dated as of the Series 2024-A Issuance Date, between the issuing entity, NMAC, the account bank, as securities intermediary, and the indenture trustee, as the same may be further amended, restated, supplemented or otherwise modified from time to time and (b) the Securities Account Control Agreement with respect to the applicable accounts for each series.

**“Securities Intermediary”** means any Person, including a bank or broker, that in the ordinary course of its business maintains securities accounts for others and is acting in that capacity and which is also a depository institution organized under the laws of the United States or any one of the states of the United States, including the District of Columbia, or any domestic branch of a foreign bank, and having a credit rating from each Rating Agency in one of its generic credit rating categories which signifies investment grade.

**“Series 2024-A Allocable Defaulted Amounts”** means, for any day in a Collection Period, the product of (i) the Series 2024-A Allocation Percentage for such day and (ii) the amount of Defaulted Amounts on the Receivables processed on such day.

**“Series 2024-A Allocable Interest Collections”** means, for any day in a Collection Period, the product of (i) the Series 2024-A Allocation Percentage for such day and (ii) the amount of Interest Collections on the Receivables processed on such day.

**“Series 2024-A Allocation Percentage”** means, for any day during a Collection Period, the percentage equivalent, which shall never exceed 100%, of a fraction, the numerator of which is the Series 2024-A Nominal Liquidation Amount as of such day (or with respect to any day in the initial Collection Period, the Series 2024-A Nominal Liquidation Amount as of the Series 2024-A Issuance Date) and the denominator of which is the sum of the series nominal liquidation amounts for all outstanding series of notes (including Series 2024-A) as of that day (or with respect to any day in the initial Collection Period, the sum of the series nominal liquidation amounts for all outstanding series of notes (including Series 2024-A) as of the Series 2024-A Issuance Date (after giving effect to the application of proceeds from the issuance of the Series 2024-A notes)). Notwithstanding the foregoing, on any day in a Collection Period in which there is an Early Amortization Event or during the Accumulation Period (if there is an Accumulation Period), the Series 2024-A Nominal Liquidation Amount and Trust Nominal Liquidation Amount with respect to such series shall be as of the last day of the preceding Collection Period.

**“Series 2024-A Cut-Off Date”** means January 31, 2024.

**“Series 2024-A Expected Final Payment Date”** means the Payment Date occurring on February 16, 2026.

**“Series 2024-A Fixed Allocation Percentage”** means, for any day in a Collection Period or portion thereof occurring after the end of the Revolving Period, the percentage equivalent (not to exceed 100%) of a fraction, the numerator of which is the Series 2024-A Nominal Liquidation Amount as of the close of business on the last day of the Revolving Period and the denominator of which is the product of the Pool Balance as of the last day of the preceding Collection Period and the Series 2024-A Allocation Percentage as of such day in the Collection Period.

**“Series 2024-A Floating Allocation Percentage”** means, for any day during a Collection Period, the percentage equivalent (not to exceed 100%) of a fraction, the numerator of which is the Series 2024-A Nominal Liquidation Amount for such day (or with respect to any day in the Series 2024-A Initial Collection Period, the Series 2024-A Nominal Liquidation Amount as of the Series 2024-A Issuance Date) and the denominator of which is the product of the Series 2024-A Allocation Percentage on such day and the Pool Balance as of the last day of the

preceding Collection Period. Notwithstanding the foregoing, during any day in a Collection Period in which there is an Early Amortization Event or during the Accumulation Period (if there is an Accumulation Period), the Series 2024-A Nominal Liquidation Amount shall be as of the last day of the preceding Collection Period.

**“Series 2024-A Indenture Supplement”** means the supplement to the Indenture entered into between the issuing entity and the indenture trustee, in connection with the issuance of the Series 2024-A notes.

**“Series 2024-A Initial Collection Period”** means, the period commencing on (and including) March 1, 2024 and ending on (and including) March 31, 2024.

**“Series 2024-A Interest Rate”** means the interest rate set forth on the cover page.

**“Series 2024-A Invested Amount Deficit”** means, as of any Payment Date, the amount, if any, by which (x) the outstanding principal amount of the Series 2024-A notes less the amount (other than investment earnings) in the Accumulation Account and the Series 2024-A Allocation Percentage for such date of amounts (other than investment earnings), if any, on deposit in the Excess Funding Account, if any, exceeds (y) the Series 2024-A Invested Amount, on such date.

**“Series 2024-A Investor Defaulted Amounts”** means, with respect to any Collection Period, an amount equal to the sum of, for each day during such Collection Period, the product of (i) the Series 2024-A Floating Allocation Percentage on such day and (ii) the Series 2024-A Allocable Defaulted Amounts on such day.

