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LAW CLERK Vol. 2 of 4

IN THE

SUPREME COURT

OF THE

STATE OF IDAHO

David Capps

Plaintiff and Appellant

vs.

FIA Card Services, N.A. fka MBNA America Bank, N.A.

Defendant and Respondent

Appealed from the District Court of the Second *Judicial District for the State of Idaho, in and for* Idaho *County*

Hon. John Bradbury *District Judge*

David Capps

Attorney for Appellant

Alec Pechota

Attorney for Respondent

FILED - COPY

Filed this ___ *day of* ___, *20*__

MAR 23 2009

___ *Clerk*

By Supreme Court ___ Court of Appeals ___ Entered on ATS by: ___ *Deputy*

35891

David F. Capps
104 Jefferson Drive
Kamiah, ID 83536
208-935-7962
FAX: 208-926-4169
Plaintiff, *in propria persona*

DOCKETED

IDAHO COUNTY DISTRICT COURT
FILED
AT 4:30 O'CLOCK P.M.
JUN 10 2008
ROSE E. GEHRING
CLERK OF DISTRICT COURT
DEPUTY

IN THE DISTRICT COURT OF THE SECOND JUDICIAL DISTRICT OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF IDAHO

DAVID F. CAPPS, Plaintiff, vs. FIA CARD SERVICES, N.A., fka MBNA AMERICA BANK, N.A., Defendant,	Case NO. **CV-2007-38202** **OPPOSITION TO MOTION FOR SUMMARY JUDGMENT**

COMES NOW the Plaintiff, David F. Capps, and opposes the Defendant's MOTION FOR SUMMARY JUDGMENT on the following grounds:

1. The Defendant/counterclaimant is not a real party in interest in this action and cannot maintain a counterclaim action against the Plaintiff.
2. The Defendant/counterclaimant cannot establish standing and as such cannot invoke the jurisdiction of this court for its counterclaims.

3. Some or all of the Defendant's counterclaims are barred by the doctrine of unclean hands.
4. Some or all of the Defendant's counterclaims are barred by breach of contract.
5. Some or all of the Defendant's counterclaims are barred by the doctrines of estoppel, laches and waiver.
6. Some or all of the Defendant's counterclaims are barred by the Defendant's contributory or comparative negligence.
7. The Defendant has failed to act reasonably or to otherwise mitigate their damages, if any.
8. If the Plaintiff's late answers to discovery are allowed, the Defendant has no basis for a Motion for Summary Judgment.

1.

THE DEFENDANT IS NOT A REAL PARTY IN INTEREST

Rule 17(a) of the Idaho Rules of Civil Procedure states, "Every action shall be prosecuted in the name of the real party in interest." The Second Amended and Restated Pooling and Servicing Agreement dated as of October 20, 2006 states, "Section 2.01. Conveyance of Receivables. The Transferor hereby transfers, assigns, sets over, and otherwise conveys to the Trustee, without recourse, all of the Transferor's right, title and interest in, to and under the Receivables existing at the close of business on the Amendment Closing date, in the case of Receivables arising in the Initial Accounts (including all related Transferred Accounts), and at the close of business on the related Addition Date, in the case of Receivables arising in the Additional Accounts (including all related Transferred Accounts), and in each case thereafter created from time to time in

such Accounts until the termination of the Trust, all monies due or to become due with respect to such Receivables (including all Finance Charge Receivables), all Interchange allocable to the Trust as provided herein, all proceeds of such Receivables, Insurance Proceeds and Recoveries relating to such Receivables and the Proceeds thereof. The Transferor does hereby further transfer, assign, set over and otherwise convey to the Trustee all of the Transferor's rights, remedies, powers, privileges and claims under or with respect to the Receivables Purchase Agreement (whether arising pursuant to the terms of the Receivables Purchase Agreement or otherwise available to the Transferor at law or in equity), including, without limitation, the rights of the Transferor to enforce the Receivables Purchase Agreement and to give or withhold any and all consents, requests, notices, directions, approvals, extensions or waivers under or with respect to the Receivables Purchase Agreement to the same extent as the Transferor could but for the assignment thereof to the Trustee." "In connection with such transfer, assignment, set-over and conveyance, the Transferor agrees to record and file, at its own expense, all financing statements (including any amendments of financing statements and continuation statements when applicable) with respect to the Receivables now existing and hereafter created for the transfer of accounts (as defined in the Delaware UCC) meeting the requirements of applicable state law in such manner and in such jurisdictions as are necessary to perfect and to maintain the perfection of the assignment of the Receivables to the Trustee,..." "The foregoing transfer, assignment, set-over and conveyance shall be made to the Trustee, on behalf of the Trust, and each reference in this Agreement to such transfer, assignment, set-over and conveyance shall be construed accordingly."

"Account" as defined in the Delaware UCC is, "**§ 9-102. Definitions and Index of Definitions.** (a) **Article 9 definitions.** (2) "Account", except as used in "account for" means (i) a right to payment of a monetary obligation whether or not earned by performance, (G) arising out of the use of a credit or charge card or information contained on or for use with the card." All rights, including the right to payment of a monetary obligation, were assigned to the BA Master Credit Card Trust II, without recourse. No rights were retained.

In *McClusky v. Galland*, 95 Idaho 472, 511 P.2d 289 (Idaho 1973), the Supreme Court of Idaho held, "Where open account and notes payable to individual were assigned to corporation prior to commencement of action to recover on the notes and the open account, the individual assignor was not real party in interest and had no standing to prosecute an action to recover on the notes and the open account and was not entitled to recover judgment thereon. Rules of Civil Procedure, Rule 17(a), I.C. §§ 5-301, 5-302, 27-104."

MBNA, through BA CREDIT CARD FUNDING, LLC, assigned both the Receivables and the Account involved in this action to the BA Master Credit Card Trust II. The real party in interest is the Trustee of the Master Trust: The Bank of New York, not FIA Card Services. The above assignment of both the Receivables and the account to the BA Master Credit Card Trust II removes MBNA America Bank, N.A. and its current corporate entity, FIA Card Services, N.A. as a real party in interest. Under *McClusky v. Galland*, FIA Card Services has no standing to prosecute its counterclaims and is not entitled to recover on a Motion for Summary Judgment, or any other form of judgment.

2.

THE DEFENDANT CANNOT ESTABLISH STANDING

In *Myles v. Idaho Power Co.*, 116 Idaho 635, the court stated, [5] "The doctrine of standing focuses on the party seeking relief and not on the issue the party wishes to have adjudicated. *Valley Forge College v. Americans United,* 454 U.S. 464, 102 S.Ct. 752, 70 L.Ed.2d 700 (1982). However, the major aspect of standing has been explained: The essence of the standing inquiry is whether the party seeking to invoke the court's jurisdiction has "alleged such a personal stake in the outcome of the controversy as to assure the concrete adversariness which sharpens the presentation upon which the court so depends for illumination of difficult constitutional questions." As refined by subsequent reformation, this requirement of "personal stake" has come to be understood to require not only a "distinct palpable injury" to the plaintiff, but also a "fairly traceable" causal connection between the claimed injury and the challenged conduct. (Citations omitted.)"

MBNA sold the alleged debt and was duly compensated. In addition, as disclosed in the Pooling and Servicing Agreement, insurance exists on the receivables, which has either offset or covered any loss or injury to the holder of the alleged debt. FIA Card Services cannot demonstrate either a "personal stake" in the alleged debt, nor can it demonstrate a "distinct palpable injury" associated with the alleged debt. Without these requirements, FIA Card Services cannot establish standing and cannot invoke the jurisdiction of the court.

If FIA Card Services attempts to gain standing as the "Servicer", then FIA would be acting in the capacity of an agent for the true owner of the alleged debt: BA Master Credit Card Trust II. According to the Prospectus Dated October 11, 2005, pages 69-70, "Master trust II has been formed in accordance with the laws of the State of Delaware. Master trust II is governed by the master trust II agreement. Master trust II will only engage in the following business activities:

- Acquiring and holding master trust II assets;
- Issuing series of certificates and other interests in master trust II;
- Receiving collections and making payments on the collateral certificates and other interests; and
- Engaging in related activities (including, with respect to any series, obtaining any enhancement and entering into an enhancement agreement relating thereto).

As a consequence, master trust II is not expected to have any need for additional capital resources other than the assets of master trust II."

BA Master Credit Card Trust II is not registered with the Office of the Comptroller of the Currency [OCC] as a national bank, subsidiary of a national bank, nor an affiliate of a national bank. BA Master Credit Card Trust II is not a regulated lender nationally, neither is it a regulated lender under the laws of the State of Idaho, nor any other state. In its role as an agent for the BA Master Credit Card Trust II, FIA is not functioning as a regulated lender, but as an agent for a non-lender, and as such needs a permit for collection activities within the State of Idaho in order to gain standing in an Idaho State District Court. FIA Card Services has no permit from the State of Idaho allowing it to collect an alleged debt from a citizen of the State of Idaho. The function of

the Servicer is almost strictly one of a collection agent as defined in the Idaho Collection Agency Act, Title 26, Chapter 22, section 23 of the Idaho Code.

As Servicer, MBNA, and subsequently FIA Card Services, is required to send periodic statements to the alleged obligors to the Receivables owned by the BA Master Credit Card Trust II, collect payments for the BA Master Credit Card Trust II and forward those payments on to the Collection Account for the BA Master Credit Card Trust II, and to maintain the records of those transactions under the above Pooling and Servicing Agreement. This function is clearly defined in the Idaho Code in Title 26, Chapter 22, §26-2223, "No person shall without complying with the terms of this chapter and obtaining a permit from the director: (2) Engage, either directly or indirectly in this state in the business of collecting or receiving payment for others of any account, bill, claim or other indebtedness." FIA Card Services, as Servicer, aka agent, for BA Master Credit Card Trust II, which is not a regulated lender, is not an agent for a regulated lender, and is not exempt from the Idaho Collection Agency Act.

There is an exemption for regulated lenders, but FIA Card Services does not qualify as a regulated lender under Idaho Law. An exemption is provided under Idaho Code §26-2239 "EXEMPTIONS. The provisions of this chapter shall not apply to the following: (2) Any regulated lender as defined in section 28-41-301(37), Idaho Code, nor any subsidiary, affiliate or agent of such a regulated lender to the extent that the subsidiary, affiliate or agent collects for the regulated lender;" Section 28-41-301(37) defines a regulated lender as, "Regulated Lender" means a person authorized to make, or take assignments of, regulated consumer loans, as a regular business, under section 28-46-301, Idaho Code. Section 28-46-301(2) states, "Any "supervised financial

organization", as defined in section 28-41-301(45), Idaho Code, or any person organized, chartered, or holding an authorization certificate under the laws of another state to engage in making loans and receiving deposits, including a savings, share, certificate, or deposit account and who is subject to supervision by an official or agency of the other state, shall be exempt from the licensing requirements of this section." Section 28-41-301(45) states, "Supervised financial organization" means a person, except an insurance company or other organization primarily engaged in an insurance business: (a) Organized, chartered, or holding an authorization certificate under the laws of this state or of the United States that authorizes the person to make loans and to receive deposits, including a savings, share, certificate or deposit account; and (b) Subject to supervision by an official or agency of this state or of the United States.

FIA Card Services does not accept deposits, including savings, share, certificate or deposit accounts, a requirement for qualification as a regulated lender. FIA Card Services functions strictly as an Originator, Seller, and Servicer of credit cards for BA Master Credit Card Trust II, and as such is not a regulated lender. While FIA Card Services may be a subsidiary or affiliate of a regulated lender (Bank of America), FIA Card Services is not collecting for the regulated lender as required in Idaho Code §26-2239(2) above. Under these conditions, FIA Card Services is not exempt from the Idaho Collection Agency Act and must have a permit from the Idaho Department of Finance to gain standing in an Idaho State District Court.

The above Pooling and Servicing Agreement anticipates that the Servicer may have to comply with individual state requirements in its role as Servicer. On the bottom of page 40 of the SECOND AMENDED AND RESTATED POOLING AND

SERVICING AGREEMENT dated as of October 20, 2006, section 3.03(b), the Agreement states, "If the Servicer shall be required by any Requirement of Law to so qualify or register or obtain such license or approval, then it shall do so."

3.

UNCLEAN HANDS

The Defendant entered into an alleged agreement with the Plaintiff, knowing that the agreement was deceptive and unjust. The defendant had no intention of maintaining its indicated role in the agreement, nor its implied level of risk, as demonstrated by the above Pooling and Servicing Agreement, which was undisclosed to the Plaintiff at the time of the alleged original agreement.

The Defendant implied that it was the lender and that its own money was at risk in the alleged agreement, neither of which is true. The Defendant had an agreement in place with the BA Master Credit Card Trust II (hereinafter "the Master Trust"), or its predecessor trust, in which the Receivables were to be sold to the Master Trust and the implied lender (MBNA or FIA Card Services) was to be compensated for the sale and assignment of the Receivables. In this transaction with the Master Trust (the true holder of both the Receivables and the account), MBNA, and subsequently FIA Card Services, would remove the alleged debt from its books and the associated risk would be transferred to an investor through the issuance of Notes through the MBNA Credit Card Master Note Trust (the entity issuing the notes to investors).

The Defendant was deceptive in its alleged offer of credit to the Plaintiff and the Defendant misrepresented the terms and conditions of the alleged offer of credit. The Defendant had a duty to disclose the change in position from implied lender to servicer for the Master Trust and failed to do so. The undisclosed change in position from (implied) lender to servicer is clearly an act of deception and misrepresentation, constituting the condition of unclean hands.

4.

BREACH OF CONTRACT

After the creation of an alleged agreement with the Plaintiff, the Defendant covertly, and without notice, changed the structure and terms of the agreement, by selling the alleged debt, being compensated for such, and changing the level of risk associated with the agreement for the Defendant as demonstrated by the above Pooling and Servicing Agreement. This constitutes a breach of the trust of the Plaintiff and a modification of the terms of the agreement without proper notice or agreement by the Plaintiff.

The equity of a contract depends on each party maintaining its level of risk, implied or outwardly stated. If the level of risk of one party changes significantly, it unbalances the original equity in the contract, which needs to be disclosed to the other party. MBNA, and subsequently FIA Card Services, established the alleged agreement under a balanced level of risk between the Plaintiff and the Defendant. Significantly changing MBNA's level of risk and changing roles in the alleged agreement breaches the original equity of the alleged agreement and constitutes a breach of that alleged contract.

As the breaching party, MBNA, and subsequently FIA Card Services, is unable to support a claim against the Plaintiff.

5.

ESTOPPEL, LACHES AND WAIVER

The Defendant entered into an alleged agreement with the Plaintiff under one level of risk, and then without full disclosure, altered the terms and conditions of the alleged agreement to the benefit of the Defendant as demonstrated by the above Pooling and Servicing Agreement. The Defendant changed position without proper disclosure from implied lender to one of Servicer, which carries no risk to the Defendant. The risk initially assumed by the Defendant was passed on to an undisclosed investor through the process of securitization. The Defendant is estopped from claiming that it suffered any loss. All rights, title and interest to the Receivables were assigned to another party by the Defendant. In doing so, the Defendant waived any and all rights, powers and privileges that it might have had pursuant to the above Pooling and Servicing Agreement. The true owner of the alleged debt has not filed suit against the Plaintiff and has unduly delayed doing so, to the detriment of the Plaintiff. The affirmative defense of laches thus also applies.

6.

CONTRIBUTORY OR COMPARATIVE NEGLIGENCE

The Defendant unduly and unjustly raised the Plaintiff's interest rate on the alleged account above what was justified at the time based on the Plaintiff's credit report

and FICO score. This act created over-limit fees and increased the Plaintiff's payment by over 12 times contributing significantly to the Plaintiff's inability to pay the increased payments demanded on the alleged account. The Defendant could, and should, have offered the Plaintiff a reduced payment schedule to resolve the dispute on the alleged account. In addition, the owner of the alleged debt was covered, either partially, or completely, by insurance, which was not disclosed to the Plaintiff.

According to the Prospectus and the Prospectus Supplement current at the time MBNA wrote off the alleged debt filed by the Defendant on the Securities and Exchange Commission website, EDGAR, the Defendant was adjusting interest rates down to a level that the consumer could reasonably pay and was re-aging accounts, thus eliminating any reference to late payments or overdue balances. Specifically, on page S-11 of the prospectus Supplement dated October [*], 2005 to Prospectus dated October 11, 2005, "MBNA may modify the terms of its credit card agreements with cardholders who have experienced financial difficulties by offering them renegotiated account programs, which include placing them on nonaccrual status, reducing their interest rate or providing any other concession in terms. When accounts are classified as nonaccrual, interest is no longer billed to the cardholder. In future periods, when a payment is received, it is recorded as a reduction of the interest and fee amount that was billed to the cardholder prior to placing the account on a nonaccrual status. Once the original interest and fee amount or subsequent fees have been paid, payments are recorded as a reduction of principle." "As of June 30, 2005, master trust II included approximately $16.3 million of receivables in nonaccrual accounts, 0.02% of the total receivables in master trust II, approximately $2.3 billion of receivables in other restructured accounts, 3.36% of the

total receivables in master trust II, and approximately $322.5 million of receivables in re-aged accounts, 0.47% of the total receivables in master trust II."

This practice has significantly reduced the number of accounts in default, benefiting MBNA, FIA Card Services and their cardholders. No such offer has been made to the Plaintiff.

7.

MITIGATION OF DAMAGES

Claiming the entire amount of the alleged debt as damages and not disclosing the benefit received by the owner of the alleged debt from insurance is a failure to act reasonably. The alleged damages, if any, were incurred by an entity other than the Defendant as demonstrated by the above Pooling and Servicing Agreement. As far as the Plaintiff can determine from the above documents, FIA Card Services has no ascertainable damages, and is acting unreasonably in claiming otherwise. Thus the damages have actually been mitigated on the part of FIA Card Services, but the results of that mitigation have not been disclosed to the Plaintiff or to this court.

8.

LATE ANSWERS TO DISCOVERY

If the Plaintiff's late answers to discovery are allowed, the following claims in the Defendant's Motion for Summary Judgment will be altered.

1. The Defendant's claim of BREACH OF CONTRACT is based, not on facts or actual admissions, but rather on unfounded assumptions reached by resting on Requests for Admissions not being timely provided by the opposing party. The actual answers to the requests for Admission are as follows:

    a. **REQUEST FOR ADMISSION NO. 1:** That by virtue of opening credit account No. xxxx-xxxx-xxxx-1014, Plaintiff agreed to pay Defendant all moneys loaned on that account.

       ANSWER TO REQUEST FOR ADMISSION NO. 1: Because the Defendant has misrepresented the terms and conditions of the alleged agreement, apparently modifying the application after it was signed by the Plaintiff, and deceptively presenting the true status of the alleged account on monthly statements, the Plaintiff has no choice but to deny the Defendant's Request for Admission No. 1. The Plaintiff relies on the Affidavit of Walker F. Todd (attached hereto) for the basis of his denial.

    b. **REQUEST FOR ADMISSION NO. 2:** That Plaintiff received by mail the statements of account with respect to credit account number xxxx-xxxx-xxxx-1014.

       ANSWER TO REQUEST FOR ADMISSION NO. 2: The Plaintiff admits that he received by mail the statements of account with respect to credit account number xxxx-xxxx-xxxx-1014.

    c. **REQUEST FOR ADMISSION NO. 3:** That the statements of account disclose that Plaintiff owes Defendant the sum of $12,459.00 on that credit account as stated in Defendant's Counterclaim – Count II.

<u>ANSWER TO REQUEST FOR ADMISSION NO. 3</u>: The Plaintiff has learned that the Defendant has misrepresented the nature and true conditions of the alleged account, and deceived the Plaintiff as to the nature of the balance shown on the monthly statements. As a result of this deception on the part of the Defendant, the Plaintiff must deny the request for Admission. The Plaintiff relies on the Affidavit of Walker F. Todd (attached hereto) as the basis for his denial.

d. **<u>REQUEST FOR ADMISSION NO. 4</u>:** That the statement of accounts are accurate.

<u>ANSWER TO REQUEST FOR ADMISSION NO. 4</u>: Because of recently uncovered information, the Plaintiff must deny this Request for Admission. The Plaintiff relies on the Affidavit of Walker F. Todd (attached hereto) as the basis for his denial.

e. **<u>REQUEST FOR ADMISSION NO. 5</u>:** That Plaintiff has not paid Defendant any part of the $12,459.00 disclosed by the statements as owing on that credit account.

<u>ANSWER TO REQUEST FOR ADMISSION NO. 5</u>: Because of the misrepresentation and deception by the Defendant regarding the monthly statements and the true nature of the alleged account, the Plaintiff must deny the Request for Admission. The Plaintiff relies on the Affidavit of Walker F. Todd (attached hereto) as the basis for his denial.

f. **REQUEST FOR ADMISSION NO. 6:** That the Plaintiff has no defense to payment of the amount shown as owing to Defendant on the statements of account.