**“Series 2024-A Issuance Date”** means on or about March 20, 2024.

**“Series 2024-A Nominal Liquidation Amount”** means, for any day in a Collection Period, the amount equal to the sum of (i) the Series 2024-A Invested Amount on such day and (ii) the Series 2024-A Overcollateralization Amount as of the Payment Date on or preceding such day (but, in no event, less than zero), in each case, after giving effect to the allocations, distributions, withdrawals and deposits to be made on such day.

**“Series 2024-A Nominal Liquidation Amount Deficit”** means, as of any Payment Date, the sum of (i) the Series 2024-A Invested Amount Deficit and (ii) the Series 2024-A Overcollateralization Amount Deficit.

**“Series 2024-A noteholders”** means the holders of the Series 2024-A notes.

**“Series 2024-A notes”** means the Series 2024-A notes issued pursuant to the Series 2024-A indenture supplement.

**“Series 2024-A Overcollateralization Amount Deficit”** means, as of any Payment Date, the amount, if any, by which (x) the aggregate of reallocations and reductions of the Series 2024-A Overcollateralization Amount due to charge-offs and interest shortfalls through such date exceeds (y) the aggregate amount of reimbursements of such reallocations and reductions, through such date.

**“Series Allocable Defaulted Amounts”** means, with respect to a series of notes, for any day in a Collection Period, the product of (a) the applicable Series Allocation Percentage on such day and (b) the amount of Defaulted Amounts processed on such day.

**“Series Allocable Interest Collections”** means, with respect to a series of notes, for any day in a Collection Period, the product of (a) the applicable Series Allocation Percentage on such day and (b) the amount of Interest Collections processed on such day.

**“Series Allocable Principal Collections”** means, with respect to a series of notes, for any day in a Collection Period, the product of (a) the applicable Series Allocation Percentage on such day and (b) the amount of Principal Collections processed on such day.

**“Series Allocation Percentage”** means, with respect to a series of notes and for any day in a Collection Period, the percentage equivalent of a fraction, the numerator of which is the Series Nominal Liquidation Amount of the series as of such day and the denominator of which is the Trust Nominal Liquidation Amount as of such day. Notwithstanding the foregoing, on any day in a Collection Period in which there is an early amortization event, or during the Accumulation Period, if any, or any amortization period with respect to a series, the Series Nominal Liquidation Amount and the Trust Nominal Liquidation Amount with respect to such series shall be as of the last day of the preceding Collection Period.

**“Series Cut-Off Date”** means, for any series, the date specified as such in the related indenture supplement.

**“Series Enhancer”** means any provider of enhancement and/or any issuing entity or provider of any third-party credit enhancement.

**“Series Invested Amount Deficit”** means, with respect to any series of notes, the amount, if any, by which (x) the outstanding principal amount of such series of notes less the amount (other than investment earnings) in such series’ Accumulation Account, if any, and such series’ Series Allocation Percentage for such date of amounts (other than investment earnings), if any, on deposit in the Excess Funding Account, if any, exceeds (y) the Invested Amount for such series, on such date.

**“Series Investor Available Amounts”** means the Series Investor Available Interest Amounts and the Series Investor Available Principal Amounts, collectively.

**“Series Investor Available Interest Amounts”** means, with respect to any series of notes, for any Collection Period, the aggregate of the Series Allocable Interest Collections allocated to the noteholders of such series on each day during such Collection Period, together with any Series Investor Available Principal Amounts used to pay interest to the noteholders of such series as specified under *“Sources of Funds to Pay the Notes—Deposit and Application of Funds”* in this offering memorandum and any other amounts specified as available for such purpose in the related indenture supplement.

**“Series Investor Available Principal Amounts”** means, with respect to any series of notes, for any Collection Period, the aggregate of the Series Allocable Principal Collections allocated to the noteholders of such series on each day during such Collection Period, together with any Series Investor Available Interest Amounts used to fund Series Investor Defaulted Amounts for such series or the Series Nominal Liquidation Amount Deficit for such series, but excluding any Reallocated Principal Collections for such series as specified under *“Sources of Funds to Pay the Notes—Deposit and Application of Funds”* in this offering memorandum and any other amounts as specified in the related indenture supplement.

**“Series Investor Defaulted Amount”** means, with respect to any series of notes for any Collection Period, the sum of, for each day during such Collection Period, the portion of the Series Allocable Defaulted Amount allocated to the noteholders of such series on such day, which, unless otherwise specified, will equal the product of the Floating Allocation Percentage specified in the related indenture supplement and the related Series Allocable Defaulted Amount.