ANSWER TO REQUEST FOR ADMISSION NO. 6: Because of the misrepresentation and deception by the Defendant of the alleged account, the Plaintiff can raise the defense of misrepresentation, deception, and fraud, as well as the affirmative defense of standing, specifically, the Defendant has sold the receivables and the alleged account in question and cannot rise to the level of a real party in interest pursuant to Rule 17a of the Idaho Rules of Civil Procedure. As such, the Plaintiff must deny the Request for Admission. The Plaintiff relies on the Affidavit of Walker F. Todd (attached hereto), the SECOND AMENDED AND RESTATED POOLING AND SERVICING AGREEMENT dated as of October 20, 2006 (attached hereto), and the MBNA Credit Card Master Note Trust Prospectus dated October 11, 2005 (attached hereto) as the basis for his denial.

2. Likewise, the Defendant's claim of ACCOUNT STATED is based, not on facts or actual admissions, but rather on unfounded assumptions reached by resting on Requests for Admissions not being timely provided by the opposing party. An account stated action depends on an agreement as to the amount owed. As demonstrated by the answers to the requests for Admission above, there is no agreement that anything is owed to the Defendant.

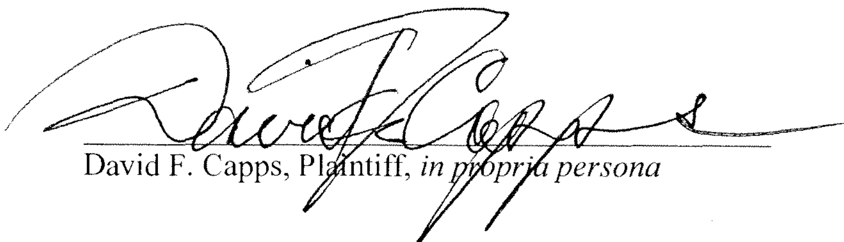
As to the Plaintiff not objecting to the amounts shown on monthly statements mailed to the Plaintiff, the assumed assent was based on the

deception created by the Defendant in the structure of the alleged agreement and the misrepresentation of the statements presented. Being deceived is not assent, and misrepresentations, no matter how common, are not facts. An account stated is a new contract, separate and apart from any previous alleged agreement. There is no meeting of the minds on a new agreement, there is no assent to any terms, and there is no acceptance of anything that may have been offered. Under Idaho case law and the Restatement (Second) of Contracts, silence cannot be taken as assent. The supposed silence of the Plaintiff was temporary and unintentional, and cannot stand as any kind of an agreement to anything.

CONCLUSION

A Motion for Summary Judgment is only appropriate when there is no dispute over any material facts and the moving party is entitled to the judgment by law. In this case there are a number of material facts that are in dispute and the Defendant / counterclaimant is not entitled to any kind of judgment by law under the Idaho Rules of Civil Procedure Rule 17(a) and due to a lack of standing. In addition, the above Affirmative Defenses are posed and supported by the associated evidence, which the Defendant must also overcome. Under these circumstances the Defendant's Motion for Summary Judgment should be DENIED.

Dated this 9TH day of June, 2008.



David F. Capps, Plaintiff, *in propria persona*

CERTIFICATE OF MAILING

I, Miriam G. Carroll, do hereby certify, under penalty of perjury, that I mailed a true and correct copy of the Plaintiff's OPPOSITION TO MOTION FOR SUMMARY JUDGMENT this 9TH day of June, 2008 by Certified Mail #7006 2150 0003 4550 2673 to the attorney for the Defendant at the following address:

Alec T. Pechota
Wilson & McColl
420 W. Washington
P.O. Box 1544
Boise, ID 83701

Miriam G. Carroll

Miriam G. Carroll

David F. Capps
104 Jefferson Drive
Kamiah, ID 83536
208-935-7962
FAX: 208-926-4169
Plaintiff, *in propria persona*

IN THE DISTRICT COURT OF THE SECOND JUDICIAL DISTRICT OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF IDAHO

DAVID F. CAPPS,	)	
	)	Case No. **CV-2007-38202**
Plaintiff,	)	
	)	**AFFIDAVIT IN SUPPORT OF**
vs.	)	**OPPOSITION TO MOTION**
	)	**FOR SUMMARY JUDGMENT**
FIA CARD SERVICES, N.A., fka MBNA	)	
AMERICA BANK, N.A.,	)	
	)	
Defendant,	)	
______________________________	)	

County: Idaho)
) ss:
State: Idaho)

I, David F. Capps, being duly sworn, do hereby depose, and if called upon to testify, would testify as follows:

1. That I am over the age of 18 years of age.
2. That I am a party to the above titled action.

3. That on the 6th day of June, 2008, I used my computer to access the internet.
4. That I entered "EDGAR" as a search term on the Google search engine.
5. That the results included "SEC Filings & Forms (EDGAR)."
6. That under SEC Filings & Forms (EDGAR) was the heading: "Search the EDGAR database" with a web address of: www.sec.gov/edgar/searchedgar/webusers.htm.
7. That I clicked on Search the EDGAR database.
8. That I entered the sec.gov/edgar website.
9. That under the heading of "General-Purpose Searches" I found the heading of "Companies & Other Filers."
10. That I clicked on "Companies & Other Filers."
11. That I found a form that included a box for Company Name.
12. That I typed in "MBNA" in the Company Name box.
13. That I clicked on the "Find Companies" box.
14. That included in the listings was "0000936988 - BA Master Credit card Trust II."
15. That I clicked on the link "0000936988".
16. That I found a form with a box for "Form Type"
17. That I typed "424b5" in the form type box.
18. That I clicked on the "Retrieve Selected Filings" button.
19. That I paged down until I found a date that was close to the time MBNA wrote off the alleged debt.

20. That I found a prospectus dated 2005-10-12.
21. That I clicked on the HTML button to select the form of the text.
22. That I found a form for documents including the document d424b5.htm.
23. That I clicked on "d424b5.htm".
24. That the document titled "MBNA Credit Card Master Note Trust" was presented.
25. That I printed the document "MBNA Credit Card Master Note Trust".
26. That the document includes the "Prospectus Dated October 11, 2005" starting on page 86 of 202 of the document.
27. That the document has not been changed or modified in any manner.
28. That a true and correct copy of the document is presented as EXHIBIT 1.
29. That I talked with an attorney, Walker F. Todd on the phone during the early part of 2007, regarding his affidavit and his availability as an expert witness.
30. That the affidavit presented is essentially identical to the affidavit filed in the identified case in Michigan.
31. That Walker F. Todd's potential testimony would be along the lines of his affidavit in content.
32. That the unsigned Affidavit of Walker F. Todd is attached to this Opposition to Motion for Summary Judgment.
33. That I received the document "SECOND AMENDED AND RESTATED POOLING AND SERVICING AGREEMENT dated as of October 20, 2006" in the process of discovery from MBNA in a previous case.

34. That the document has not been modified or altered in any manner.

35. That a true and correct copy of the document is presented as EXHIBIT 2.

36. That to the best of my knowledge the documents presented are true and correct copies of authentic documents.

37. That the documents are intended as evidence and are presented as such.

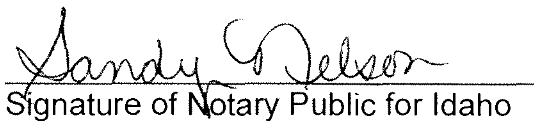
38. That the documents will also be formally presented and entered into evidence at the time of trial.

39. Further the deponent sayeth not.

Dated this 9 TH day of June, 2008.

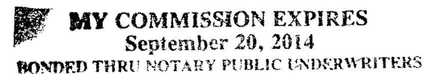
David F. Capps

NOTARY PUBLIC
Subscribed and sworn before me this 9th Day of June, 2008



Signature of Notary Public for Idaho

I reside in Idaho County, Idaho. My commission expires



SANDY NELSON
Notary Public
State of Idaho

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

BANK ONE, N.A.,	)	Case No. 03-047448-CZ
Plaintiff,	)	Hon. E.. Sosnick
v.	)	AFFIDAVIT OF WALKER F. TODD, EXPERT WITNESS FOR DEFENDANTS.
HARSHAVARDHAN DAVE and PRATIMA DAVE, jointly and severally,	)	
Defendants.	)	

Harshavardhan Dave and Pratima H. Dave
C/o 5128 Echo Road
Bloomfield Hills, MI 48302
Defendants, *in propria persona*

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Detroit, Michigan 48226
(313) 223-3500

Now comes the Affiant, Walker F. Todd, a citizen of the United States and the State of Ohio over the age of 21 years, and declares as follows, under penalty of perjury:

1. That I am familiar with the Promissory Note and Disbursement Request and Authorization, dated November 23, 1999, together sometimes referred to in other documents filed by Defendants in this case as the "alleged agreement" between Defendants and Plaintiff but called the "Note" in this Affidavit. If called as a witness, I would testify as stated herein. I make this Affidavit based on my own personal knowledge of the legal, economic, and historical principles stated herein, except that I have relied entirely on documents provided to me, including the Note, regarding certain facts at issue in this case of which I previously had no direct and personal knowledge. I am making this affidavit based on my

experience and expertise as an attorney, economist, research writer, and teacher. I am competent to make the following statements.

2. My qualifications as an expert witness in monetary and banking instruments are as follows. For 20 years, I worked as an attorney and legal officer for the legal departments of the Federal Reserve Banks of New York and Cleveland. Among other things, I was assigned responsibility for questions involving both novel and routine notes, bonds, bankers' acceptances, securities, and other financial instruments in connection with my work for the Reserve Banks' discount windows and parts of the open market trading desk function in New York. In addition, for nine years, I worked as an economic research officer at the Federal Reserve Bank of Cleveland. I became one of the Federal Reserve System's recognized experts on the legal history of central banking and the pledging of notes, bonds, and other financial instruments at the discount window to enable the Federal Reserve to make advances of credit that became or could become money. I also have read extensively treatises on the legal and financial history of money and banking and have published several articles covering all of the subjects just mentioned. I have served as an expert witness in several trials involving banking practices and monetary instruments. A summary biographical sketch and resume including further details of my work experience, readings, publications, and education will be tendered to Defendants and may be made available to the Court and to Plaintiff's counsel upon request.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

3. Banks are required to adhere to Generally Accepted Accounting Principles

(GAAP). GAAP follows an accounting convention that lies at the heart of the double-entry bookkeeping system called the Matching Principle. This principle works as follows: When a bank accepts bullion, coin, currency, checks, drafts, promissory notes, or any other similar instruments (hereinafter "instruments") from customers and deposits or records the instruments as assets, it must record offsetting liabilities that match the assets that it accepted from customers. The liabilities represent the amounts that the bank owes the customers, funds accepted from customers. In a fractional reserve banking system like the United States banking system, most of the funds advanced to borrowers (assets of the banks) **are created by the banks themselves** and are not merely transferred from one set of depositors to another set of borrowers.

RELEVANCE OF SUBTLE DISTINCTIONS ABOUT TYPES OF MONEY

4. From my study of historical and economic writings on the subject, I conclude that a common misconception about the nature of money unfortunately has been perpetuated in the U.S. monetary and banking systems, especially since the 1930s. In classical economic theory, once economic exchange has moved beyond the barter stage, there are two types of money: money of *exchange* and money of *account*. For nearly 300 years in both Europe and the United States, confusion about the distinctiveness of these two concepts has led to persistent attempts to treat money of account as the equivalent of money of exchange. In reality, especially in a fractional reserve banking system, a comparatively small amount of money of exchange (e.g., gold, silver, and official currency notes) may support a vastly larger quantity of business transactions denominated in money of

account. The sum of these transactions is the sum of credit extensions in the economy. With the exception of customary stores of value like gold and silver, the monetary base of the economy largely consists of credit instruments. Against this background, I conclude that the Note, despite some language about "lawful money" explained below, clearly contemplates both disbursement of funds and eventual repayment or settlement in money of account (that is, money of exchange would be welcome but is not required to repay or settle the Note). The factual basis of this conclusion is the reference in the Disbursement Request and Authorization to repayment of $95,905.16 to Michigan National Bank from the proceeds of the Note. That was an exchange of the credit of Bank One (Plaintiff) for credit apparently and previously extended to Defendants by Michigan National Bank. Also, there is no reason to believe that Plaintiff would refuse a substitution of the credit of another bank or banker as complete payment of the Defendants' repayment obligation under the Note. This is a case about exchanges of money of account (credit), not about exchanges of money of exchange (lawful money or even legal tender).

5. Ironically, the Note explicitly refers to repayment in "lawful money of the United States of America" (*see* "Promise to Pay" clause). Traditionally and legally, Congress defines the phrase "lawful money" for the United States. Lawful money was the form of money of exchange that the federal government (or any state) could be required by statute to receive in payment of taxes or other debts. Traditionally, as defined by Congress, lawful money only included gold, silver, and currency notes redeemable for gold or silver on demand. In a banking law

context, lawful money was only those forms of money of exchange (the forms just mentioned, plus U.S. bonds and notes redeemable for gold) that constituted the reserves of a national bank prior to 1913 (date of creation of the Federal Reserve Banks). *See,* Lawful Money, *Webster's New International Dictionary* (2d ed. 1950). In light of these facts, I conclude that Plaintiff and Defendants exchanged reciprocal credits involving money of account and not money of exchange; no lawful money was or probably ever would be disbursed by either side in the covered transactions. This conclusion also is consistent with the bookkeeping entries that underlie the loan account in dispute in the present case. Moreover, it is puzzling why Plaintiff would retain the archaic language, "lawful money of the United States of America," in its otherwise modern-seeming Note. It is possible that this language is merely a legacy from the pre-1933 era. Modern credit agreements might include repayment language such as, "The repayment obligation under this agreement shall continue until payment is received *in fully and finally collected funds*," which avoids the entire question of "In what form of money or credit is the repayment obligation due?"

6. *Legal tender*, a related concept but one that is economically inferior to *lawful money* because it allows payment in instruments that cannot be redeemed for gold or silver on demand, has been the form of money of exchange commonly used in the United States since 1933, when domestic private gold transactions were suspended. Basically, legal tender is whatever the government says that it is. The most common form of legal tender today is Federal Reserve notes, which by law cannot be redeemed for gold since 1934 or, since 1964, for silver. *See,* 31 U.S.C.

Sections 5103, 5118 (b), and 5119 (a).

7. *Legal tender under the Uniform Commercial Code (U.C.C.)*, Section 1-201 (24) (Official Comment), is a concept that sometimes surfaces in cases of this nature. *Money* is defined in Section 1-201 (24) as "a medium of exchange authorized or adopted by a domestic or foreign government and includes a monetary unit of account established by an intergovernmental organization or by agreement between two or more nations." The relevant Official Comment states that "The test adopted is that of sanction of government, whether by authorization before issue or adoption afterward, which recognizes the circulating medium as a part of the official currency of that government. The narrow view that money is limited to legal tender is rejected." Thus, I conclude that the U.C.C. tends to validate the classical theoretical view of money.

8. In my opinion, the best sources of information on the origins and use of credit as money are in Alfred Marshall, MONEY, CREDIT & COMMERCE 249-251 (1929) and Charles P. Kindleberger, A FINANCIAL HISTORY OF WESTERN EUROPE 50-53 (1984). A synthesis of these sources, as applied to the facts of the present case, is as follows: As commercial banks and discount houses (private bankers) became established in parts of Europe (especially Great Britain) and North America, by the mid-nineteenth century they commonly made loans to borrowers by extending their own credit to the borrowers or, at the borrowers' direction, to third parties. The typical form of such extensions of credit was drafts or bills of exchange drawn upon themselves (claims on the credit of the drawees) instead of disbursements of bullion, coin, or other forms of money. In

transactions with third parties, these drafts and bills came to serve most of the ordinary functions of money. The third parties had to determine for themselves whether such "credit money" had value and, if so, how much. The Federal Reserve Act of 1913 was drafted with this model of the commercial economy in mind and provided at least two mechanisms (the discount window and the open-market trading desk) by which certain types of bankers' credits could be exchanged for Federal Reserve credits, which in turn could be withdrawn in lawful money. Credit at the Federal Reserve eventually became the principal form of monetary reserves of the commercial banking system, especially after the suspension of domestic transactions in gold in 1933. Thus, credit money is not alien to the current official monetary system; it is just rarely used as a device for the creation of Federal Reserve credit that, in turn, in the form of either Federal Reserve notes or banks' deposits at Federal Reserve Banks, functions as money in the current monetary system. In fact, a means by which the Federal Reserve expands the money supply, loosely defined, is to set banks' reserve requirements (currently, usually ten percent of demand liabilities) at levels that would encourage banks to extend new credit to borrowers on their own books that third parties would have to present to the same banks for redemption, thus leading to an expansion of bank-created credit money. In the modern economy, many non-bank providers of credit also extend book credit to their customers without previously setting aside an equivalent amount of monetary reserves (credit card line of credit access checks issued by non-banks are a good example of this type of credit), which also causes an expansion of the aggregate quantity of credit

money. The discussion of money taken from Federal Reserve and other modern sources in paragraphs 11 et seq. is consistent with the account of the origins of the use of bank credit as money in this paragraph.

ADVANCES OF BANK CREDIT AS THE EQUIVALENT OF MONEY

9. Plaintiff apparently asserts that the Defendants signed a promise to pay, such as a note(s) or credit application (collectively, the "Note"), in exchange for the Plaintiff's advance of funds, credit, or some type of money to or on behalf of Defendant. However, the bookkeeping entries required by application of GAAP and the Federal Reserve's own writings should trigger close scrutiny of Plaintiff's apparent assertions that it lent its funds, credit, or money to or on behalf of Defendants, thereby causing them to owe the Plaintiff $400,000. According to the bookkeeping entries shown or otherwise described to me and application of GAAP, the Defendants allegedly were to tender some form of *money* ("lawful money of the United States of America" is the type of money explicitly called for in the Note), securities or other capital equivalent to money, funds, credit, or something else of value in exchange (money of exchange, loosely defined), collectively referred to herein as "money," to repay what the Plaintiff claims was the *money* lent to the Defendants. **It is not an unreasonable argument to state that Plaintiff apparently changed the economic substance of the transaction from that contemplated in the credit application form, agreement, note(s), or other similar instrument(s) that the Defendants executed, thereby changing the costs and risks to the Defendants.** At most, the Plaintiff extended its own *credit* (money of account), but the Defendants were required to repay in *money*

(money of exchange, and *lawful money* at that), **which creates at least the inference of inequality of obligations** on the two sides of the transaction (*money*, including *lawful money*, is to be exchanged for *bank credit*).

MODERN AUTHORITIES ON MONEY

11. To understand what occurred between Plaintiff and Defendants concerning the alleged loan of *money* or, more accurately, *credit*, it is helpful to review a modern Federal Reserve description of a bank's lending process. *See*, David H. Friedman, MONEY AND BANKING (4th ed. 1984)(apparently already introduced into this case): "The commercial bank lending process is similar to that of a thrift in that the receipt of cash from depositors increases both its assets and its deposit liabilities, which enables it to make additional loans and investments. . . . When a commercial bank makes a business loan, it accepts as an asset the borrower's debt obligation (the promise to repay) and creates a liability on its books in the form of a demand deposit in the amount of the loan." (Consumer loans are funded similarly.) Therefore, the bank's original bookkeeping entry should show an increase in the amount of the asset credited on the asset side of its books and a corresponding increase equal to the value of the asset on the liability side of its books. **This would show that the bank received the customer's signed promise to repay as an *asset*, thus *monetizing* the customer's signature and creating on its books a liability in the form of a demand deposit or other demand liability of the bank.** The bank then usually would hold this demand deposit in a transaction account on behalf of the customer. Instead of the bank lending its *money* or other assets to the customer, as the customer reasonably

might believe from the face of the Note, the bank *created* funds for the customer's transaction account without the customer's permission, authorization, or knowledge and delivered the *credit* on its own books representing those funds to the customer, meanwhile alleging that the bank lent the customer *money*. If Plaintiff's response to this line of argument is to the effect that it acknowledges that it lent credit or issued credit instead of money, one might refer to Thomas P. Fitch, BARRON'S BUSINESS GUIDE DICTIONARY OF BANKING TERMS, **"Credit banking," 3. "Bookkeeping entry representing a deposit of funds into an account."** But Plaintiff's loan agreement apparently avoids claiming that the bank actually lent the Defendants *money*. They apparently state in the agreement that the Defendants are obligated to repay Plaintiff principal and interest for the "Valuable consideration (money) the bank gave the customer (borrower)." The loan agreement and Note apparently still delete any reference to the bank's receipt of actual cash value from the Defendants and exchange of that receipt for actual cash value that the Plaintiff banker returned.

12. **According to the Federal Reserve Bank of New York, money is anything that has value that banks and people accept as money; money does not have to be issued by the government.** For example, David H. Friedman, Federal Reserve Bank of New York (4th ed. 1984)(apparently already introduced into this case), explains that banks create new money by depositing IOUs, promissory notes, offset by bank liabilities called checking account balances. Page 5 says, "Money doesn't have to be intrinsically valuable, be issued by government, or be in any special form..."

13.The publication, Anne Marie L. Gonczy, MODERN MONEY MECHANICS 7-33, Federal Reserve Bank of Chicago (rev. ed. June 1992)(apparently already introduced into this case), contains standard bookkeeping entries demonstrating that *money* ordinarily is recorded as a bank *asset*, while a bank *liability* is evidence of *money* that a bank owes. The bookkeeping entries tend to prove that banks accept cash, checks, drafts, and promissory notes/credit agreements (assets) as *money* deposited to create credit or checkbook money that are bank *liabilities*, which shows that, absent any right of setoff, banks owe *money* to persons who deposit *money*.. **Cash (money of exchange) is money, and credit or promissory notes (money of account) become money when banks deposit promissory notes with the intent of treating them like deposits of cash.** *See*, 12 U.S.C. Section 1813 (*l*)(1) (definition of "deposit" under Federal Deposit Insurance Act). The Plaintiff acts in the capacity of a lending or banking institution, and the newly issued credit or money is similar or equivalent to a promissory note, which may be treated as a deposit of money when received by the lending bank.. Federal Reserve Bank of Dallas publication MONEY AND BANKING, page 11, explains that when banks grant loans, they create new money. The new money is created because a new "loan becomes a deposit, just like a paycheck does." MODERN MONEY MECHANICS, page 6, says, "What they [banks] do when they make loans is to accept promissory notes in exchange for credits to the borrowers' transaction accounts." The next sentence on the same page explains that the banks' assets and liabilities increase by the amount of the loans.

COMMENTARY AND SUMMARY OF ARGUMENT

14. Plaintiff apparently accepted the Defendants' Note and credit application (money of account) in exchange for its own credit (also money of account) and deposited that credit into an account with the Defendants' names on the account, as well as apparently issuing its own credit for $95,905.16 to Michigan National Bank for the account of the Defendants. One reasonably might argue that the Plaintiff recorded the Note or credit application as a loan (money of account) from the Defendants to the Plaintiff and that the Plaintiff then became the borrower of an equivalent amount of money of account from the Defendants.

15. The Plaintiff in fact never lent any of its own pre-existing money, credit, or assets as consideration to purchase the Note or credit agreement from the Defendants. When the Plaintiff deposited the Defendants' $400,000 of newly issued credit into an account, the Plaintiff created from $360,000 to $400,000 of new money (the nominal principal amount less up to ten percent or $40,000 of reserves that the Federal Reserve would require against a demand deposit of this size). The Plaintiff received $400,000 of credit or money of account from the Defendants as an asset. GAAP ordinarily would require that the Plaintiff record a liability account, crediting the Defendants' deposit account, showing that the Plaintiff owes $400,000 of money to the Defendants, just as if the Defendants were to deposit cash or a payroll check into their account.

16. The following appears to be a disputed fact in this case about which I have insufficient information on which to form a conclusion: I infer that it is alleged that Plaintiff refused to lend the Defendants Plaintiff's own money or assets and

recorded a $400,000 loan from the Defendants to the Plaintiff, which arguably was a $400,000 deposit of money of account by the Defendants, and then when the Plaintiff repaid the Defendants by paying its own credit (money of account) in the amount of $400,000 to third-party sellers of goods and services for the account of Defendants, the Defendants were repaid their loan to Plaintiff, and the transaction was complete.

17. I do not have sufficient knowledge of the facts in this case to form a conclusion on the following disputed points: None of the following material facts are disclosed in the credit application or Note or were advertised by Plaintiff to prove that the Defendants are the true lenders and the Plaintiff is the true borrower. **The Plaintiff is trying to use the credit application form or the Note to persuade and deceive the Defendants into believing that the opposite occurred and that the Defendants were the borrower and not the lender.** The following point is undisputed: The Defendants' loan of their credit to Plaintiff, when issued and paid from their deposit or credit account at Plaintiff, became money in the Federal Reserve System (subject to a reduction of up to ten percent for reserve requirements) as the newly issued credit was paid pursuant to written orders, including checks and wire transfers, to sellers of goods and services for the account of Defendants.

CONCLUSION

18. Based on the foregoing, Plaintiff is using the Defendant's Note for its own purposes, and it remains to be proven whether Plaintiff has incurred any financial loss or actual damages (I do not have sufficient information to form a conclusion on this point). In any case, the inclusion of the "lawful money" language in the repayment clause of the Note is confusing at best and in fact may be misleading in the context described above.

AFFIRMATION

19. I hereby affirm that I prepared and have read this Affidavit and that I believe the foregoing statements in this Affidavit to be true. I hereby further affirm that the basis of these beliefs is either my own direct knowledge of the legal principles and historical facts involved and with respect to which I hold myself out as an expert or statements made or documents provided to me by third parties whose veracity I reasonably assumed.

Further the Affiant sayeth naught.

At Chagrin Falls, Ohio

December 5, 2003

WALKER F. TODD (Ohio bar no. 0064539)
Expert witness for the Defendants
Walker F. Todd, Attorney at Law
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Chagrin Falls, Ohio 44022
(440) 338-1169, fax (440) 338-1537
e-mail: westodd@adelphia.net

<mailto:westodd@adelphia.net>

NOTARY'S VERIFICATION

At Chagrin Falls, Ohio
December 5, 2003

On this day personally came before me the above-named Affiant, who proved his identity to me to my satisfaction, and he acknowledged his signature on this Affidavit in my presence and stated that he did so with full understanding that he was subject to the penalties of perjury.

____
Notary Public of the State of Ohio

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EXHIBIT 1

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The information in this prospectus supplement and the accompanying prospectus is not complete and may be changed. We may not sell these securities until we deliver a final prospectus supplement and accompanying prospectus. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and are not seeking an offer to buy these securities in any state where the offer or sale is prohibited.

SUBJECT TO COMPLETION DATED OCTOBER 11, 2005
Prospectus Supplement dated October [•], 2005
to Prospectus dated October 11, 2005

MBNA Credit Card Master Note Trust

Issuer

MBNA America Bank, National Association

Originator of the Issuer

MBNAseries

The issuer will issue and sell:	**Class C(2005-3) Notes**
Principal amount	$250,000,000
Interest rate	one-month LIBOR plus [•]% per year
Interest payment dates	15th day of each month, beginning in December 2005
Expected principal payment date	October 15, 2008
Legal maturity date	March 15, 2011
Expected issuance date	October [•], 2005
Price to public	$[•] (or [•]%)
Underwriting discount	$[•] (or [•]%)
Proceeds to the issuer	$[•] (or [•]%)

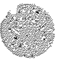
The Class C(2005-3) notes are a tranche of the Class C notes of the MBNAseries. Interest and principal payments on Class C notes of the MBNAseries are subordinated to payments on Class A and Class B notes.

You should consider the discussion under "Risk Factors" beginning on page S-15 in this prospectus supplement and on page 15 of the accompanying prospectus before you purchase any notes.

The notes are obligations of the issuer only and are not obligations of any other person. Each tranche of notes is secured by only some of the assets of the issuer. Noteholders will have no recourse to any other assets of the issuer for the payment of the notes.

The primary asset of the issuer is the collateral certificate, Series 2001-D, representing an undivided interest in MBNA Master Credit Card Trust II, whose assets include a portfolio of consumer revolving credit card accounts.

The notes are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency



or instrumentality.

Neither the SEC nor any state securities commission has approved these notes or determined that this prospectus supplement or the prospectus is truthful, accurate or complete. Any representation to the contrary is a criminal offense.

Underwriters

Deutsche Bank Securities **RBS Greenwich Capital**

Banc of America Securities LLC

Merrill Lynch & Co.

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Important Notice about Information Presented in this Prospectus Supplement and the Accompanying Prospectus

We provide information to you about the notes in two separate documents that progressively provide more detail: (a) this prospectus supplement, which will describe the specific terms of the MBNAseries and the Class C(2005-3) notes and (b) the accompanying prospectus, which provides general information about each series of notes which may be issued by the MBNA Credit Card Master Note Trust, some of which may not apply to the MBNAseries or the Class C(2005-3) notes.

This prospectus supplement may be used to offer and sell the Class C(2005-3) notes only if accompanied by the prospectus.

This prospectus supplement may supplement disclosure in the accompanying prospectus. If the terms of the MBNAseries or the Class C(2005-3) notes vary between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information provided in this prospectus supplement and the accompanying prospectus including the information incorporated by reference. We have not authorized anyone to provide you with different information. We are not offering the Class C(2005-3) notes in any state where the offer is not permitted. We do not claim the accuracy of the information in this prospectus supplement or the accompanying prospectus as of any date other than the dates stated on their respective covers.

We include cross-references in this prospectus supplement and in the accompanying prospectus to captions in these materials where you can find further related discussions. The Table of Contents in this prospectus supplement and in the accompanying prospectus provide the pages on which these captions are located.

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Prospectus Supplement Summary

This summary does not contain all the information you may need to make an informed investment decision. You should read the entire prospectus supplement and the accompanying prospectus before you purchase any notes.

Securities Offered

$250,000,000 Floating Rate Class C(2005-3) notes.

These Class C(2005-3) notes are part of a series of notes called the MBNAseries. The MBNAseries consists of Class A notes, Class B notes and Class C notes. These Class C(2005-3) notes are a tranche of the Class C notes of the MBNAseries.

These Class C(2005-3) notes are issued by, and are obligations of, the MBNA Credit Card Master Note Trust. The issuer expects to issue other classes and tranches of notes of the MBNAseries which may have different interest rates, interest payment dates, expected principal payment dates, legal maturity dates and other characteristics. In addition, the issuer may issue other series of notes which may have different interest rates, interest payment dates, expected principal payment dates, legal maturity dates and other characteristics. See *"The Notes—Issuances of New Series, Classes and Tranches of Notes"* in this prospectus supplement and in the prospectus.

Each class of notes in the MBNAseries may consist of multiple tranches. Notes of any tranche can be issued on any date so long as there is sufficient credit enhancement on that date, either in the form of outstanding subordinated notes or other forms of credit enhancement. See *"The Notes—Issuances of New Series, Classes and Tranches of Notes"* in this prospectus supplement and in the prospectus. The expected principal payment dates and legal maturity dates of tranches of senior and subordinated classes of the MBNAseries may be different. Therefore, subordinated notes may have expected principal payment dates and legal maturity dates earlier than some or all senior notes of the MBNAseries. Subordinated notes will generally not be paid before their legal maturity date unless, after payment, the remaining outstanding subordinated notes provide the credit enhancement required for the senior notes.

In general, the subordinated notes of the MBNAseries serve as credit enhancement for all of the senior notes of the MBNAseries, regardless of whether the subordinated notes are issued before, at the same time as, or after the senior notes of the MBNAseries. However, certain tranches of senior notes may not require subordination from each class of notes subordinated to it. For example, if a tranche of Class A notes requires credit enhancement solely from Class C notes, the Class B notes will not, in that case, provide credit enhancement for that tranche of Class A notes. The amount of credit exposure of any particular tranche of notes is a function of, among other things, the total amount of notes issued, the required subordinated amount, the amount of usage of the required subordinated amount and the amount on deposit in the senior tranches' principal funding subaccounts.

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Only the Class C(2005-3) notes are being offered through this prospectus supplement and the accompanying prospectus. Other series, classes and tranches of notes, including other tranches of notes that are included in the MBNAseries as a part of the Class C notes, may be issued by the MBNA Credit Card Master Note Trust in the future.

The MBNAseries

These Class C(2005-3) notes are expected to be the twenty-third tranche of Class C notes outstanding in the MBNAseries.

See "*Annex I: Outstanding Series, Classes and Tranches of Notes*" for information on the other outstanding notes issued by the issuer. In addition, Annex I includes information on the Class A(2005-8) notes, which are expected to be issued by the issuer.

Risk Factors

Investment in the Class C(2005-3) notes involves risks. You should consider carefully the risk factors beginning on page S-15 in this prospectus supplement and beginning on page 15 in the accompanying prospectus.

Interest

These Class C(2005-3) notes will accrue interest at an annual rate equal to LIBOR plus [•]%, as determined on the related LIBOR determination date.

Interest on these Class C(2005-3) notes will begin to accrue on October [•], 2005 and will be calculated on the basis of a 360-day year and the actual number of days in the related interest period. Each interest period will begin on and include an interest payment date and end on but exclude the next interest payment date. However, the first interest period will begin on and include October [•], 2005, which is the issuance date, and end on but exclude December 15, 2005, which is the first interest payment date for these Class C(2005-3) notes.

Interest on these Class C(2005-3) notes for any interest payment date will equal the product of:

- the Class C(2005-3) note interest rate for the applicable interest period; *times*
- the actual number of days in the related interest period divided by 360; *times*
- the outstanding dollar principal amount of the Class C(2005-3) notes as of the related record date.

The issuer will make interest payments on these Class C(2005-3) notes on the 15th day of each month, beginning in December 2005. Interest payments due on a day that is not a business day in New York, New York and Newark, Delaware will be made on the following business day.

The payment of interest on a senior class of notes on any payment date is senior to the payment of interest on subordinated classes of notes of the MBNAseries on such date. Generally, no payment of interest will be made on any Class B note in the MBNAseries until the required payment of interest has been made to the Class A notes in the MBNAseries. Similarly, generally, no payment of interest will be made on any Class C note in the MBNAseries until the required payment of interest has been made to the Class A notes and the Class B notes in the MBNAseries. However, funds on deposit in the Class C reserve account will

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be available only to holders of Class C notes to cover shortfalls of interest on any interest payment date.

Principal

The issuer expects to pay the stated principal amount of these Class C(2005-3) notes in one payment on October 15, 2008, which is the expected principal payment date, and is obligated to do so if funds are available for that purpose and not required for subordination. If the stated principal amount of these Class C(2005-3) notes is not paid in full on the expected principal payment date due to insufficient funds or insufficient credit enhancement, noteholders will generally not have any remedies against the issuer until March 15, 2011, the legal maturity date of these Class C(2005-3) notes.

If the stated principal amount of these Class C(2005-3) notes is not paid in full on the expected principal payment date, then an early redemption event will occur with respect to these Class C(2005-3) notes and, subject to the principal payment rules described below under *"—Subordination; Credit Enhancement"* and *"—Required Subordinated Amount,"* principal and interest payments on these Class C(2005-3) notes will be made monthly until they are paid in full or until the legal maturity date occurs, whichever is earlier.

Principal of these Class C(2005-3) notes may be paid earlier than the expected principal payment date if any other early redemption event or an event of default and acceleration occurs with respect to these Class C(2005-3) notes. See *"The Indenture—Early Redemption Events"* and *"—Events of Default"* in the prospectus and *"The Notes—Early Redemption of the Notes"* in this prospectus supplement.

Nominal Liquidation Amount

The initial nominal liquidation amount of these Class C(2005-3) notes is $250,000,000.

The nominal liquidation amount of a tranche of notes corresponds to the portion of the investor interest of the collateral certificate that is allocable to support that tranche of notes. If the nominal liquidation amount of these Class C(2005-3) notes is reduced by:

- reallocations of available principal amounts to pay interest on a senior class of the MBNAseries or a portion of the master trust II servicing fee allocable to the MBNAseries; or
- charge-offs resulting from uncovered defaults on the principal receivables in master trust II allocable to the MBNAseries,

the principal of and interest on these Class C(2005-3) notes may not be paid in full. If the nominal liquidation amount of these Class C(2005-3) notes has been reduced, available principal amounts and available funds allocated to pay principal of and interest on these Class C(2005-3) notes will be reduced.

For a more detailed discussion of nominal liquidation amount, see *"The Notes—Stated Principal Amount, Outstanding Dollar Principal Amount and Nominal Liquidation Amount"* in the prospectus.

Subordination; Credit Enhancement

These Class C(2005-3) notes generally will not receive interest payments on any

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payment date until the Class A notes and the Class B notes have received their full interest payments on such date. Available principal amounts allocable to these Class C(2005-3) notes may be applied to make interest payments on the Class A notes and Class B notes of the MBNAseries or to pay a portion of the master trust II servicing fee allocable to the MBNAseries. Available principal amounts remaining on any payment date after any reallocations for interest on the senior classes of notes or for a portion of the master trust II servicing fee allocable to the MBNAseries will be first applied to make targeted deposits to the principal funding subaccounts of senior classes of notes on such date before being applied to make required deposits to the principal funding subaccounts of the subordinated notes on such date.

In addition, principal payments on these Class C(2005-3) notes are subject to the principal payment rules described below in *"—Required Subordinated Amount."*

Required Subordinated Amount

In order to issue a senior class of notes, the required subordinated amount of subordinated notes must be outstanding and available on the issuance date. Generally, the required subordinated amount of a subordinated class of notes for any date is an amount equal to a stated percentage of the adjusted outstanding dollar principal amount of the senior tranche of notes for such date.

In addition, if the rating agencies consent and without the consent of any noteholders, the issuer may utilize forms of credit enhancement other than subordinated notes in order to provide senior classes of notes with the required credit enhancement.

No payment of principal will be made on any Class B note in the MBNAseries unless, following the payment, the remaining available subordinated amount of Class B notes in the MBNAseries is at least equal to the required subordinated amount for the outstanding Class A notes in the MBNAseries less any usage of the required subordinated amount of Class B notes for such outstanding Class A notes. Similarly, no payment of principal will be made on any Class C note in the MBNAseries unless, following the payment, the remaining available subordinated amount of Class C notes in the MBNAseries is at least equal to the required subordinated amount for the outstanding Class A notes and Class B notes in the MBNAseries less any usage of the required subordinated amount of Class C notes for such outstanding Class A notes and Class B notes. However, there are some exceptions to this rule. See *"The Notes—Subordination of Interest and Principal"* in this prospectus supplement and in the prospectus.

Class C Reserve Account

The issuer will establish a Class C reserve subaccount to provide credit enhancement solely for the holders of these Class C(2005-3) notes. The Class C reserve subaccount will initially not be funded. The Class C reserve subaccount will not be funded unless and until the three-month average of the excess available funds percentage falls below the levels described in the following table or an early redemption event or event of default occurs.

Funds on deposit in the Class C reserve subaccount will be available to holders of these Class C(2005-3) notes to cover

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shortfalls of interest payable on interest payment dates. Funds on deposit in the Class C reserve subaccount will also be available to holders of these Class C(2005-3) notes to cover certain shortfalls in principal. Only the holders of Class C(2005-3) notes will have the benefit of this Class C reserve subaccount. See *"Deposit and Application of Funds—Withdrawals from the Class C Reserve Account."*

The following table indicates the amount required to be on deposit in the Class C reserve subaccount for these Class C(2005-3) notes. For any month the amount targeted to be on deposit is equal to the funding percentage (which corresponds to the average of the excess available funds percentage for each of the preceding three consecutive months as indicated in the following table) times the sum of the initial dollar principal amounts of all outstanding MBNAseries notes times the nominal liquidation amount of these Class C(2005-3) notes divided by the nominal liquidation amount of all Class C notes in the MBNAseries.

Three-month average excess available funds percentage	Funding percentage
4.50% or greater	0.00%
4.00% to 4.49%	1.25%
3.50% to 3.99%	2.00%
3.00% to 3.49%	2.75%
2.50% to 2.99%	3.50%
2.00% to 2.49%	4.50%
1.99% or less	6.00%

The excess available funds percentage for a month is determined by subtracting the base rate from the portfolio yield for that month. See *"Glossary of Defined Terms"* for a description of base rate and portfolio yield.

The amount targeted to be in the Class C reserve subaccount will be adjusted monthly to the percentages specified in the table as the three-month average of the excess available funds percentage rises or falls. If an early redemption event or event of default occurs with respect to these Class C(2005-3) notes, the targeted Class C reserve subaccount amount will be the aggregate adjusted outstanding dollar principal amount of these Class C(2005-3) notes. See *"Deposit and Application of Funds—Targeted Deposits to the Class C Reserve Account."*

Early Redemption of Notes

The early redemption events applicable to all notes, including these Class C(2005-3) notes, are described in the accompanying prospectus. In addition, if for any date the amount of excess available funds averaged over the three preceding calendar months is less than the required excess available funds for such date, an early redemption event for the Class C(2005-3) notes will occur. Excess available funds for any month equals the available funds allocated to the MBNAseries that month after application for targeted deposits to the interest funding account, payment of the master trust II servicing fee allocable to the MBNAseries, application to cover defaults on principal receivables in master trust II allocable to the MBNAseries and reimbursement of any deficits in the nominal liquidation amounts of notes. Required excess available funds is an amount equal to zero. This amount may be changed provided the issuer (i) receives the consent of the rating agencies and (ii) reasonably believes that the change will not have a material adverse effect on the notes. See *"The Notes—Early Redemption*

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of Notes" and *"The Indenture—Early Redemption Events"* in the prospectus.

Optional Redemption by the Issuer

The servicer has the right, but not the obligation, to direct the issuer to redeem these Class C(2005-3) notes in whole but not in part on any day on or after the day on which the nominal liquidation amount of these Class C(2005-3) notes is reduced to less than 5% of their highest outstanding dollar principal amount. This repurchase option is referred to as a clean-up call.

The issuer will not redeem subordinated notes if those notes are required to provide credit enhancement for senior classes of notes of the MBNAseries. If the issuer is directed to redeem these Class C(2005-3) notes, it will notify the registered holders at least thirty days prior to the redemption date. The redemption price of a note will equal 100% of the outstanding principal amount of that note, plus accrued but unpaid interest on the note to but excluding the date of redemption.

If the issuer is unable to pay the redemption price in full on the redemption date, monthly payments on these Class C(2005-3) notes will thereafter be made, subject to the principal payment rules described above under *"—Subordination; Credit Enhancement,"* until either the principal of and accrued interest on these Class C(2005-3) notes are paid in full or the legal maturity date occurs, whichever is earlier. Any funds in the principal funding subaccount, the interest funding subaccount and the Class C reserve subaccount for these Class C(2005-3) notes will be applied to make the principal and interest payments on these notes on the redemption date.