**“Series Issuance Date”** means the date of issuance for a series of notes, as specified in the related indenture supplement.

**“Series Nominal Liquidation Amount”** means, with respect to any series of notes on any day in a Collection Period, an amount equal to the sum of (i) the Invested Amount of that series of notes on such day and (ii) the Overcollateralization Amount of that series of notes as of the Payment Date preceding such day (but, in no event, less than zero), in each case, after giving effect to the allocations, distributions, withdrawals and deposits to be made on such day.

**“Series Nominal Liquidation Amount Deficit”** means, with respect to any series of notes, the sum of (i) the applicable Series Invested Amount Deficit and (ii) the applicable Series Overcollateralization Amount Deficit.

**“Series Overcollateralization Amount Deficit”** means, with respect to any series of notes, the amount, if any, by which (x) the aggregate of reallocations and reductions of the Overcollateralization Amount for such series due to charge-offs and interest shortfalls through such date exceeds (y) the aggregate amount of reimbursements of such reallocations and reductions, through such date.

**“Servicer Default”** for any series means any of the following items and any other event specified in the related indenture supplement:

(1) failure by the servicer to make any payment, transfer or deposit, or to give instructions or to give notice to the indenture trustee to do so, on the required date under the Transfer and Servicing Agreement, the Indenture or any indenture supplement, as applicable, and the same shall remain unremedied for ten Business Days after (i) written notice (which notice shall specify such failure and state that such notice is a “Notice of Servicer Default”) to the servicer by the owner trustee or the indenture trustee, or to the servicer, the owner trustee and the indenture trustee by noteholders of 10% or more of the Outstanding Principal Amount of all of the issuing entity’s outstanding Series or, where the Servicer’s failure does not relate to all Series, 10% or more of the Outstanding Principal Amount of all series affected; or the assignment or the delegation by the servicer of its duties, except as specifically permitted under the Transfer and Servicing Agreement or (ii) discovery of such failure by an authorized officer of the servicer;

(2) failure by the servicer to observe or perform in any material respect any of its other covenants or agreements if the failure has a material and adverse effect on the issuing entity and continues unremedied for a period of 90 days after written notice (which notice shall specify such failure and state that such notice is a “Notice of Servicer Default”) to the servicer by the owner trustee or the indenture trustee, or to the servicer, the owner trustee and the indenture trustee by noteholders of 10% or more of the outstanding principal amount of all of the issuing entity’s outstanding series or, where the servicer’s failure does not relate to all series, 10% or more of the outstanding principal amount of all series affected; or the assignment or the delegation by the servicer of its duties, except as specifically permitted under the Transfer and Servicing Agreement;

(3) any representation, warranty or certification made by the servicer in the Transfer and Servicing Agreement, or in any certificate delivered as required by the Transfer and Servicing Agreement, proves to have been incorrect when made and it has a material and adverse effect on the issuing entity and continues unremedied for a period of 90 days after written notice (which notice shall specify such failure and state that such notice is a “Notice of Servicer Default”) to the servicer by the owner trustee or the indenture trustee, or to the servicer, the owner trustee and the indenture trustee by noteholders of 10% or more of the outstanding principal amount of all of the issuing entity’s outstanding series or, where the servicer’s inaccuracy does not relate to all series, 10% or more of the outstanding principal amount of the series affected; or

(4) the bankruptcy, insolvency, liquidation, conservatorship, receivership or similar events relating to the servicer;

provided, that a delay in or failure of performance referred to in the first clause above for a period of 10 Business Days after the applicable grace period, or referred to under the second or third clause above for a period of 60 Business Days after the applicable grace period, will not constitute a Servicer Default if the delay or failure could not be prevented by the exercise of reasonable diligence by the servicer and the delay or failure was caused by an act of God or other similar occurrence outside the reasonable control of the servicer.

**“Shared Excess Interest Amounts”** means, with respect to any Payment Date, the sum of, for each series of notes in Excess Interest Sharing Group One, the investor available interest amounts for that series that are not required to be applied in respect of that series.

**“Shared Excess Principal Amounts”** means, with respect to any Payment Date, the sum of, for each series of notes in Excess Principal Sharing Group One, the investor available principal amounts for that series that are not required to be applied in respect of that series.



**“Sharing Group”** means one or more series of notes from which, or to which, Excess Interest Amounts or Excess Principal Amounts may be allocated to cover shortfalls in payments or deposits of the other series in such group.

**“Specified Reserve Account Balance”** means the product of 0.50% and the initial Series 2024-A Invested Amount.

**“Status”** means a classification or comparable classification that NMAC may assign to a Dealer by reason of the Dealer’s failure to meet NMAC’s guidelines for Dealers.