Events of Default

The Class C(2005-3) notes are subject to certain events of default described in *"The Indenture—Events of Default"* in the prospectus. For a description of the remedies upon an event of default, see *"The Indenture—Events of Default Remedies"* in the prospectus and *"Deposit and Application of Funds—Sale of Credit Card Receivables"* in this prospectus supplement.

Master Trust II Assets and Receivables

The collateral certificate, which is the issuer's primary source of funds for the payment of principal of and interest on these Class C(2005-3) notes, is an investor certificate issued by master trust II. The collateral certificate represents an undivided interest in the assets of master trust II. Master trust II's assets primarily include credit card receivables from selected MasterCard®, Visa® and American Express® revolving credit card accounts that meet the eligibility criteria for inclusion in master trust II. These eligibility criteria are discussed in the prospectus under *"Master Trust II—Addition of Master Trust II Assets."*

The master trust II agreement has been amended to allow the addition of credit card receivables from American Express revolving credit card accounts that meet the eligibility criteria for inclusion in master trust II. See *"MBNA and MBNA Corporation—The MBNA/American Express Agreement"* in the accompanying prospectus.

The credit card receivables in master trust II consist primarily of principal receivables and finance charge receivables. Principal

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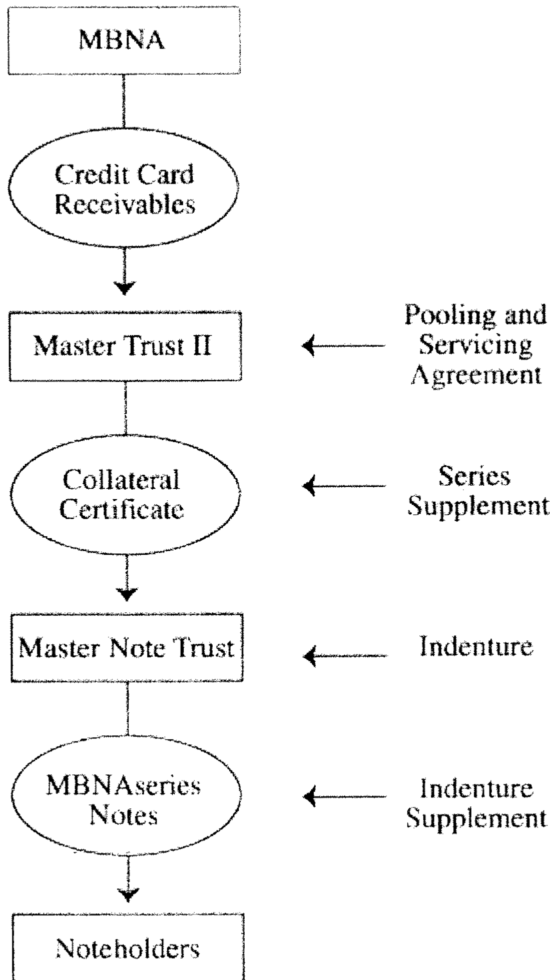
receivables include amounts charged by cardholders for merchandise and services and amounts advanced to cardholders as cash advances. Finance charge receivables include periodic finance charges, annual membership fees, cash advance fees, late charges and certain other fees billed to cardholders, and recoveries on receivables in defaulted accounts.

In addition, MBNA is permitted to add to master trust II participations representing interests in a pool of assets primarily consisting of receivables arising under consumer revolving credit card accounts owned by MBNA and collections thereon.

See *"The Master Trust II Portfolio"* for detailed financial information on the receivables and the accounts.

See *"Annex II: Outstanding Master Trust II Series"* of this prospectus supplement for additional information on the outstanding series in master trust II.

Key Operating Documents



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Issuer Accounts

The issuer has established a principal funding account, an interest funding account, an accumulation reserve account and a Class C reserve account for the benefit of the MBNAseries. The principal funding account, the interest funding account, the accumulation reserve account and the Class C reserve account will have subaccounts for the Class C(2005-3) notes.

Each month, distributions on the collateral certificate will be deposited into the collection account. Those deposits will then be allocated to each series of notes, including the MBNAseries. The amounts allocated to the MBNAseries plus any other amounts to be treated as available funds and available principal amounts for the MBNAseries will then be allocated to:

—the principal funding account;

—the interest funding account;

—the accumulation reserve account;

—the Class C reserve account;

—any other supplemental account;

—payments under any applicable derivative agreements; and

—the other purposes as specified in this prospectus supplement.

Funds on deposit in the principal funding account and the interest funding account will be used to make payments of principal of and interest on the MBNAseries notes, including the Class C(2005-3) notes.

Security for the Notes

The Class C(2005-3) notes are secured by a shared security interest in:

- the collateral certificate;
- the collection account;
- the applicable principal funding subaccount;
- the applicable interest funding subaccount;
- the applicable accumulation reserve subaccount; and
- the applicable Class C reserve subaccount.

However, the Class C(2005-3) notes are entitled to the benefits of only that portion of those assets allocated to them under the indenture and the MBNAseries indenture supplement.

See *"The Notes—Sources of Funds to Pay the Notes—The Collateral Certificate"* and *"—The Issuer Accounts"* in this prospectus supplement and *"Sources of Funds to Pay the Notes—The Collateral Certificate"* in the prospectus.

Limited Recourse to the Issuer

The sole sources of payment for principal of or interest on these Class C(2005-3) notes are provided by:

- the portion of the available principal amounts and available funds allocated to the MBNAseries and available to these Class C(2005-3) notes after giving effect to any reallocations, payments and deposits for senior notes; and

• funds in the applicable issuer accounts for these Class C(2005-3) notes.

Class C(2005-3) noteholders will have no recourse to any other assets of the issuer or any other person or entity for the payment of principal of or interest on these Class C(2005-3) notes.

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However, following a sale of credit card receivables (i) due to an insolvency of MBNA, (ii) due to an event of default and acceleration with respect to the Class C(2005-3) notes or (iii) on the legal maturity date for the Class C(2005-3) notes, as described in *"Deposit and Application of Funds—Sale of Credit Card Receivables"* in this prospectus supplement and *"Sources of Funds to Pay the Notes—Sale of Credit Card Receivables"* in the prospectus, the Class C(2005-3) noteholders have recourse only to the proceeds of that sale.

Accumulation Reserve Account

The issuer will establish an accumulation reserve subaccount to cover shortfalls in investment earnings on amounts (other than prefunded amounts) on deposit in the principal funding subaccount for these Class C(2005-3) notes.

The amount targeted to be deposited in the accumulation reserve subaccount for these Class C(2005-3) notes is zero, unless more than one budgeted deposit is required to accumulate and pay the principal of the Class C(2005-3) notes on its expected principal payment date, in which case, the amount targeted to be deposited is 0.5% of the outstanding dollar principal amount of the Class C(2005-3) notes, or such other amount designated by the issuer. See *"Deposit and Application of Funds—Targeted Deposits to the Accumulation Reserve Account."*

Shared Excess Available Funds

The MBNAseries will be included in "Group A." In addition to the MBNAseries, the issuer may issue other series of notes that are included in Group A. As of the date of this prospectus supplement, the MBNAseries is the only series of notes issued by the issuer.

To the extent that available funds allocated to the MBNAseries are available after all required applications of such amounts as described in *"Deposit and Application of Funds—Application of MBNAseries Available Funds,"* these unused available funds, called shared excess available funds, will be applied to cover shortfalls in available funds for other series of notes in Group A. In addition, the MBNAseries may receive the benefits of shared excess available funds from other series in Group A, to the extent available funds for such other series of notes are not needed for such series. See *"Deposit and Application of Funds—Shared Excess Available Funds"* in this prospectus supplement and *"Sources of Funds to Pay the Notes—The Collateral Certificate"* and *"—Deposit and Application of Funds"* in the prospectus.

Stock Exchange Listing

The issuer will apply to list these Class C(2005-3) notes on a stock exchange in Europe. The issuer cannot guarantee that the application for the listing will be accepted or that, if accepted, such listing will be maintained. To determine whether these Class C(2005-3) notes are listed on a stock exchange, you may contact the issuer at c/o Wilmington Trust Company, Rodney Square North, 1100 N. Market Street, Wilmington, Delaware 19890-0001, telephone number: (302) 651-1284.

Ratings

The issuer will issue these Class C(2005-3) notes only if they are rated at least "BBB" or

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"Baa2" or its equivalent by at least one nationally recognized rating agency.

Other tranches of Class C notes may have different rating requirements from the Class C(2005-3) notes.

A rating addresses the likelihood of the payment of interest on a note when due and the ultimate payment of principal of that note by its legal maturity date. A rating does not address the likelihood of payment of principal of a note on its expected principal payment date. In addition, a rating does not address the possibility of an early payment or acceleration of a note, which could be caused by an early redemption event or an event of default. A rating is not a recommendation to buy, sell or hold notes and may be subject to revision or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating.

See *"Risk Factors—If the ratings of the notes are lowered or withdrawn, their market value could decrease"* in the prospectus.

Recent Developments

On June 30, 2005, Bank of America Corporation and MBNA Corporation announced they had entered into an agreement and plan of merger. See *"MBNA and MBNA Corporation—Bank of America Corporation/MBNA Corporation Merger"* in the accompanying prospectus for a discussion of the merger agreement and its potential impact on MBNA Corporation, MBNA, master trust II and noteholders.

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Risk Factors

The risk factors disclosed in this section and in "Risk Factors" in the accompanying prospectus describe the principal risk factors of an investment in the Class C(2005-3) notes.

Only some of the assets of the issuer are available for payments on any tranche of notes

The sole sources of payment of principal of and interest on your tranche of notes are provided by:

- the portion of the available principal amounts and available funds allocated to the MBNAseries and available to your tranche of notes after giving effect to any reallocations and payments and deposits for senior notes; and
- funds in the applicable issuer accounts for your tranche of notes.

As a result, you must rely only on the particular allocated assets as security for your tranche of notes for repayment of the principal of and interest on your notes. You will not have recourse to any other assets of the issuer or any other person for payment of your notes. See *"The Notes—Sources of Funds to Pay the Notes"* in this prospectus supplement and *"Sources of Funds to Pay the Notes"* in the accompanying prospectus.

In addition, if there is a sale of credit card receivables due to the insolvency of MBNA, due to an event of default and acceleration or on the applicable legal maturity date, as described in *"Deposit and Application of Funds—Sale of Credit Card Receivables"* in this prospectus supplement and *"Sources of Funds to Pay the Notes—Sale of Credit Card Receivables"* in the accompanying prospectus, your tranche of notes has recourse only to the proceeds of that sale, any amounts then on deposit in the issuer accounts allocated to and held for the benefit of your tranche of notes and any amounts payable under any applicable derivative agreement.

Class B notes and Class C notes are subordinated and bear losses before Class A notes

Class B notes of the MBNAseries are subordinated in right of payment of principal and interest to Class A notes, and Class C notes of the MBNAseries are subordinated in right of payment of principal and interest to Class A notes and Class B notes.

In the MBNAseries, available funds are first used to pay interest due to Class A noteholders, next to pay interest due to

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Class B noteholders, and lastly to pay interest due to Class C noteholders. If available funds are not sufficient to pay interest on all classes of notes, the notes may not receive full payment of interest if, in the case of Class A and Class B notes, reallocated available principal amounts, and in the case of Class C notes, amounts on deposit in the applicable Class C reserve subaccount, are insufficient to cover the shortfall.

In the MBNAseries, available principal amounts may be reallocated to pay interest on senior classes of notes of the MBNAseries and to pay a portion of the master trust II servicing fee allocable to the MBNAseries to the extent that available funds are insufficient to make such payments. In addition, charge-offs due to defaulted principal receivables in master trust II allocable to the MBNAseries generally are reallocated from the senior classes to the subordinated classes of the MBNAseries. If these reallocations of available principal amounts and charge-offs are not reimbursed from available funds, the full stated principal amount of the subordinated classes of notes will not be repaid. See "*The Notes—Stated Principal Amount, Outstanding Dollar Principal Amount and Nominal Liquidation Amount—Nominal Liquidation Amount*" in the prospectus and "*Deposit and Application of Funds—Application of MBNAseries Available Principal Amounts*" in this prospectus supplement.

In addition, after application to pay interest on senior classes of notes or to pay a portion of the master trust II servicing fee allocable to the MBNAseries, available principal amounts are first used to pay principal due to Class A noteholders, next to pay principal due to Class B noteholders, and lastly to pay principal due to Class C noteholders.

If there is a sale of the credit card receivables owned by master trust II due to an insolvency of MBNA or due to an event of default and acceleration with respect to the MBNAseries, the net proceeds of the sale allocable to principal payments with respect to the collateral certificate will generally be used first to pay amounts due to Class A noteholders, next to pay amounts due to Class B noteholders, and lastly, to pay amounts due to Class C noteholders. This could cause a loss to Class A, Class B or Class C noteholders if the amount available to them is not enough to pay the Class A, Class B or Class C notes in full.

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Payment of Class B notes and Class C notes may be delayed or reduced due to the subordination provisions

For the MBNAseries, subordinated notes, except as noted in the following paragraph, will be paid principal only to the extent that sufficient funds are available and such notes are not needed to provide the required subordination for senior classes of notes of the MBNAseries. In addition, available principal amounts allocated to the MBNAseries will be applied first to pay shortfalls in interest on senior classes of notes, then to pay a portion of the shortfall in the master trust II servicing fee allocable to the MBNAseries and then to make targeted deposits to the principal funding subaccounts of senior classes of notes before being applied to make required deposits to the principal funding subaccounts of the subordinated notes.

If subordinated notes reach their expected principal payment date, or an early redemption event, event of default and acceleration or other optional or mandatory redemption occurs with respect to such subordinated notes prior to the legal maturity date, and cannot be paid because of the subordination provisions of the MBNAseries indenture supplement, prefunding of the principal funding subaccounts for the senior notes of the MBNAseries will begin, as described in "*Deposit and Application of Funds—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account,*" and no available principal amounts will be deposited into the principal funding subaccount of, or used to make principal payments on, the subordinated notes. After that time, the subordinated notes will be paid only if, and to the extent that:

- enough senior notes are repaid so that the subordinated notes are no longer necessary to provide the required subordination;
- new subordinated notes are issued so that the subordinated notes which are payable are no longer necessary to provide the required subordination;
- the principal funding subaccounts for the senior notes are prefunded so that the subordinated notes are no longer necessary to provide the required subordination; or
- the subordinated notes reach their legal maturity date.

This may result in a delay or loss of principal payments to holders of subordinated notes. See "*Deposit and Application of Funds—Targeted Deposits of MBNAseries Available Principal*

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Amounts to the Principal Funding Account—Prefunding of the Principal Funding Account for Senior Classes."

Class A and Class B notes of the MBNAseries can lose their subordination under some circumstances resulting in delayed or reduced payments to you

Subordinated notes of the MBNAseries may have expected principal payment dates and legal maturity dates earlier than some or all of the notes of the senior classes.

If notes of a subordinated class reach their expected principal payment date at a time when they are needed to provide the required subordination for the senior classes of the MBNAseries and the issuer is unable to issue additional notes of that subordinated class or obtain acceptable alternative forms of credit enhancement, prefunding of the senior classes will begin and such subordinated notes will not be paid on their expected principal payment date. The principal funding subaccounts for the senior classes will be prefunded with available principal amounts allocable to the MBNAseries and available for that purpose in an amount necessary to permit the payment of those subordinated notes while maintaining the required subordination for the senior classes. See "*Deposit and Application of Funds—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account.*"

There will generally be a 29-month period between the expected principal payment date and the legal maturity date of the subordinated notes to prefund the principal funding subaccounts of the senior classes, if necessary. Notes of a subordinated class which have reached their expected principal payment date will not be paid until the remaining subordinated notes provide the required subordination for the senior notes, which payment may be delayed further as other subordinated notes reach their expected principal payment date. The subordinated notes will be paid on their legal maturity date, to the extent that any funds are available for that purpose from proceeds of the sale of receivables or otherwise, whether or not the senior classes of notes have been fully prefunded.

If the rate of repayment of principal receivables in master trust II were to decline during this prefunding period, then the principal funding subaccounts for the senior classes of notes may not be fully prefunded before the legal maturity date of the subordinated notes. In that event and only to the extent not

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fully prefunded, the senior classes would not have the required subordination beginning on the legal maturity date of those subordinated notes unless additional subordinated notes of that class were issued or a sufficient amount of senior notes have matured so that the remaining outstanding subordinated notes provide the necessary subordination.

The table under *"The Master Trust II Portfolio—Principal Payment Rates"* sets forth the highest and lowest cardholder monthly principal payment rates for the master trust II portfolio during the periods shown in such table. Principal payment rates may change due to a variety of factors including economic, social and legal factors, changes in the terms of credit card accounts by MBNA or the addition of credit card accounts to master trust II with different characteristics. There can be no assurance that the rate of principal repayment will remain in this range in the future.

Yield and payments on the receivables could decrease resulting in the receipt of principal payments earlier than the expected principal payment date

There is no assurance that the stated principal amount of your notes will be paid on its expected principal payment date.

A significant decrease in the amount of credit card receivables in master trust II for any reason could result in an early redemption event and in early payment of your notes, as well as decreased protection to you against defaults on the credit card receivables. In addition, the effective yield on the credit card receivables owned by master trust II could decrease due to, among other things, a change in periodic finance charges on the credit card accounts, an increase in the level of delinquencies or increased convenience use of the card whereby cardholders pay their credit card balance in full each month and incur no finance charges. This could reduce the amount of available funds. If the amount of excess available funds for any three consecutive calendar months is less than the required excess available funds for such three months, an early redemption event will occur and could result in an early payment of your notes. See "*Prospectus Supplement Summary—Early Redemption of Notes.*"

See *"Risk Factors"* in the prospectus for a discussion of other circumstances under which you may receive principal payments earlier or later than the expected principal payment date.

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Glossary

This prospectus supplement and the accompanying prospectus use defined terms. You can find a listing of defined terms in the *"Glossary of Defined Terms"* beginning on page S-63 in this prospectus supplement and beginning on page 108 in the accompanying prospectus.

The Notes

The MBNAseries notes will be issued pursuant to the indenture and an indenture supplement. The following discussion and the discussion under *"The Notes"* and *"The Indenture"* in the prospectus summarize the material terms of the notes, the indenture and the MBNAseries indenture supplement. These summaries do not purport to be complete and are qualified in their entirety by reference to the provisions of the notes, the indenture and the MBNAseries indenture supplement. Neither the indenture nor the MBNAseries indenture supplement limits the aggregate principal amount of notes that may be issued.

The MBNAseries will be included in Excess Available Funds Group A for the purpose of sharing excess available funds. The MBNAseries notes will be issued in classes. Each class of notes may have multiple tranches which may be issued at different times and have different terms. Whenever a "class" of notes is referred to in this prospectus supplement or the accompanying prospectus, it includes all tranches of that class of notes, unless the context otherwise requires.

No senior class of the MBNAseries may be issued unless a sufficient amount of subordinated notes or other acceptable credit enhancement has previously been issued and is outstanding. See "*—Issuances of New Series, Classes and Tranches of Notes—Required Subordinated Amount.*"

The issuer will pay principal of and interest on the Class C(2005-3) notes solely from the portion of MBNAseries Available Funds and MBNAseries Available Principal Amounts and from other amounts which are available to the Class C(2005-3) notes under the indenture and the MBNAseries indenture supplement after giving effect to all allocations and reallocations. If those sources are not sufficient to pay the Class C(2005-3) notes, Class C(2005-3) noteholders will have no recourse to any other assets of the issuer or any other person or entity for the payment of principal of or interest on those notes.

Subordination of Interest and Principal

Principal and interest payments on Class B notes and Class C notes of the MBNAseries are subordinated to payments on Class A notes of the MBNAseries. Subordination of Class B notes and Class C notes of the MBNAseries provides credit enhancement for Class A notes of the MBNAseries.

Principal and interest payments on Class C notes of the MBNAseries are subordinated to payments on Class A notes and Class B notes of the MBNAseries. Subordination of Class C notes of the MBNAseries provides credit enhancement for Class A notes and Class B notes of the MBNAseries.

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In addition, in the case of a discount note, the accreted principal of that note corresponding to capitalized interest will be senior or subordinated to the same extent that principal is senior or subordinated.

MBNAseries Available Principal Amounts may be reallocated to pay interest on senior classes of notes or to pay a portion of the master trust II servicing fee allocable to the MBNAseries, subject to certain limitations. In addition, charge-offs due to uncovered defaults on principal receivables in master trust II allocable to the MBNAseries generally are reallocated from the senior classes to the subordinated classes of the MBNAseries. See *"The Notes—Stated Principal Amount, Outstanding Dollar Principal Amount and Nominal Liquidation Amount—Nominal Liquidation Amount"* and *"Master Trust II—Defaulted Receivables; Rebates and Fraudulent Charges"* in the prospectus.

In the MBNAseries, payment of principal may be made on a subordinated class of notes before payment in full of each senior class of notes only under the following circumstances:

- If after giving effect to the proposed principal payment there is still a sufficient amount of subordinated notes to support the outstanding senior notes. See *"Deposit and Application of Funds—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account"* and *"—Allocation to Principal Funding Subaccounts."* For example, if a tranche of Class A notes has been repaid, this generally means that, unless other Class A notes are issued, at least some Class B notes and Class C notes may be repaid when such Class B notes and Class C notes are required to be repaid even if other tranches of Class A notes are outstanding.

- If the principal funding subaccounts for the senior classes of notes have been sufficiently prefunded as described in *"Deposit and Application of Funds—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account—Prefunding of the Principal Funding Account for Senior Classes."*

- If new tranches of subordinated notes are issued so that the subordinated notes that have reached their expected principal payment date are no longer necessary to provide the required subordination.

- If the subordinated tranche of notes reaches its legal maturity date and there is a sale of credit card receivables as described in *"Deposit and Application of Funds—Sale of Credit Card Receivables."*

MBNAseries Available Principal Amounts remaining after any reallocations for interest on the senior notes or for a portion of the master trust II servicing fee allocable to the MBNAseries will be applied to make targeted deposits to the principal funding subaccounts of senior notes before being applied to make targeted deposits to the principal funding subaccounts of the subordinated notes if such remaining amounts are not sufficient to make all required targeted deposits.

Issuances of New Series, Classes and Tranches of Notes

Conditions to Issuance

The issuer may issue new series, classes and tranches of notes (including additional notes of an outstanding tranche or class), so long as the conditions to issuance listed in *"The*

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Notes—Issuances of New Series, Classes and Tranches of Notes" in the prospectus are satisfied and so long as any increase in the targeted deposit amount of any Class C reserve subaccount caused by such issuance will have been funded on or prior to such issuance date.

The issuer and the indenture trustee are not required to obtain the consent of any noteholder of any outstanding series, class or tranche to issue any additional notes.

Required Subordinated Amount

No Class A notes or Class B notes may be issued unless the required subordinated amount is available at the time of its issuance. The required subordinated amount of a tranche of a senior class of notes of the MBNAseries is the aggregate nominal liquidation amount of a subordinated class that is required to be outstanding and available on the date when a tranche of a senior class of notes is issued.

The issuer may change the required subordinated amount for any tranche of notes of the MBNAseries, or the method of computing the required subordinated amount, at any time without the consent of any noteholders so long as the issuer has:

- received confirmation from each rating agency that has rated any outstanding notes that the change will not result in the reduction, qualification or withdrawal of its then-current rating of any outstanding notes in the MBNAseries;
- delivered an opinion of counsel that for federal income tax purposes (1) the change will not adversely affect the tax characterization as debt of any outstanding series or class of investor certificates issued by master trust II that were characterized as debt at the time of their issuance, (2) following the change, master trust II will not be treated as an association, or a publicly traded partnership, taxable as a corporation, and (3) such change will not cause or constitute an event in which gain or loss would be recognized by any holder of an investor certificate issued by master trust II; and
- delivered an opinion of counsel that for federal income tax purposes (1) the change will not adversely affect the tax characterization as debt of any outstanding series, class or tranche of notes of the issuer that were characterized as debt at the time of their issuance, (2) following the change, the issuer will not be treated as an association, or publicly traded partnership, taxable as a corporation, and (3) such change will not cause or constitute an event in which gain or loss would be recognized by any holder of such notes.

In order to issue Class A notes, the issuer must calculate the available amount of Class B notes and Class C notes. The issuer will first calculate the amount of Class B notes available for such new tranche of Class A notes. This is done by computing the following:

- the aggregate nominal liquidation amount of all tranches of outstanding Class B notes on that date, after giving effect to any issuances, deposits, allocations, reallocations or payments with respect to Class B notes to be made on that date; *minus*
- the aggregate amount of the Class A required subordinated amount of Class B notes for all other Class A notes which are outstanding on that date, after giving effect to any issuances, deposits, allocations, reallocations or payments with respect to Class A notes to be made on that date.

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The calculation in the prior paragraph will also be made in the same manner for calculating the amount of Class C notes available for Class A notes.

Additionally, in order to issue Class A notes, the issuer must calculate the amount of Class C notes available for Class B notes. This is done by computing the following:

- the aggregate nominal liquidation amount of all tranches of outstanding Class C notes on that date, after giving effect to any issuances, deposits, allocations, reallocations or payments with respect to Class C notes to be made on that date; *minus*
- the aggregate amount of the Class A required subordinated amount of Class C notes for all tranches of Class A notes for which the Class A required subordinated amount of Class B notes is equal to zero which are outstanding on that date, after giving effect to any issuances, deposits, allocations, reallocations or payments with respect to Class A notes to be made on that date.

In order to issue Class B notes, the issuer must calculate the available amount of Class C notes. This is done by computing the following:

- the aggregate nominal liquidation amount of all tranches of Class C notes which are outstanding on that date, after giving effect to any issuances, deposits, allocations, reallocations or payments with respect to Class C notes to be made on that date; *minus*
- the sum of:

—the aggregate amount of the Class B required subordinated amount of Class C notes for all other tranches of Class B notes which are outstanding on that date, after giving effect to any issuances, deposits, allocations, reallocations or payments with respect to any MBNAseries notes to be made on that date; *plus*

—the aggregate amount of the Class A required subordinated amount of Class C notes for all tranches of Class A notes for which the Class A required subordinated amount of Class B notes is equal to zero which are outstanding on that date, after giving effect to any issuances, deposits, allocations, reallocations or payments with respect to those Class A notes to be made on that date.

Waiver of Issuance Conditions

If the issuer obtains confirmation from each rating agency that has rated any outstanding notes that the issuance of a new series, class or tranche of notes will not cause a reduction, qualification or withdrawal of the ratings of any outstanding notes rated by that rating agency, then some of the conditions to issuance described above and under *"The Notes—Issuances of New Series, Classes and Tranches of Notes"* in the prospectus may be waived.

Sources of Funds to Pay the Notes

The Collateral Certificate

The primary source of funds for the payment of principal of and interest on the notes is the collateral certificate issued by master trust II to the issuer. For a description of the

collateral certificate, master trust II and its assets, see *"Master Trust II"* and *"Sources of Funds to Pay the Notes—The Collateral Certificate"* in the prospectus.

Payments Received from Derivative Counterparties

The issuer may enter into derivative agreements with respect to certain tranches of the MBNAseries as a source of funds to pay principal of or interest on the notes. See *"Deposit and Application of Funds—Payments Received from Derivative Counterparties for Interest on Foreign Currency Notes"* and *"—Payments Received from Derivative Counterparties for Principal."* The issuer has *not* entered into such a derivative agreement for the Class C(2005-3) notes.

The Issuer Accounts

The issuer has established a principal funding account, an interest funding account and an accumulation reserve account for the benefit of the MBNAseries, which will have subaccounts for each tranche of notes of the MBNAseries, and a Class C reserve account, which will have subaccounts for each tranche of Class C notes of the MBNAseries.

Each month, distributions on the collateral certificate will be deposited into the collection account, and then allocated to each series of notes (including the MBNAseries) as described in the accompanying prospectus, and then allocated to the principal funding account, the interest funding account, the accumulation reserve account, the Class C reserve account and any other supplemental account, to make payments under any applicable derivative agreements and additionally as specified in *"Deposit and Application of Funds."*

Funds on deposit in the principal funding account and the interest funding account will be used to make payments of principal of and interest on the MBNAseries notes when such payments are due. Payments of interest and principal will be due in the month when the funds are deposited into the accounts, or in later months. If interest on a note is not scheduled to be paid every month—for example, if interest on that note is payable quarterly, semiannually or at another interval less frequently than monthly—the issuer will deposit accrued interest amounts funded from MBNAseries Available Funds into the interest funding subaccount for that note to be held until the interest is due. See *"Deposit and Application of Funds—Targeted Deposits of MBNAseries Available Funds to the Interest Funding Account."*

If the issuer anticipates that MBNAseries Available Principal Amounts will not be enough to pay the stated principal amount of a note on its expected principal payment date, the issuer may begin to apply MBNAseries Available Principal Amounts in months before the expected principal payment date and deposit those funds into the principal funding subaccount established for that tranche to be held until the expected principal payment date of that note. However, since funds in the principal funding subaccount for tranches of subordinated notes will not be available for credit enhancement for any senior classes of notes, MBNAseries Available Principal Amounts will not be deposited into the principal funding subaccount for a tranche of subordinated notes if such deposit would reduce the available subordination below the required subordination.

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If the earnings on funds in the principal funding subaccount are less than the interest payable on the portion of principal in the principal funding subaccount for the applicable tranche of notes, the amount of such shortfall will be withdrawn from the accumulation reserve account to the extent available, unless the amounts on deposit in the principal funding subaccount are prefunded amounts, in which case additional finance charge collections will be allocable to the collateral certificate and the MBNAseries and will be treated as MBNAseries Available Funds as described under "*Deposit and Application of Funds—MBNAseries Available Funds*" in this prospectus supplement and "*Master Trust II—Application of Collections*" in the prospectus.

Limited Recourse to the Issuer; Security for the Notes

The collateral certificate is allocated a portion of collections of finance charge receivables, collections of principal receivables, its share of the payment obligation on the master trust II servicing fee and its share of defaults on principal receivables in master trust II based on the investor percentage. The MBNAseries and the other series of notes are secured by a shared security interest in the collateral certificate and the collection account of the issuer, but each series of notes (including the MBNAseries) is entitled to the benefits of only that portion of those assets allocable to it under the indenture and the applicable indenture supplement. Therefore, only a portion of the collections allocated to the collateral certificate are available to the MBNAseries. Similarly, MBNAseries notes are entitled only to their allocable share of MBNAseries Available Funds, MBNAseries Available Principal Amounts, amounts on deposit in the applicable issuer accounts, any payments received from derivative counterparties (to the extent not included in MBNAseries Available Funds) and proceeds of the sale of credit card receivables by master trust II. Noteholders will have no recourse to any other assets of the issuer or any other person or entity for the payment of principal of or interest on the notes.

Each tranche of notes of the MBNAseries is entitled to the benefits of only that portion of the issuer's assets allocated to that tranche under the indenture and the MBNAseries indenture supplement. Each tranche of notes is also secured by a security interest in the applicable principal funding subaccount, the applicable interest funding subaccount, the applicable accumulation reserve subaccount, in the case of a tranche of Class C notes, the applicable Class C reserve subaccount and any other applicable supplemental account, and by a security interest in any applicable derivative agreement.

Early Redemption of the Notes

The early redemption events applicable to all notes are described in "*The Indenture— Early Redemption Events*" in the prospectus. In addition, if for any date the amount of Excess Available Funds averaged over the three preceding months is less than the Required Excess Available Funds for such date, an early redemption event for the Class C(2005-3) notes will occur.

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Deposit and Application of Funds

The indenture specifies how Available Funds (primarily consisting of collections of finance charge receivables allocated and paid to the collateral certificateholder) and Available Principal Amounts (primarily consisting of collections of principal receivables allocated and paid to the collateral certificateholder) will be allocated among the multiple series of notes secured by the collateral certificate. The MBNAseries indenture supplement specifies how MBNAseries Available Funds (which are the MBNAseries's share of Available Funds plus other amounts treated as MBNAseries Available Funds) and MBNAseries Available Principal Amounts (which are the MBNAseries's share of Available Principal Amounts plus other amounts treated as MBNAseries Available Principal Amounts) will be deposited into the issuer accounts established for the MBNAseries to provide for the payment of interest on and principal of MBNAseries notes as payments become due. In addition, the MBNAseries indenture supplement specifies how defaults on principal receivables in master trust II and the master trust II servicing fee will be allocated to the collateral certificate and the MBNAseries. The following sections summarize those provisions.

MBNAseries Available Funds

MBNAseries Available Funds will consist of the following amounts:

- The MBNAseries's share of collections of finance charge receivables allocated and paid to the collateral certificateholder and investment earnings on funds held in the collection account. See *"Sources of Funds to Pay the Notes—Deposit and Application of Funds"* in the prospectus.
- Withdrawals from the accumulation reserve subaccount.

  If the number of months targeted to accumulate budgeted deposits of MBNAseries Available Principal Amounts for the payment of principal on a tranche of notes is greater than one month, then the issuer will begin to fund an accumulation reserve subaccount for such tranche. See *"—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account."* The amount targeted to be deposited in the accumulation reserve account for each month, beginning with the third month prior to the first Transfer Date on which MBNAseries Available Principal Amounts are to be accumulated for such tranche, will be an amount equal to 0.5% of the outstanding dollar principal amount of such tranche of notes.

  On each Transfer Date, the issuer will calculate the targeted amount of principal funding subaccount earnings for each tranche of notes, which will be equal to the amount that the funds (other than prefunded amounts) on deposit in each principal funding subaccount would earn at the interest rate payable by the issuer—taking into account payments due under applicable derivative agreements—on the related tranche of notes. As a general rule, if the amount actually earned on such funds on deposit is less than the targeted amount of earnings, then the amount of such shortfall will be withdrawn from the applicable accumulation reserve subaccount and treated as MBNAseries Available Funds for such month.

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- Additional finance charge collections allocable to the MBNAseries.

  The issuer will notify the servicer from time to time of the aggregate prefunded amount on deposit in the principal funding account. Whenever there are any prefunded amounts on deposit in any principal funding subaccount, master trust II will designate an amount of the Seller Interest equal to such prefunded amounts. On each Transfer Date, the issuer will calculate the targeted amount of principal funding subaccount prefunded amount earnings for each tranche of notes, which will be equal to the amount that the prefunded amounts on deposit in each principal funding subaccount would earn at the interest rate payable by the issuer—taking into account payments due under applicable derivative agreements—on the related tranche of notes. As a general rule, if the amount actually earned on such funds on deposit is less than the targeted amount of earnings, collections of finance charge receivables allocable to such designated portion of the Seller Interest up to the amount of the shortfall will be treated as MBNAseries Available Funds. See *"Master Trust II—Application of Collections"* in the prospectus.

- Investment earnings on amounts on deposit in the principal funding account, interest funding account and accumulation reserve account for the MBNAseries.

- Any shared excess available funds allocable to the MBNAseries.

  See *"—Shared Excess Available Funds"* in this prospectus supplement.

- Amounts received from derivative counterparties.

  Unless otherwise specified in the MBNAseries indenture supplement, payments received under derivative agreements for interest on notes of the MBNAseries payable in U.S. dollars will be treated as MBNAseries Available Funds.

Application of MBNAseries Available Funds

On each Transfer Date, the indenture trustee will apply MBNAseries Available Funds as follows:

- first, to make the targeted deposits to the interest funding account to fund the payment of interest on the notes and certain payments due to derivative counterparties;

- second, to pay the MBNAseries's share of the master trust II servicing fee, *plus* any previously due and unpaid master trust II servicing fee allocable to the MBNAseries, to the servicer;

- third, to be treated as MBNAseries Available Principal Amounts in an amount equal to the amount of defaults on principal receivables in master trust II allocated to the MBNAseries for the preceding month;

- fourth, to be treated as MBNAseries Available Principal Amounts in an amount equal to the Nominal Liquidation Amount Deficits, if any, of MBNAseries notes;

- fifth, to make the targeted deposit to the accumulation reserve account, if any;

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- sixth, to make the targeted deposit to the Class C reserve account, if any;
- seventh, to make any other payment or deposit required by any class or tranche of MBNAseries notes;
- eighth, to be treated as shared excess available funds; and
- ninth, to the issuer.

Targeted Deposits of MBNAseries Available Funds to the Interest Funding Account

The aggregate deposit targeted to be made each month to the interest funding account will be equal to the sum of the interest funding account deposits targeted to be made for each tranche of notes set forth below. The deposit targeted for any month will also include any shortfall in the targeted deposit from any prior month which has not been previously deposited.

- *Interest Payments.* The deposit targeted for any tranche of outstanding interest-bearing notes on each Transfer Date will be equal to the amount of interest accrued on the outstanding dollar principal amount of that tranche during the period from and including the first Monthly Interest Accrual Date in the prior month to but excluding the first Monthly Interest Accrual Date for the current month.
- *Amounts Owed to Derivative Counterparties.* If a tranche of notes has a Performing or non-Performing derivative agreement for interest that provides for payments to the applicable derivative counterparty, in addition to any applicable stated interest as determined under the item above, the deposit targeted for that tranche of notes on each Transfer Date with respect to any payment to the derivative counterparty will be specified in the MBNAseries indenture supplement.
- *Discount Notes.* The deposit targeted for a tranche of discount notes on each Transfer Date is the amount of accretion of principal of that tranche of notes from and including the prior Monthly Principal Accrual Date—or in the case of the first Monthly Principal Accrual Date, from and including the date of issuance of that tranche—to but excluding the first Monthly Principal Accrual Date for the next month.
- *Specified Deposits.* If any tranche of notes provides for deposits in addition to or different from the deposits described above to be made to the interest funding subaccount for that tranche, the deposits targeted for that tranche each month are the specified amounts.
- *Additional Interest.* The deposit targeted for any tranche of notes that has previously due and unpaid interest for any month will include the interest accrued on that overdue interest during the period from and including the first Monthly Interest Accrual Date in the prior month to but excluding the first Monthly Interest Accrual Date for the current month.

Each deposit to the interest funding account for each month will be made on the Transfer Date in such month. A tranche of notes may be entitled to more than one of the preceding deposits.

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A class or tranche of notes for which credit card receivables have been sold by master trust II as described in "*—Sale of Credit Card Receivables*" will not be entitled to receive any of the preceding deposits to be made from MBNAseries Available Funds after the sale has occurred.

Allocation to Interest Funding Subaccounts

The aggregate amount to be deposited in the interest funding account will be allocated, and a portion deposited in the interest funding subaccount established for each tranche of notes, as follows:

- *MBNAseries Available Funds are at least equal to targeted amounts.* If MBNAseries Available Funds are at least equal to the sum of the deposits targeted by each tranche of notes as described above, then that targeted amount will be deposited in the interest funding subaccount established for each tranche.
- *MBNAseries Available Funds are less than targeted amounts.* If MBNAseries Available Funds are less than the sum of the deposits targeted by each tranche of notes as described above, then MBNAseries Available Funds will be allocated to each tranche of notes as follows:
  - — first, to cover the deposits with respect to the Class A notes (including any applicable derivative counterparty payments),
  - — second, to cover the deposits with respect to the Class B notes (including any applicable derivative counterparty payments), and
  - — third, to cover the deposits with respect to the Class C notes (including any applicable derivative counterparty payments).

In each case, MBNAseries Available Funds allocated to a class will be allocated to each tranche of notes within such class *pro rata* based on the ratio of:

—the aggregate amount of the deposits targeted with respect to that tranche of notes, to

—the aggregate amount of the deposits targeted with respect to all tranches of notes in such class.

Payments Received from Derivative Counterparties for Interest on Foreign Currency Notes

Payments received under derivative agreements for interest on foreign currency notes in the MBNAseries will be applied as specified in the MBNAseries indenture supplement.

Deposits of Withdrawals from the Class C Reserve Account to the Interest Funding Account

Withdrawals made from any Class C reserve subaccount will be deposited into the applicable interest funding subaccount to the extent described under "*—Withdrawals from the Class C Reserve Account.*"

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Allocations of Reductions from Charge-Offs

On each Transfer Date when there is a charge-off for uncovered defaults on principal receivables in master trust II allocable to the MBNAseries for the prior month, that reduction will be allocated (and reallocated) on that date to each tranche of notes as set forth below:

Initially, the amount of such charge-off will be allocated to each tranche of outstanding notes *pro rata* based on the ratio of the Weighted Average Available Funds Allocation Amount for such tranche for the prior month to the Weighted Average Available Funds Allocation Amount for the MBNAseries for the prior month.

Immediately afterwards, the amount of charge-offs allocated to the Class A notes and Class B notes will be reallocated to the Class C notes as set forth below, and the amount of charge-offs allocated to the Class A notes and not reallocated to the Class C notes because of the limits set forth below will be reallocated to the Class B notes as set forth below. In addition, charge-offs initially allocated to Class A notes which are reallocated to Class B notes because of Class C usage limitations can be reallocated to Class C notes if permitted as described below. Any amount of charge-offs which cannot be reallocated to a subordinated class as a result of the limits set forth below will reduce the nominal liquidation amount of the tranche of notes to which it was initially allocated.

Limits on Reallocations of Charge-Offs to a Tranche of Class C Notes from Tranches of Class A and Class B Notes.

No reallocations of charge-offs from a tranche of Class A notes to Class C notes may cause that tranche's Class A Usage of Class C Required Subordinated Amount to exceed that tranche's Class A required subordinated amount of Class C notes.

No reallocations of charge-offs from a tranche of Class B notes to Class C notes may cause that tranche's Class B Usage of Class C Required Subordinated Amount to exceed that tranche's Class B required subordinated amount of Class C notes.

The amount of charge-offs permitted to be reallocated to tranches of Class C notes will be applied to each tranche of Class C notes *pro rata* based on the ratio of the Weighted Average Available Funds Allocation Amount of such tranche of Class C notes for the prior month to the Weighted Average Available Funds Allocation Amount of all Class C notes in the MBNAseries for the prior month.

No such reallocation of charge-offs will reduce the nominal liquidation amount of any tranche of Class C notes below zero.