**“Step-Up Shortfall”** means, for each Payment Date after the Series 2024-A Expected Final Payment Date:

(A) any Step-Up Amounts for a Class for the prior Payment Date; plus

(B) any Step-Up Shortfall for a Class for the prior Payment Date; minus

(C) the amount of the Accrued Step-Up Amounts paid to the Series 2024-A noteholders on the prior Payment Date.

**“Supplemental Interest”** means a certificated or uncertificated interest in the Transferor Interest.

**“Transaction Documents”** means with respect to any Series, the certificate of trust, the Trust Agreement, the Receivables Purchase Agreement, the Transfer and Servicing Agreement, the Indenture, the related indenture supplement, the Administration Agreement, the Securities Account Control Agreement and such other documents and certificates delivered in connection with such Series.

**“Transfer and Servicing Agreement”** means the Second Amended and Restated Transfer and Servicing Agreement, dated as of the Series 2024-A Issuance Date, entered into by and between the depositor, the servicer and the issuing entity, as the same may be further amended, supplemented or otherwise modified from time to time, pursuant to which the depositor transfers Receivables to the issuing entity, and each additional transfer and servicing agreement entered into by the issuing entity, servicer and each depositor of Receivables to the issuing entity after the date of the Transfer and Servicing Agreement.

**“Trust Agreement”** means the Original Trust Agreement, as amended and restated as of July 24, 2003, as amended and restated as of October 15, 2003, and as further amended and restated as of the Series 2024-A Issuance Date, between the depositor and the owner trustee, as the same may be further amended, restated, supplemented or otherwise modified and in effect from time to time.

**“Trust Nominal Liquidation Amount”** means, with respect to any day, the sum of the Series Nominal Liquidation Amount for all outstanding series of notes.

**“Trust Portfolio”** means, at any time, the pool of Receivables which constitute the portfolio of the issuing entity at such time, consisting of Receivables arising in connection with Accounts designated for the issuing entity from NMAC’s United States wholesale portfolio.

**“Used Vehicles”** means previously owned vehicles other than Pre-Owned Vehicles, of any make or model, which are of the current model year or within five years of such current model year.

**“Yield Supplement Interest Collections”** means, for any day or Collection Period for which the Supplemental Subordinated Percentage is greater than zero, the lesser of (a) the product of (i) the Principal Collections and (ii) the Series 2024-A Floating Allocation Percentage and (b) the product of (i) the Supplemental Subordinated Percentage and (ii) the excess of (x) the Series 2024-A Initial Outstanding Principal Amount over (y) the product of the Series 2024-A Allocation Percentage for such day or Collection Period and all net investment earnings on amounts (if any) on deposit in the Collection Account and the Excess Funding Account on such date or Collection Period.

**ANNEX I**  
**OTHER SERIES OF SECURITIES ISSUED AND OUTSTANDING**

The principal characteristics of the other series of notes that will be issued by the issuing entity and that will be outstanding on the Series 2024-A Issuance Date are set forth in the table below. All of the outstanding series of notes are in Group One for sharing Excess Interest Amounts and Excess Principal Amounts.

*Series 2024-B*

Series 2024-B Principal Amount.....	\$500,000,000
Specified Reserve Account Balance.....	\$2,500,000
Series 2024-B Note Rate .....	5.05% per year
Series 2024-B Expected Final Payment Date.....	February 15, 2027
Monthly servicing fee percentage .....	one-twelfth of 1.00% per annum
Enhancement for the Series 2024-B Notes.....	reserve account, subordination of residual interest, and excess interest
Series 2024-B Final Maturity Date.....	February 2029 payment date
Group.....	One
Series Issuance Date .....	March 20, 2024
Initial Required Series 2024-B Overcollateralization Amount.....	\$113,496,000

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Set forth below is a list of certain of the more important capitalized terms used in this offering memorandum and the pages on which the definitions of those terms may be found.

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**NISSAN MASTER OWNER TRUST RECEIVABLES**  
**Issuing Entity**

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**NISSAN MASTER OWNER TRUST RECEIVABLES, SERIES 2024-A**  
**\$500,000,000 Notes, Series 2024-A**

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**Nissan Wholesale Receivables Company II LLC**  
*Depositor*

**Nissan Motor Acceptance Company LLC**  
*Sponsor/Service*

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**OFFERING MEMORANDUM**

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*Initial Purchasers*

**BofA Securities**  
**Citigroup**  
**Mizuho**  
**MUFG**  
**BNP PARIBAS**  
**Lloyds Securities**  
**US Bancorp**  
**Wells Fargo Securities**