Limits on Reallocations of Charge-Offs to a Tranche of Class B Notes from Tranches of Class A Notes.

No reallocations of charge-offs from a tranche of Class A notes to Class B notes may cause that tranche's Class A Usage of Class B Required Subordinated Amount to exceed that tranche's Class A required subordinated amount of Class B notes.

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The amount of charge-offs permitted to be reallocated to tranches of Class B notes will be applied to each tranche of Class B notes *pro rata* based on the ratio of the Weighted Average Available Funds Allocation Amount for that tranche of Class B notes for the prior month to the Weighted Average Available Funds Allocation Amount for all Class B notes in the MBNAseries for the prior month.

No such reallocation of charge-offs will reduce the nominal liquidation amount of any tranche of Class B notes below zero.

For each tranche of notes, the nominal liquidation amount of that tranche will be reduced by an amount equal to the charge-offs which are allocated or reallocated to that tranche of notes *less* the amount of charge-offs that are reallocated from that tranche of notes to a subordinated class of notes.

Allocations of Reimbursements of Nominal Liquidation Amount Deficits

If there are MBNAseries Available Funds available to reimburse any Nominal Liquidation Amount Deficits on any Transfer Date, such funds will be allocated to each tranche of notes as follows:

- first, to each tranche of Class A notes,
- second, to each tranche of Class B notes, and
- third, to each tranche of Class C notes.

In each case, MBNAseries Available Funds allocated to a class will be allocated to each tranche of notes within such class *pro rata* based on the ratio of:

—the Nominal Liquidation Amount Deficit of such tranche of notes, to

—the aggregate Nominal Liquidation Amount Deficits of all tranches of such class.

In no event will the nominal liquidation amount of a tranche of notes be increased above the Adjusted Outstanding Dollar Principal Amount of such tranche.

Application of MBNAseries Available Principal Amounts

On each Transfer Date, the indenture trustee will apply MBNAseries Available Principal Amounts as follows:

- first, for each month, if MBNAseries Available Funds are insufficient to make the full targeted deposit into the interest funding subaccount for any tranche of Class A notes, then MBNAseries Available Principal Amounts (in an amount not to exceed the sum of the investor percentage of collections of principal receivables allocated to the Class B notes and the Class C notes for each day during such month) will be allocated to the

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interest funding subaccount of each such tranche of Class A notes *pro rata* based on, in the case of each such tranche of Class A notes, the lesser of:

— the amount of the deficiency of the targeted amount to be deposited into the interest funding subaccount of such tranche of Class A notes, and

— an amount equal to the sum of the Class A Unused Subordinated Amount of Class C notes *plus* the Class A Unused Subordinated Amount of Class B notes for such tranche of Class A notes (determined after giving effect to the allocation of charge-offs for uncovered defaults on principal receivables in master trust II);

- second, for each month, if MBNAseries Available Funds are insufficient to make the full targeted deposit into the interest funding subaccount for any tranche of Class B notes, then MBNAseries Available Principal Amounts (in an amount not to exceed the sum of the investor percentage of collections of principal receivables allocated to the Class B notes and the Class C notes for each day during such month *minus* the aggregate amount of MBNAseries Available Principal Amounts reallocated as described in the first clause above) will be allocated to the interest funding subaccount of each such tranche of Class B notes *pro rata* based on, in the case of each such tranche of Class B notes, the lesser of:

—the amount of the deficiency of the targeted amount to be deposited into the interest funding subaccount of such tranche of Class B notes, and

—an amount equal to the Class B Unused Subordinated Amount of Class C notes for such tranche of Class B notes (determined after giving effect to the allocation of charge-offs for uncovered defaults on principal receivables in master trust II and the reallocation of MBNAseries Available Principal Amounts as described in the first clause above);

- third, for each month, if MBNAseries Available Funds are insufficient to pay the portion of the master trust II servicing fee allocable to the MBNAseries, then MBNAseries Available Principal Amounts (in an amount not to exceed the sum of the investor percentage of collections of principal receivables allocated to the Class B notes and the Class C notes for each day during such month *minus* the aggregate amount of MBNAseries Available Principal Amounts reallocated as described in the first and second clauses above) will be paid to the servicer in an amount equal to, and allocated to each such tranche of Class A notes *pro rata* based on, in the case of each tranche of Class A notes, the lesser of:

—the amount of the deficiency times the ratio of the Weighted Average Available Funds Allocation Amount for such tranche for such month to the Weighted Average Available Funds Allocation Amount for the MBNAseries for such month, and

—an amount equal to the Class A Unused Subordinated Amount of Class C notes *plus* the Class A Unused Subordinated Amount of Class B notes for such tranche of Class A notes (determined after giving effect to the allocation of charge-offs for uncovered defaults on principal receivables in master trust II and the reallocation of MBNAseries Available Principal Amounts as described in the first and second clauses above);

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- fourth, for each month, if MBNAseries Available Funds are insufficient to pay the portion of the master trust II servicing fee allocable to the MBNAseries, then MBNAseries Available Principal Amounts (in an amount not to exceed the sum of the investor percentage of collections of principal receivables allocated to the Class B notes and the Class C notes for each day during such month *minus* the aggregate amount of MBNAseries Available Principal Amounts reallocated as described in the first, second and third clauses above) will be paid to the servicer in an amount equal to, and allocated to each tranche of Class B notes *pro rata* based on, in the case of each such tranche of Class B notes, the lesser of:

—the amount of the deficiency times the ratio of the Weighted Average Available Funds Allocation Amount for such tranche for such month to the Weighted Average Available Funds Allocation Amount for the MBNAseries for such month, and

— an amount equal to the Class B Unused Subordinated Amount of Class C notes for such tranche of Class B notes (determined after giving effect to the allocation of charge-offs for uncovered defaults on principal receivables in master trust II and the reallocation of MBNAseries Available Principal Amounts as described in the preceding clauses);

- fifth, to make the targeted deposits to the principal funding account as described below under "*—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account;*" and
- sixth, to the issuer for reinvestment in the Investor Interest of the collateral certificate.

A tranche of notes for which credit card receivables have been sold by master trust II as described in "*—Sale of Credit Card Receivables*" will not be entitled to receive any further allocations of MBNAseries Available Funds or MBNAseries Available Principal Amounts.

The Investor Interest of the collateral certificate is the sum of the nominal liquidation amounts of each tranche of notes issued by the issuer and outstanding and, therefore, will be reduced by the amount of MBNAseries Available Principal Amounts used to make deposits into the interest funding account, payments to the servicer and deposits into the principal funding account. If the Investor Interest of the collateral certificate is reduced because MBNAseries Available Principal Amounts have been used to make deposits into the interest funding account or payments to the servicer or because of charge-offs due to uncovered defaults on principal receivables in master trust II, the amount of Available Funds and Available Principal Amounts allocated to the collateral certificate and the amount of MBNAseries Available Funds and MBNAseries Available Principal Amounts will be reduced unless the reduction in the Investor Interest is reimbursed from amounts described above in the fourth item in "*—Application of MBNAseries Available Funds.*"

Reductions to the Nominal Liquidation Amount of Subordinated Classes from Reallocations of MBNAseries Available Principal Amounts

Each reallocation of MBNAseries Available Principal Amounts deposited to the interest funding subaccount of a tranche of Class A notes as described in the first clause of

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"—Application of MBNAseries Available Principal Amounts" will reduce the nominal liquidation amount of the Class C notes. However, the amount of such reduction for each such tranche of Class A notes will not exceed the Class A Unused Subordinated Amount of Class C notes for such tranche of Class A notes.

Each reallocation of MBNAseries Available Principal Amounts deposited to the interest funding subaccount of a tranche of Class A notes as described in the first clause of *"—Application of MBNAseries Available Principal Amounts"* which does not reduce the nominal liquidation amount of Class C notes pursuant to the preceding paragraph will reduce the nominal liquidation amount of the Class B notes. However, the amount of such reduction for each such tranche of Class A notes will not exceed the Class A Unused Subordinated Amount of Class B notes for such tranche of Class A notes, and such reductions in the nominal liquidation amount of the Class B notes may be reallocated to the Class C notes if permitted as described below.

Each reallocation of MBNAseries Available Principal Amounts deposited to the interest funding subaccount of a tranche of Class B notes as described in the second clause of *"—Application of MBNAseries Available Principal Amounts"* will reduce the nominal liquidation amount (determined after giving effect to the preceding paragraphs) of the Class C notes.

Each reallocation of MBNAseries Available Principal Amounts paid to the servicer as described in the third clause of *"—Application of MBNAseries Available Principal Amounts"* will reduce the nominal liquidation amount (determined after giving effect to the preceding paragraphs) of the Class C notes. However, the amount of such reduction for each such tranche of Class A notes will not exceed the Class A Unused Subordinated Amount of Class C notes for such tranche of Class A notes (after giving effect to the preceding paragraphs).

Each reallocation of MBNAseries Available Principal Amounts paid to the servicer as described in the third clause of *"—Application of MBNAseries Available Principal Amounts"* which does not reduce the nominal liquidation amount of Class C notes as described above will reduce the nominal liquidation amount (determined after giving effect to the preceding paragraphs) of the Class B notes. However, the amount of such reduction for each such tranche of Class A notes will not exceed the Class A Unused Subordinated Amount of Class B notes for such tranche of Class A notes (after giving effect to the preceding paragraphs), and such reductions in the nominal liquidation amount of the Class B notes may be reallocated to the Class C notes if permitted as described below.

Each reallocation of MBNAseries Available Principal Amounts paid to the servicer as described in the fourth clause of *"—Application of MBNAseries Available Principal Amounts"* will reduce the nominal liquidation amount (determined after giving effect to the preceding paragraphs) of the Class C notes.

Subject to the following paragraph, each reallocation of MBNAseries Available Principal Amounts which reduces the nominal liquidation amount of Class B notes as described above

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will reduce the nominal liquidation amount of each tranche of the Class B notes *pro rata* based on the ratio of the Weighted Average Available Funds Allocation Amount for such tranche of Class B notes for the related month to the Weighted Average Available Funds Allocation Amount for all Class B notes for the related month. However, any allocation of any such reduction that would otherwise have reduced the nominal liquidation amount of a tranche of Class B notes below zero will be reallocated to the remaining tranches of Class B notes in the manner set forth in this paragraph.

Each reallocation of MBNAseries Available Principal Amounts which reduces the nominal liquidation amount of Class B notes as described in the preceding paragraph may be reallocated to the Class C notes and such reallocation will reduce the nominal liquidation amount of the Class C notes. However, the amount of such reallocation from each tranche of Class B notes will not exceed the Class B Unused Subordinated Amount of Class C notes for such tranche of Class B notes.

Each reallocation of MBNAseries Available Principal Amounts which reduces the nominal liquidation amount of Class C notes as described above will reduce the nominal liquidation amount of each tranche of the Class C notes *pro rata* based on the ratio of the Weighted Average Available Funds Allocation Amount for such tranche of Class C notes for the related month to the Weighted Average Available Funds Allocation Amount for all Class C notes for the related month. However, any allocation of any such reduction that would otherwise have reduced the nominal liquidation amount of a tranche of Class C notes below zero will be reallocated to the remaining tranches of Class C notes in the manner set forth in this paragraph.

None of such reallocations will reduce the nominal liquidation amount of any tranche of Class B or Class C notes below zero.

For each tranche of notes, the nominal liquidation amount of that tranche will be reduced by the amount of reductions which are allocated or reallocated to that tranche *less* the amount of reductions which are reallocated from that tranche to notes of a subordinated class.

Limit on Allocations of MBNAseries Available Principal Amounts and MBNAseries Available Funds

Each tranche of notes will be allocated MBNAseries Available Principal Amounts and MBNAseries Available Funds solely to the extent of its nominal liquidation amount. Therefore, if the nominal liquidation amount of any tranche of notes has been reduced due to reallocations of MBNAseries Available Principal Amounts to cover payments of interest or the master trust II servicing fee or due to charge-offs for uncovered defaults on principal receivables in master trust II, such tranche of notes will not be allocated MBNAseries Available Principal Amounts or MBNAseries Available Funds to the extent of such reductions. However, any funds in the applicable principal funding subaccount, any funds in the applicable interest funding subaccount, any amounts payable from any applicable derivative agreement, any funds in the applicable accumulation reserve subaccount, and in the

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case of Class C notes, any funds in the applicable Class C reserve subaccount, will still be available to pay principal of and interest on that tranche of notes. If the nominal liquidation amount of a tranche of notes has been reduced due to reallocation of MBNAseries Available Principal Amounts to pay interest on senior classes of notes or the master trust II servicing fee, or due to charge-offs for uncovered defaults on principal receivables in master trust II, it is possible for that tranche's nominal liquidation amount to be increased by allocations of MBNAseries Available Funds. However, there are no assurances that there will be any MBNAseries Available Funds for such allocations.

Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account

The amount targeted to be deposited into the principal funding account in any month will be the highest of the following amounts. However, no amount will be deposited into the principal funding subaccount for any subordinated note unless following such deposit the remaining available subordinated amount is equal to the aggregate unused subordinated amount for all outstanding senior notes.

- *Principal Payment Date.* For the month before any principal payment date of a tranche of notes, the deposit targeted for that tranche of notes for that month is equal to the nominal liquidation amount of that tranche of notes as of the close of business on the last day of such month, determined after giving effect to any charge-offs for uncovered defaults on principal receivables in master trust II and any reallocations, payments or deposits of MBNAseries Available Principal Amounts occurring on the following Transfer Date.
- *Budgeted Deposits.* Each month beginning with the twelfth month before the expected principal payment date of a tranche of notes, the deposit targeted to be made into the principal funding subaccount for a tranche of notes will be one-twelfth of the expected outstanding dollar principal amount of that tranche of notes as of its expected principal payment date.

  The issuer may postpone the date of the targeted deposits under the previous sentence. If the issuer and the servicer determine that less than twelve months would be required to accumulate MBNAseries Available Principal Amounts necessary to pay a tranche of notes on its expected principal payment date, using conservative historical information about payment rates of principal receivables under master trust II and after taking into account all of the other expected payments of principal of master trust II investor certificates and notes to be made in the next twelve months, then the start of the targeted deposits may be postponed each month by one month, with proportionately larger targeted deposits for each month of postponement.
- *Prefunding of the Principal Funding Account for Senior Classes.* If the issuer determines that any date on which principal is payable or to be deposited into a principal funding subaccount with respect to any tranche of Class C notes will occur at a time when the payment or deposit of all or part of that tranche of Class C notes would be prohibited because it would cause a deficiency in the remaining available

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subordination for the Class A notes or Class B notes, the targeted deposit amount for the Class A notes and Class B notes will be an amount equal to the portion of the Adjusted Outstanding Dollar Principal Amount of the Class A notes and Class B notes that would have to cease to be outstanding in order to permit the payment of or deposit with respect to that tranche of Class C notes.

If the issuer determines that any date on which principal is payable or to be deposited into a principal funding subaccount with respect to any Class B notes will occur at a time when the payment or deposit of all or part of that tranche of Class B notes would be prohibited because it would cause a deficiency in the remaining available subordination for the Class A notes, the targeted deposit amount for the Class A notes will be an amount equal to the portion of the Adjusted Outstanding Dollar Principal Amount of the Class A notes that would have to cease to be outstanding in order to permit the payment of or deposit with respect to that tranche of Class B notes.

Prefunding of the principal funding subaccount for the senior tranches of the MBNAseries will continue until:

— enough senior notes are repaid so that the subordinated notes that are payable are no longer necessary to provide the required subordination for the outstanding senior notes;

— new subordinated notes are issued so that the subordinated notes that are payable are no longer necessary to provide the required subordination for the outstanding senior notes; or

— the principal funding subaccounts for the senior notes are prefunded so that the subordinated notes that are payable are no longer necessary to provide the required subordination for the outstanding senior notes.

For purposes of calculating the prefunding requirements, the required subordinated amount of a tranche of a senior class of notes of the MBNAseries will be calculated as described under *"The Notes—Issuances of New Series, Classes and Tranches of Notes—Required Subordinated Amount"* based on its Adjusted Outstanding Dollar Principal Amount on such date. However, if any early redemption event has occurred with respect to the subordinated notes or if the usage of the subordinated notes with respect to such senior notes is greater than zero, the required subordinated amount will be calculated based on the Adjusted Outstanding Dollar Principal Amount of such tranche as of the close of business on the day immediately preceding the occurrence of such early redemption event or the date on which the usage of the subordinated notes exceeds zero.

When the prefunded amounts are no longer necessary, they will be withdrawn from the principal funding account and applied in accordance with the description under "*—Withdrawals from Principal Funding Account—Withdrawals of Prefunded Amounts.*" The nominal liquidation amount of the prefunded tranches will be increased by the amount removed from the principal funding account.

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If any tranche of senior notes becomes payable as a result of an early redemption event, event of default or other optional or mandatory redemption, or upon reaching its expected principal payment date, any prefunded amounts on deposit in its principal funding subaccount will be paid to noteholders of that tranche and deposits to pay the notes will continue as necessary to pay that tranche.

- *Event of Default, Early Redemption Event or Other Optional or Mandatory Redemption.* If any tranche of notes has been accelerated after the occurrence of an event of default during that month, or an early redemption event or other optional or mandatory redemption has occurred with respect to any tranche of notes, the deposit targeted for that tranche of notes with respect to that month and each following month will equal the nominal liquidation amount of that tranche of notes as of the close of business on the last day of the preceding month, determined after giving effect to reallocations, payments or deposits occurring on the Transfer Date with respect to such month.
- *Amounts Owed to Derivative Counterparties.* If a tranche of U.S. dollar notes or foreign currency notes that has a Performing or non-Performing derivative agreement for principal that provides for a payment to the applicable derivative counterparty, the deposit targeted for that tranche of notes on each Transfer Date with respect to any payment to the derivative counterparty will be specified in the MBNAseries indenture supplement.

Allocation to Principal Funding Subaccounts

MBNAseries Available Principal Amounts, after any reallocation to cover MBNAseries Available Funds shortfalls, if any, will be allocated each month, and a portion deposited in the principal funding subaccount established for each tranche of notes, as follows:

- *MBNAseries Available Principal Amounts Equal Targeted Amounts.* If MBNAseries Available Principal Amounts remaining after giving effect to clauses one through four under *"—Application of MBNAseries Available Principal Amounts"* are equal to the sum of the deposits targeted by each tranche of notes, then the applicable targeted amount will be deposited in the principal funding subaccount established for each tranche.
- *MBNAseries Available Principal Amounts Are Less Than Targeted Amounts.* If MBNAseries Available Principal Amounts remaining after giving effect to clauses one through four under *"—Application of MBNAseries Available Principal Amounts"* are less than the sum of the deposits targeted by each tranche of notes, then MBNAseries Available Principal Amounts will be deposited in the principal funding subaccounts for each tranche in the following priority:

  —first, the amount available will be allocated to the Class A notes,

  —second, the amount available after the application above will be allocated to the Class B notes, and

  —third, the amount available after the applications above will be allocated to the Class C notes.

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In each case, MBNAseries Available Principal Amounts allocated to a class will be allocated to each tranche of notes within such class *pro rata* based on the ratio of:

—the amount targeted to be deposited into the principal funding subaccount for the applicable tranche of such class, to

—the aggregate amount targeted to be deposited into the principal funding subaccount for all tranches of such class.

If the restrictions described in "*—Limit on Deposits to the Principal Funding Subaccount of Subordinated Notes; Limit on Repayments of all Tranches*" prevent the deposit of MBNAseries Available Principal Amounts into the principal funding subaccount of any subordinated note, the aggregate amount of MBNAseries Available Principal Amounts available to make the targeted deposit for such subordinated tranche will be allocated first to the Class A notes and then to the Class B notes, in each case *pro rata* based on the dollar amount of subordinated notes required to be outstanding for the related senior notes. See "*—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account.*"

Limit on Deposits to the Principal Funding Subaccount of Subordinated Notes; Limit on Repayments of all Tranches

Limit on Deposits to the Principal Funding Subaccount of Subordinated Notes.

No MBNAseries Available Principal Amounts will be deposited in the principal funding subaccount of any tranche of Class B notes unless, following such deposit, the available subordinated amount of Class B notes is at least equal to the required subordinated amount of Class B notes for all outstanding Class A notes *minus* the Class A Usage of Class B Required Subordinated Amount for all Class A notes. For this purpose, the available subordinated amount of Class B notes is equal to the aggregate nominal liquidation amount of all other Class B notes of the MBNAseries which will be outstanding after giving effect to the deposit into the principal funding subaccount of such tranche of Class B notes and all other Class B notes which have a targeted deposit into the principal funding account for such month.

No MBNAseries Available Principal Amounts will be deposited in the principal funding subaccount of any tranche of Class C notes unless, following such deposit:

—the available subordinated amount of Class C notes is at least equal to the required subordinated amount of Class C notes for all outstanding Class A notes *minus* the Class A Usage of Class C Required Subordinated Amount for all Class A notes; and

—the available subordinated amount of Class C notes is at least equal to the required subordinated amount of Class C notes for all outstanding Class B notes *minus* the Class B Usage of Class C Required Subordinated Amount for all Class B notes.

For this purpose, the available subordinated amount of Class C notes is equal to the aggregate nominal liquidation amount of all other Class C notes of the MBNAseries which will be outstanding after giving effect to the deposit into the principal funding subaccount of such

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tranche of Class C notes and all other Class C notes which have a targeted deposit into the principal funding account for such month.

MBNAseries Available Principal Amounts will be deposited in the principal funding subaccount of a subordinated note if and only to the extent that such deposit is not contrary to either of the preceding two paragraphs and the prefunding target amount for each senior note is zero.

Limit on Repayments of all Tranches.

No amounts on deposit in a principal funding subaccount for any tranche of Class A notes or Class B notes will be applied to pay principal of that tranche or to make a payment under a derivative agreement with respect to principal of that tranche in excess of the highest outstanding dollar principal amount of that tranche (or, in the case of foreign currency notes, such other amount that may be specified in the MBNAseries indenture supplement). In the case of any tranche of Class C notes, no amounts on deposit in a principal funding subaccount or, if applicable, a Class C reserve subaccount for any such tranche will be applied to pay principal of that tranche or to make a payment under a derivative agreement with respect to principal of that tranche in excess of the highest outstanding dollar principal amount of that tranche (or, in the case of foreign currency notes, such other amount that may be specified in the MBNAseries indenture supplement).

Payments Received from Derivative Counterparties for Principal

Unless otherwise specified in the related indenture supplement, dollar payments for principal received under derivative agreements of U.S. dollar notes in the MBNAseries will be treated as MBNAseries Available Principal Amounts. Payments received under derivative agreements for principal of foreign currency notes in the MBNAseries will be applied as specified in the MBNAseries indenture supplement.

Deposits of Withdrawals from the Class C Reserve Account to the Principal Funding Account

Withdrawals from any Class C reserve subaccount will be deposited into the applicable principal funding subaccount to the extent described under *"—Withdrawals from the Class C Reserve Account."*

Withdrawals from Interest Funding Subaccounts

After giving effect to all deposits of funds to the interest funding account in a month, the following withdrawals from the applicable interest funding subaccount may be made, to the extent funds are available, in the applicable interest funding subaccount. A tranche of notes may be entitled to more than one of the following withdrawals in a particular month:

- *Withdrawals for U.S. Dollar Notes.* On each applicable interest payment date for each tranche of U.S. dollar notes, an amount equal to interest due on the applicable

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tranche of notes on the applicable interest payment date (including any overdue interest payments and additional interest on overdue interest payments) will be withdrawn from that interest funding subaccount and paid to the applicable paying agent.

- *Withdrawals for Foreign Currency Notes with a Non-Performing Derivative Agreement.* On each applicable interest payment date with respect to a tranche of foreign currency notes that has a non-Performing derivative agreement for interest, the amount specified in the MBNAseries indenture supplement will be withdrawn from that interest funding subaccount and, if so specified in the applicable indenture supplement, converted to the applicable foreign currency at the applicable spot exchange rate and remitted to the applicable paying agent.
- *Withdrawals for Discount Notes.* On each applicable principal payment date, with respect to each tranche of discount notes, an amount equal to the amount of the accretion of principal of that tranche of notes from the prior principal payment date—or, in the case of the first principal payment date, the date of issuance of that tranche—to but excluding the applicable principal payment date will be withdrawn from that interest funding subaccount and invested in the Investor Interest of the collateral certificate.
- *Withdrawals for Payments to Derivative Counterparties.* On each date on which a payment is required under the applicable derivative agreement, with respect to any tranche of notes that has a Performing or non-Performing derivative agreement for interest, an amount equal to the amount of the payment to be made under the applicable derivative agreement (including, if applicable, any overdue payment and any additional interest on overdue payments) will be withdrawn from that interest funding subaccount and paid in accordance with the MBNAseries indenture supplement.

If the aggregate amount available for withdrawal from an interest funding subaccount is less than all withdrawals required to be made from that subaccount in a month after giving effect to all deposits, then the amounts on deposit in that interest funding subaccount will be withdrawn and, if payable to more than one person, applied *pro rata* based on the amounts of the withdrawals required to be made. After payment in full of any tranche of notes, any amount remaining on deposit in the applicable interest funding subaccount will be first applied to cover any interest funding subaccount shortfalls for other tranches of notes in the manner described in *"—Allocation to Interest Funding Subaccounts,"* second applied to cover any principal funding subaccount shortfalls in the manner described in *"—Allocation to Principal Funding Subaccounts,"* and third paid to the issuer.

Withdrawals from Principal Funding Account

After giving effect to all deposits of funds to the principal funding account in a month, the following withdrawals from the applicable principal funding subaccount will be made to the extent funds are available in the applicable principal funding subaccount. A tranche of notes may be entitled to more than one of the following withdrawals in a particular month:

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- *Withdrawals for U.S. Dollar Notes with no Derivative Agreement for Principal.* On each applicable principal payment date, with respect to each tranche of U.S. dollar notes that has no derivative agreement for principal, an amount equal to the principal due on the applicable tranche of notes on the applicable principal payment date will be withdrawn from the applicable principal funding subaccount and paid to the applicable paying agent.
- *Withdrawals for U.S. Dollar or Foreign Currency Notes with a Performing Derivative Agreement for Principal.* On each date on which a payment is required under the applicable derivative agreement with respect to any tranche of U.S. dollar or foreign currency notes that has a Performing derivative agreement for principal, an amount equal to the amount of the payment to be made under the applicable derivative agreement will be withdrawn from the applicable principal funding subaccount and paid to the applicable derivative counterparty. The issuer will direct the applicable derivative counterparty to remit its payments under the applicable derivative agreement to the applicable paying agent.
- *Withdrawals for Foreign Currency Notes with a non-Performing Derivative Agreement for Principal.* On each principal payment date with respect to a tranche of foreign currency notes that has a non-Performing derivative agreement for principal, an amount equal to the amount specified in the applicable indenture supplement will be withdrawn from that principal funding subaccount and, if so specified in the applicable indenture supplement, converted to the applicable foreign currency at the prevailing spot exchange rate and paid to the applicable paying agent.
- *Withdrawals for U.S. Dollar Notes with a non-Performing Derivative Agreement for Principal.* On each principal payment date with respect to a tranche of U.S. dollar notes with a non-Performing derivative agreement for principal, the amount specified in the applicable indenture supplement will be withdrawn from the applicable principal funding subaccount and paid to the applicable paying agent.
- *Withdrawals of Prefunded Amounts.* If prefunding of the principal funding subaccounts for senior classes of notes is no longer necessary as a result of payment of senior notes or issuance of additional subordinated notes, as described under "*—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account—Prefunding of the Principal Funding Account for Senior Classes,*" the prefunded amounts will be withdrawn from the principal funding account and *first,* allocated among and deposited to the principal funding subaccounts of the Class A notes up to the amount then targeted to be on deposit in such principal funding subaccount; *second,* allocated among and deposited to the principal funding subaccounts of the Class B notes up to the amount then targeted to be on deposit in such principal funding subaccount; *third,* allocated among and deposited to the principal funding subaccount of the Class C notes up to the amount then targeted to be on deposit in such principal funding subaccount; and *fourth,* any remaining amounts paid to master trust II to increase the Investor Interest of the collateral certificate.

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- *Withdrawals on the Legal Maturity Date.* On the legal maturity date of any tranche of notes, amounts on deposit in the principal funding subaccount of such tranche may be applied to pay principal of that tranche or to make a payment under a derivative agreement with respect to principal of that tranche.

If the aggregate amount available for withdrawal from a principal funding subaccount for any tranche of notes is less than all withdrawals required to be made from that principal funding subaccount for that tranche in a month, then the amounts on deposit will be withdrawn and applied *pro rata* based on the amounts of the withdrawals required to be made. Upon payment in full of any tranche of notes, any remaining amount on deposit in the applicable principal funding subaccount will be first applied to cover any interest funding subaccount shortfalls for other tranches of notes, second applied to cover any principal funding subaccount shortfalls, and third paid to the issuer.

Sale of Credit Card Receivables

Credit card receivables may be sold upon the insolvency of MBNA, upon an event of default and acceleration with respect to a tranche of notes and on the legal maturity date of a tranche of notes. See *"The Indenture—Events of Default"* and *"Master Trust II—Pay Out Events"* in the prospectus.

If a tranche of notes has an event of default and is accelerated before its legal maturity date, master trust II may sell credit card receivables in an amount up to the nominal liquidation amount of the affected tranche plus any accrued, past due or additional interest on the affected tranche if the conditions described in *"The Indenture—Events of Default"* in the prospectus are satisfied. This sale will take place at the option of the indenture trustee or at the direction of the holders of a majority of aggregate outstanding dollar principal amount of notes of that tranche. However, a sale will only be permitted if at least one of the following conditions is met:

- the holders of 90% of the aggregate outstanding dollar principal amount of the accelerated tranche of notes consent;
- the net proceeds of such sale (*plus* amounts on deposit in the applicable subaccounts and payments to be received from any applicable derivative agreement) would be sufficient to pay all amounts due on the accelerated tranche of notes; or
- if the indenture trustee determines that the funds to be allocated to the accelerated tranche of notes, including MBNAseries Available Funds and MBNAseries Available Principal Amounts allocable to the accelerated tranche of notes, payments to be received from any applicable derivative agreement and amounts on deposit in the applicable subaccounts, may not be sufficient on an ongoing basis to make all payments on the accelerated tranche of notes as such payments would have become due if such obligations had not been declared due and payable, and 66 2/3% of the noteholders of the accelerated tranche of notes consent to the sale.

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Any sale of receivables for a subordinated tranche of notes will be delayed if the subordination provisions prevent payment of the accelerated tranche until a sufficient amount of senior classes of notes are prefunded, or a sufficient amount of senior notes have been repaid, or a sufficient amount of subordinated tranches have been issued, in each case, to the extent that the accelerated tranche of notes is no longer needed to provide the required subordination for the senior classes.

If principal of or interest on a tranche of notes has not been paid in full on its legal maturity date (after giving effect to any allocations, deposits and distributions to be made on such date), the sale will automatically take place on that date regardless of the subordination requirements of any senior classes of notes. Proceeds from such a sale will be immediately paid to the noteholders of the related tranche.

The amount of credit card receivables sold will be up to the nominal liquidation amount of, plus any accrued, past due and additional interest on, the tranches of notes that directed the sale to be made. The nominal liquidation amount of any tranche of notes that directed the sale to be made will be automatically reduced to zero upon such sale. After such sale, no more MBNAseries Available Principal Amounts or MBNAseries Available Funds will be allocated to that tranche.

If a tranche of notes directs a sale of credit card receivables, then after the sale that tranche will no longer be entitled to credit enhancement from subordinated classes of notes of the same series. Tranches of notes that have directed sales of credit card receivables are not outstanding under the indenture.

After giving effect to a sale of receivables for a tranche of notes, the amount of proceeds may be less than the outstanding dollar principal amount of that tranche. This deficiency can arise because of a Nominal Liquidation Amount Deficit or if the sale price for the receivables was less than the outstanding dollar principal amount. These types of deficiencies will not be reimbursed unless, in the case of Class C notes only, there are sufficient amounts in the related Class C reserve subaccount.

Any amount remaining on deposit in the interest funding subaccount for a tranche of notes that has received final payment as described in *"—Final Payment of the Notes"* and that has caused a sale of receivables will be treated as MBNAseries Available Funds and be allocated as described in *"—Application of MBNAseries Available Funds."*

Targeted Deposits to the Class C Reserve Account

The Class C reserve subaccount will initially not be funded. The Class C reserve subaccount will not be funded unless and until the Excess Available Funds Percentage falls below a level set forth in *"Prospectus Supplement Summary—Class C Reserve Account."* The Class C reserve subaccount will be funded on each Transfer Date, as necessary, from MBNAseries Available Funds as described under *"—Application of MBNAseries Available Funds."*

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The aggregate deposit targeted to be made to the Class C reserve account in each month will be the sum of the Class C reserve subaccount deposits targeted to be made for each tranche of Class C notes.

If the aggregate deposit made to the Class C reserve account is less than the sum of the targeted deposits for each tranche of Class C notes, then the amount available will be allocated to each tranche of Class C notes up to the targeted deposit *pro rata* based on the ratio of the Weighted Average Available Funds Allocation Amount of that tranche for such month to the Weighted Average Available Funds Allocation Amount of all tranches of Class C notes for such month that have a targeted amount to be deposited in their Class C reserve subaccounts for that month. After the initial allocation, any excess will be further allocated in a similar manner to those Class C reserve subaccounts which still have an uncovered targeted deposit.

Withdrawals from the Class C Reserve Account

Withdrawals will be made from the Class C reserve subaccounts, but in no event more than the amount on deposit in the applicable Class C reserve subaccount, in the following order:

- *Payments of Interest, Payments with Respect to Derivative Agreements for Interest and Accretion on Discount Notes.* If the amount on deposit in the interest funding subaccount for any tranche of Class C notes is insufficient to pay in full the amounts for which withdrawals are required, the amount of the deficiency will be withdrawn from the applicable Class C reserve subaccount and deposited into the applicable interest funding subaccount.
- *Payments of Principal and Payments with Respect to Derivative Agreements for Principal.* If, on and after the earliest to occur of (i) the date on which any tranche of Class C notes is accelerated pursuant to the indenture following an event of default with respect to such tranche, (ii) any date on or after the Transfer Date immediately preceding the expected principal payment date on which the amount on deposit in the principal funding subaccount for any tranche of Class C notes plus the aggregate amount on deposit in the Class C reserve subaccount for such tranche of the Class C notes equals or exceeds the outstanding dollar principal amount of such Class C notes and (iii) the legal maturity date for any tranche of Class C notes, the amount on deposit in the principal funding subaccount for any tranche of Class C notes is insufficient to pay in full the amounts for which withdrawals are required, the amount of the deficiency will be withdrawn from the applicable Class C reserve subaccount and deposited into the applicable principal funding subaccount.
- *Excess Amounts.* If on any Transfer Date the aggregate amount on deposit in any Class C reserve subaccount is greater than the amount required to be on deposit in the applicable Class C reserve subaccount and such Class C notes have not been accelerated, the excess will be withdrawn and first allocated among and deposited to the other Class C reserve subaccounts in a manner similar to that described in the

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second paragraph of *"—Targeted Deposits to the Accumulation Reserve Account"* and then paid to the issuer. In addition, after payment in full of any tranche of Class C notes, any amount remaining on deposit in the applicable Class C reserve subaccount will be applied in accordance with the preceding sentence.

Targeted Deposits to the Accumulation Reserve Account

If more than one budgeted deposit is targeted for a tranche, the accumulation reserve subaccount will be funded for such tranche no later than three months prior to the date on which a budgeted deposit is first targeted for such tranche as described under *"—Targeted Deposits of MBNAseries Available Principal Amounts to the Principal Funding Account."* The accumulation reserve subaccount for a tranche of notes will be funded on each Transfer Date, as necessary, from MBNAseries Available Funds as described under *"—Application of MBNAseries Available Funds."* The aggregate deposit targeted to be made to the accumulation reserve account in each month will be the sum of the accumulation reserve subaccount deposits targeted to be made for each tranche of notes.

If the aggregate amount of MBNAseries Available Funds available for deposit to the accumulation reserve account is less than the sum of the targeted deposits for each tranche of notes, then the amount available will be allocated to each tranche of notes up to the targeted deposit *pro rata* based on the ratio of the Weighted Average Available Funds Allocation Amount for that tranche for that month to the Weighted Average Available Funds Allocation Amount for all tranches of notes that have a targeted deposit to their accumulation reserve subaccounts for that month. After the initial allocation, any excess will be further allocated in a similar manner to those accumulation reserve subaccounts which still have an uncovered targeted deposit.

Withdrawals from the Accumulation Reserve Account

Withdrawals will be made from the accumulation reserve subaccounts, but in no event more than the amount on deposit in the applicable accumulation reserve subaccount, in the following order:

- *Interest.* On or prior to each Transfer Date, the issuer will calculate for each tranche of notes the amount of any shortfall of net investment earnings for amounts on deposit in the principal funding subaccount for that tranche (other than prefunded amounts) over the amount of interest that would have accrued on such deposit if that tranche had borne interest at the applicable note interest rate (or other rate specified in the MBNAseries indenture supplement) for the prior month. If there is any such shortfall for that Transfer Date, or any unpaid shortfall from any earlier Transfer Date, the issuer will withdraw the sum of those amounts from the accumulation reserve subaccount, to the extent available, for treatment as MBNAseries Available Funds for such month.
- *Payment to Issuer.* Upon payment in full of any tranche of notes, any amount on deposit in the applicable accumulation reserve subaccount will be paid to the issuer.

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Final Payment of the Notes

Noteholders are entitled to payment of principal in an amount equal to the outstanding dollar principal amount of their respective notes. However, MBNAseries Available Principal Amounts will be allocated to pay principal on the notes only up to their nominal liquidation amount, which will be reduced for charge-offs due to uncovered defaults of principal receivables in master trust II and reallocations of MBNAseries Available Principal Amounts to pay interest on senior classes of notes or a portion of the master trust II servicing fee allocable to such notes. In addition, if a sale of receivables occurs, as described in *"—Sale of Credit Card Receivables,"* the amount of receivables sold will be limited to the nominal liquidation amount of, plus any accrued, past due or additional interest on, the related tranche of notes. If the nominal liquidation amount of a tranche has been reduced, noteholders of such tranche will receive full payment of principal only to the extent proceeds from the sale of receivables are sufficient to pay the full principal amount, amounts are received from an applicable derivative agreement or amounts have been previously deposited in an issuer account for such tranche of notes.

On the date of a sale of receivables, the proceeds of such sale will be available to pay the outstanding dollar principal amount of, plus any accrued, past due and additional interest on, that tranche.

A tranche of notes will be considered to be paid in full, the holders of those notes will have no further right or claim, and the issuer will have no further obligation or liability for principal or interest, on the earliest to occur of:

- the date of the payment in full of the stated principal amount of and all accrued, past due and additional interest on that tranche of notes;
- the date on which the outstanding dollar principal amount of that tranche of notes is reduced to zero, and all accrued, past due or additional interest on that tranche of notes is paid in full;
- the legal maturity date of that tranche of notes, after giving effect to all deposits, allocations, reallocations, sales of credit card receivables and payments to be made on that date; or
- the date on which a sale of receivables has taken place with respect to such tranche, as described in *"—Sale of Credit Card Receivables."*

Pro Rata Payments Within a Tranche

All notes of a tranche will receive payments of principal and interest *pro rata* based on the stated principal amount of each note in that tranche.

Shared Excess Available Funds

MBNAseries Available Funds for any month remaining after making the seventh application described under *"—Application of MBNAseries Available Funds"* will be available for allocation to other series of notes in Group A. Such excess including excesses, if any, from other series of notes in Group A, called shared excess available funds, will be

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allocated to cover certain shortfalls in Available Funds for the series in Group A, if any, which have not been covered out of Available Funds allocable to such series. If these shortfalls exceed shared excess available funds for any month, shared excess available funds will be allocated *pro rata* among the applicable series in Group A based on the relative amounts of those shortfalls in Available Funds. To the extent that shared excess available funds exceed those shortfalls, the balance will be paid to the issuer. For the MBNAseries, shared excess available funds, to the extent available and allocated to the MBNAseries, will cover shortfalls in the first four applications described in *"—Application of MBNAseries Available Funds."*

MBNA and MBNA Corporation

MBNA America Bank, National Association (referred to in this prospectus supplement as MBNA), a national bank organized in January 1991 as the successor to a national bank formed in 1982, is a principal wholly-owned subsidiary of MBNA Corporation. MBNA has two wholly-owned non-U.S. bank subsidiaries, MBNA Europe Bank Limited, formed in 1993 with its headquarters in the United Kingdom, and MBNA Canada Bank, formed in 1997.

On a managed basis, including loan accounts originated or acquired by MBNA Europe Bank Limited and MBNA Canada Bank, MBNA maintained loan accounts with aggregate outstanding balances of $113.3 billion as of June 30, 2005. Of this amount, $75.0 billion were MasterCard, Visa and American Express credit card loans originated in the United States. As of June 30, 2005, MBNA had assets of $59.2 billion, deposits of $32.1 billion and capital and surplus accounts of $12.9 billion, and MBNA Corporation had consolidated assets of $63.0 billion, consolidated deposits of $30.9 billion and capital and surplus accounts of $12.8 billion.

MBNA's Credit Card Portfolio

MBNA primarily relies on endorsed marketing in the acquisition of credit card accounts, but also engages in targeted direct response marketing and portfolio acquisitions. For a description of MBNA's marketing, underwriting and credit risk control policies, see *"MBNA's Credit Card Activities—Acquisition and Use of Credit Card Accounts"* in the prospectus.

Billing and Payments

MBNA, using MBNA Technology, Inc. as its service bureau, generates and mails to cardholders monthly statements summarizing account activity and processes cardholder monthly payments. Currently, cardholders generally must make a monthly minimum payment at least equal to the lesser of (i) the sum of all finance charges, bank imposed fees, a stated minimum amount (generally $15) and past due amounts or (ii) 2.25% of the statement balance plus past due amounts, but generally not less than $15. Certain eligible cardholders are given the option periodically to take a payment deferral.

MBNA has increased the required monthly minimum payments for new credit card accounts beginning in the third quarter of 2005, and anticipates increasing the required monthly minimum payments for existing credit card accounts in the fourth quarter of 2005.

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After the change, cardholders generally will be required to make a monthly minimum payment at least equal to interest and late fees assessed that month plus 1% of the remaining balance on the account. Increasing the monthly minimum payments will likely reduce the amount of principal receivables in the Bank Portfolio and the Master Trust II Portfolio and the finance charges on those principal receivables in future periods. The impact of such change on the payment of principal and interest on the Bank Portfolio and the Master Trust II Portfolio will depend on the actual payment patterns of cardholders after the change, whether or not cardholders who pay down the account balance more quickly will reuse the available credit, and other factors that are difficult to predict or quantify.

The finance charges on purchases, which are assessed monthly, are calculated by multiplying the account's average daily purchase balance by the applicable daily periodic rate, and multiplying the result by the number of days in the billing cycle. Finance charges are calculated on purchases from the date of the purchase or the first day of the billing cycle in which the purchase is posted to the account, whichever is later. Monthly periodic finance charges are generally not assessed on new purchases if, for each billing cycle, all balances shown on the previous billing statement are paid by the due date, which is generally at least 20 days after the billing date. Monthly periodic finance charges are not assessed in most circumstances on previous purchases if all balances shown on the two previous billing statements are paid by their respective due dates.

The finance charges, which are assessed monthly on cash advances (including balance transfers), are calculated by multiplying the account's average cash advance balance by the applicable daily periodic rate, and multiplying the result by the number of days in the billing cycle. Finance charges are calculated on cash advances (including balance transfers) from the date of the transaction. Currently, MBNA generally treats the day on which a cash advance check is deposited or cashed as the transaction date for such check.

During 2004, MBNA implemented strategies to decrease the number of accounts that have been overlimit for consecutive periods. These strategies included eliminating charging overlimit fees for accounts that have been overlimit for consecutive periods and holding the minimum payment constant (assuming the fee had been billed), thereby shifting payment dollars to principal, thus accelerating the rate at which outstanding balances on these overlimit accounts are reduced below the credit limit.

MBNA assesses annual membership fees on certain accounts although under various marketing programs these fees may be waived or rebated. For most credit card accounts, MBNA also assesses late, overlimit and returned check charges. MBNA generally assesses a fee on cash advances and certain purchase transactions.

Risk Control and Fraud

MBNA manages risk at the account level through sophisticated analytical techniques combined with regular judgmental review. Transactions are evaluated at the point of sale, where risk levels are balanced with profitability and cardholder satisfaction. In addition, cardholders showing signs of financial stress are periodically reviewed, a process that includes

an examination of the cardholder's credit file, the cardholder's behavior with MBNA accounts, and often a phone call to the cardholder for clarification of the situation. MBNA may block use of certain accounts, reduce credit lines on certain accounts, and increase the annual percentage rates on certain accounts (generally after giving the cardholder notice and an opportunity to reject the rate increase, unless the increase was triggered by an event set out in the credit agreement as a specific basis for a rate increase).

A balanced approach is also used when stimulating portfolio growth. Risk levels are measured through statistical models that incorporate payment behavior, employment information, income information and transaction activity. Credit bureau scores and attributes are obtained and combined with internal information to allow MBNA to increase credit lines and promote account usage while balancing additional risk.

MBNA manages fraud risk through a combination of judgmental reviews and sophisticated technology to detect and prevent fraud as early as possible. Technologies and strategies utilized include a neural net-based fraud score, expert systems and fraud specified authorization strategies. Address and other demographic discrepancies are investigated as part of the credit decision to identify and prevent identity theft.

Delinquencies and Collection Efforts

An account is contractually delinquent if the minimum payment is not received by the due date indicated on the monthly billing statement. For collection purposes, however, an account is considered delinquent if the minimum payment required to be made is not received by MBNA generally within 5 days after the due date reflected in the respective monthly billing statement. Efforts to collect delinquent credit card receivables currently are made by MBNA's Customer Assistance personnel. Collection activities include statement messages, telephone calls and formal collection letters. MBNA employs two principal computerized systems for collecting past due accounts. The predictive management system analyzes each cardholder's purchase and repayment habits and selects accounts for initial contact with the objective of contacting the highest risk accounts first. The accounts selected are queued to MBNA's proprietary outbound call management system. This system sorts accounts by a number of factors, including time zone, degree of delinquency and dollar amount due, and automatically dials delinquent accounts in order of priority. Representatives are automatically linked to the cardholder's account information and voice line when a contact is established.

MBNA charges off open-end delinquent loans by the end of the month in which the account becomes 180 days contractually past due. Delinquent bankrupt accounts are charged off by the end of the second calendar month following receipt of notification of filing from the applicable court, but not later than the applicable 180-day timeframe described above. Accounts of deceased cardholders are charged off when the loss is determined, but not later than the applicable 180-day timeframe described above. Fraudulent accounts are charged off by the end of the calendar month of the 90th day after identifying the account as fraudulent, but not later than the applicable 180-day timeframe described above. Accounts failing to make a payment within charge-off policy timeframes are written off. Managers may on an exception basis defer charge-off of an account for another month, pending continued payment activity or

other special circumstances. Senior manager approval is required on all such exceptions to the charge-off policies described above. If an account has been charged-off, it may be sold to a third party or retained by MBNA for recovery.

Renegotiated and Re-Aged Accounts

MBNA may modify the terms of its credit card agreements with cardholders who have experienced financial difficulties by offering them renegotiated account programs, which include placing them on nonaccrual status, reducing their interest rate or providing any other concession in terms. When accounts are classified as nonaccrual, interest is no longer billed to the cardholder. In future periods, when a payment is received, it is recorded as a reduction of the interest and fee amount that was billed to the cardholder prior to placing the account on nonaccrual status. Once the original interest and fee amount or subsequent fees have been paid, payments are recorded as a reduction of principal. Other restructured loans are loans for which the interest rate was reduced or loans that have received any other type of concession in terms because of the inability of the cardholder to comply with the original terms and conditions. Income is accrued at the reduced rate as long as the cardholder complies with the revised terms and conditions. In addition, accounts may be re-aged to remove existing delinquency. Generally, the intent of a re-age is to assist cardholders who have recently overcome temporary financial difficulties, and have demonstrated both the ability and willingness to resume regular payments, but may be unable to pay the entire past due amount. To qualify for re-aging, the account must have been open for at least one year and cannot have been re-aged during the preceding 365 days. An account may not be re-aged more than two times in a five-year period. To qualify for re-aging, the cardholder must also have made three regular minimum monthly payments within the last 90 days. In addition, MBNA may re-age the account of a cardholder who is experiencing long-term financial difficulties and apply modified, concessionary terms and conditions to the account. Such additional re-ages are limited to one in a five year period and must meet the qualifications for re-ages described above, except that the cardholder's three consecutive minimum monthly payments may be based on the modified terms and conditions applied to the account. All re-age strategies are approved by MBNA's senior management and MBNA's Loan Review Department.

As of June 30, 2005, master trust II included approximately $16.3 million of receivables in nonaccrual accounts, 0.02% of the total receivables in master trust II, approximately $2.3 billion of receivables in other restructured accounts, 3.36% of the total receivables in master trust II, and approximately $322.5 million of receivables in re-aged accounts, 0.47% of the total receivables in master trust II.

The Master Trust II Portfolio

The receivables conveyed to master trust II arise in accounts selected from the Bank Portfolio on the basis of criteria set forth in the master trust II agreement as applied on the Cut-Off Date and, with respect to additional accounts, as of the related date of their designation. The receivables in master trust II may include receivables that are contractually delinquent. The seller has the right, subject to certain limitations and conditions set forth

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therein, to designate from time to time additional accounts and to transfer to master trust II all receivables of such additional accounts. Any additional accounts designated must be Eligible Accounts as of the date the seller designates such accounts as additional accounts.

Delinquency and Principal Charge-Off Experience

The following table sets forth the delinquency experience for cardholder payments on the credit card accounts in the Master Trust II Portfolio for each of the periods shown. The receivables outstanding on the accounts consist of all amounts due from cardholders as posted to the accounts as of the end of the period shown. We cannot provide any assurance that the delinquency experience for the receivables in the future will be similar to the historical experience set forth below.

Delinquency Experience
Master Trust II Portfolio
(Dollars in Thousands)

	June 30,		December 31,			
	2005		2004		2003	
	Receivables	Percentage of Total Receivables	Receivables	Percentage of Total Receivables	Receivables	Percentage of Total Receivables
Receivables Outstanding	$68,287,059		$73,981,346		$77,426,846	
Receivables Delinquent:						
30-59 Days	$ 1,080,630	1.58%	$ 1,171,256	1.58%	$ 1,202,508	1.55%
60-89 Days	693,806	1.02	798,616	1.08	825,924	1.07
90 or More	1,602,203	2.34	1,709,591	2.31	1,986,364	2.57
Total	$ 3,376,639	4.94%	$ 3,679,463	4.97%	$ 4,014,796	5.19%

	December 31,					
	2002		2001		2000	
	Receivables	Percentage of Total Receivables	Receivables	Percentage of Total Receivables	Receivables	Percentage of Total Receivables
Receivables Outstanding	$72,696,743		$66,500,791		$58,611,594	
Receivables Delinquent:						
30-59 Days	$ 1,343,708	1.85%	$ 1,247,086	1.88%	$ 1,024,175	1.75%
60-89 Days	833,204	1.15	708,484	1.07	583,768	1.00
90 or More	1,856,047	2.55	1,473,667	2.21	1,158,371	1.97
Total	$ 4,032,959	5.55%	$ 3,429,237	5.16%	$ 2,766,314	4.72%

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The following table sets forth the principal charge-off experience for cardholder payments on the credit card accounts in the Master Trust II Portfolio for each of the periods shown. Charge-offs consist of write-offs of principal receivables. If accrued finance charge receivables that have been written off were included in total charge-offs, total charge-offs would be higher as an absolute number and as a percentage of the average of principal receivables outstanding during the periods indicated. Average principal receivables outstanding is the average of the daily principal receivables balance during the periods indicated. We cannot provide any assurance that the charge-off experience for the receivables in the future will be similar to the historical experience set forth below.

Principal Charge-Off Experience
Master Trust II Portfolio
(Dollars in Thousands)

	Six Months Ended June 30, 2005	Year Ended December 31,	
		2004	2003
Average Principal Receivables Outstanding	$67,873,424	$72,347,604	$70,695,439
Total Charge-Offs	$ 1,863,181	$ 3,996,412	$ 4,168,622
Total Charge-Offs as a percentage of Average Principal Receivables Outstanding	5.49%	5.52%	5.90%

	Year Ended December 31,		
	2002	2001	2000
Average Principal Receivables Outstanding	$65,393,297	$59,261,613	$52,869,754
Total Charge-Offs	$ 3,629,682	$ 3,102,804	$ 2,697,976
Total Charge-Offs as a percentage of Average Principal Receivables Outstanding	5.55%	5.24%	5.10%

Total charge-offs as a percentage of average principal receivables outstanding for the months ended July 31, 2005 and August 31, 2005 were 5.58% and 5.40%, respectively, each calculated as an annualized figure. Total charge-offs are total principal charge-offs before recoveries and do not include any charge-offs of finance charge receivables or the amount of any reductions in average daily principal receivables outstanding due to fraud, returned goods, customer disputes or other miscellaneous adjustments.

Revenue Experience

The following table sets forth the revenue experience for the credit card accounts from finance charges, fees paid and interchange in the Master Trust II Portfolio for each of the periods shown.

The revenue experience in the following table is calculated on a cash basis. Yield from finance charges and fees is the result of dividing finance charges and fees by average daily principal receivables outstanding during the periods indicated. Finance charges and fees are comprised of monthly cash collections of periodic finance charges and other credit card fees including interchange.

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Revenue Experience
Master Trust II Portfolio
(Dollars in Thousands)

	Six Months Ended June 30, 2005	Year Ended December 31, 2004	Year Ended December 31, 2003
Finance Charges and Fees*	$ 6,460,316	$12,840,337	$12,425,445
Yield from Finance Charges and Fees	19.04%	17.75%	17.58%

	Year Ended December 31,		
	2002	2001	2000
Finance Charges and Fees*	$11,733,951	$11,486,818	$10,122,205
Yield from Finance Charges and Fees	17.94%	19.38%	19.15%

* Since December 17, 2001, recoveries on receivables in Defaulted Accounts have been included as amounts received in respect of finance charge receivables.

The yield on a cash basis will be affected by numerous factors, including the monthly periodic finance charges on the receivables, the amount of the annual membership fees and other fees, changes in the delinquency rate on the receivables, the percentage of cardholders who pay their balances in full each month and do not incur monthly periodic finance charges, the percentage of credit card accounts bearing finance charges at promotional rates and changes in the level of delinquencies on the receivables. See *"Risk Factors"* in the prospectus.

The revenue from periodic finance charges and fees—other than annual fees—depends in part upon the collective preference of cardholders to use their credit cards as revolving debt instruments for purchases and cash advances and to pay account balances over several months—as opposed to convenience use, where cardholders pay off their entire balance each month, thereby avoiding periodic finance charges on their purchases—and upon other credit card related services for which the cardholder pays a fee. Fees for these other services will be treated for purposes of the master trust II agreement as principal receivables rather than finance charge receivables; however, MBNA may specify that it will treat these fees as finance charge receivables. Revenues from periodic finance charges and fees also depend on the types of charges and fees assessed on the credit card accounts. Accordingly, revenue will be affected by future changes in the types of charges and fees assessed on the accounts and on the types of additional accounts added from time to time. These revenues could be adversely affected by future changes in fees and charges assessed by MBNA and other factors. See *"MBNA's Credit Card Activities"* in the prospectus.

Interchange

MBNA, as seller, will transfer to master trust II a percentage of the interchange attributed to cardholder charges for goods and services in the accounts of master trust II. Interchange will be allocated to each series of master trust II investor certificates based on such series's *pro rata* portion as measured by its Investor Interest of cardholder charges for goods and services in the accounts of master trust II relative to the total amount of cardholder charges for goods and services in the MasterCard, Visa and American Express credit card accounts owned by MBNA, as reasonably estimated by the seller.

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MasterCard, Visa and American Express may from time to time change the amount of interchange reimbursed to banks issuing their credit cards. Interchange will be treated as collections of finance charge receivables. Under the circumstances described herein, interchange will be used to pay a portion of the Investor Servicing Fee required to be paid on each Transfer Date. See *"Master Trust II—Servicing Compensation and Payment of Expenses"* and *"MBNA's Credit Card Activities—Interchange"* in the prospectus.

Principal Payment Rates

The following table sets forth the highest and lowest cardholder monthly principal payment rates for the Master Trust II Portfolio during any month in the periods shown and the average cardholder monthly principal payment rates for all months during the periods shown, in each case calculated as a percentage of total beginning monthly account principal balances during the periods shown. Principal payment rates shown in the table are based on amounts which are deemed payments of principal receivables with respect to the accounts.

Cardholder Monthly Principal Payment Rates
Master Trust II Portfolio

	Six Months Ended	Year Ended December 31,				
	June 30, 2005	2004	2003	2002	2001	2000
Lowest Month	15.33%	13.95%	12.73%	12.93%	12.28%	12.21%
Highest Month	17.06%	16.47%	14.71%	14.40%	13.76%	14.05%
Monthly Average	16.48%	15.05%	13.84%	13.63%	13.03%	13.01%

Generally, cardholders must make a monthly minimum payment at least equal to the lesser of (i) the sum of all finance charges, bank imposed fees, a stated minimum amount (generally $15) and past due amounts or (ii) 2.25% of the statement balance plus past due amounts, but generally not less than $15. Certain eligible cardholders are given the option periodically to take a payment deferral. We cannot assure you that the cardholder monthly principal payment rates in the future will be similar to the historical experience set forth above. See *"MBNA's Credit Card Portfolio—Billing and Payments"* in this prospectus supplement. In addition, the amount of collections of receivables may vary from month to month due to seasonal variations, general economic conditions and payment habits of individual cardholders.

MBNA, as seller, has the right, subject to certain limitations and conditions, to designate certain removed credit card accounts and to require the master trust II trustee to reconvey all receivables in such removed credit card accounts to the seller. Once an account is removed, receivables existing or guaranteed under that credit card account are not transferred to master trust II.

The Receivables

As of the beginning of the day on September 29, 2005:

- the Master Trust II Portfolio included $70,217,277,637 of principal receivables and $1,431,156,416 of finance charge receivables;

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- the credit card accounts had an average principal receivable balance of $1,664 and an average credit limit of $14,327;
- the percentage of the aggregate total receivable balance to the aggregate total credit limit was 11.9%;
- the average age of the credit card accounts was approximately 82 months; and
- cardholders whose accounts are included in the Master Trust II Portfolio had billing addresses in all 50 States, the District of Columbia, and Puerto Rico.

The following tables summarize the Master Trust II Portfolio by various criteria as of the beginning of the day on September 29, 2005. The information in the following tables and the preceding paragraph does not reflect the removal of 615,337 zero balance accounts from master trust II on October 5, 2005. Because the future composition of the Master Trust II Portfolio may change over time, these tables do not describe the composition of the Master Trust II Portfolio at any future time.

Composition by Account Balance
Master Trust II Portfolio

Account Balance Range	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Credit Balance	1,040,834	2.5%	$ (84,952,970)	(0.1)%
No Balance	24,299,211	57.6	0	0.0
$ .01-$ 5,000.00	12,184,852	28.9	16,239,358,227	22.7
$ 5,000.01-$10,000.00	2,584,329	6.1	18,508,093,824	25.8
$10,000.01-$15,000.00	1,066,153	2.5	13,046,499,711	18.2
$15,000.01-$20,000.00	491,563	1.2	8,489,903,707	11.8
$20,000.01-$25,000.00	274,146	0.6	6,158,211,623	8.6
$25,000.01 or More	262,234	0.6	9,291,319,931	13.0
Total	42,203,322	100.0%	$71,648,434,053	100.0%

Composition by Credit Limit
Master Trust II Portfolio

Credit Limit Range	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Less than or equal to $5,000.00	7,632,475	18.1%	$ 4,677,428,932	6.5%
$ 5,000.01-$10,000.00	10,061,971	23.8	12,247,707,339	17.1
$10,000.01-$15,000.00	8,244,647	19.5	12,782,144,981	17.8
$15,000.01-$20,000.00	6,465,183	15.3	11,558,703,386	16.1
$20,000.01-$25,000.00	4,754,987	11.3	10,869,321,243	15.2
$25,000.01 or More	5,044,059	12.0	19,513,128,172	27.3
Total	42,203,322	100.0%	$71,648,434,053	100.0%

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Composition by Period of Delinquency
Master Trust II Portfolio

Period of Delinquency (Days Contractually Delinquent)	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Not Delinquent	41,043,396	97.3%	$64,213,128,277	89.7%
Up to 29 Days	608,255	1.4	3,459,387,680	4.8
30 to 59 Days	190,470	0.5	1,223,117,017	1.7
60 to 89 Days	103,391	0.2	720,249,390	1.0
90 to 119 Days	78,850	0.2	588,383,528	0.8
120 to 149 Days	70,409	0.2	551,085,131	0.8
150 to 179 Days	62,078	0.1	499,940,361	0.7
180 or More Days	46,473	0.1	393,142,669	0.5
Total	42,203,322	100.0%	$71,648,434,053	100.0%

Composition by Account Age
Master Trust II Portfolio

Account Age	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Not More than 6 Months	982,287	2.3%	$ 1,976,961,368	2.8%
Over 6 Months to 12 Months	1,169,096	2.8	1,729,030,969	2.4
Over 12 Months to 24 Months	4,644,475	11.0	7,043,711,129	9.8
Over 24 Months to 36 Months	4,284,281	10.2	5,886,682,998	8.2
Over 36 Months to 48 Months	4,201,526	10.0	5,885,030,488	8.2
Over 48 Months to 60 Months	3,276,834	7.8	5,051,641,990	7.1
Over 60 Months to 72 Months	3,438,053	8.1	5,887,962,574	8.2
Over 72 Months	20,206,770	47.8	38,187,412,537	53.3
Total	42,203,322	100.0%	$71,648,434,053	100.0%

Geographic Distribution of Accounts
Master Trust II Portfolio

State/Territory	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
California	3,657,651	8.7%	$ 7,146,181,206	10.0%
Florida	3,150,976	7.5	5,059,785,954	7.1
New York	2,824,092	6.7	4,730,606,740	6.6
Pennsylvania	2,631,754	6.2	3,732,451,988	5.2
Texas	2,164,774	5.1	4,555,751,456	6.4

New Jersey	1,843,100	4.4	3,128,456,656	4.4
Illinois	1,720,837	4.1	2,832,450,837	4.0
Ohio	1,690,983	4.0	2,630,345,329	3.7
Virginia	1,576,470	3.7	2,490,602,771	3.5
North Carolina	1,404,700	3.3	2,539,791,533	3.5
Other	19,537,985	46.3	32,802,009,583	45.6
Total	42,203,322	100.0%	$71,648,434,053	100.0%

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Since the largest number of cardholders (based on billing address) whose accounts were included in master trust II as of September 29, 2005 were in California, Florida, New York, Pennsylvania and Texas, adverse changes in the economic conditions in these areas could have a direct impact on the timing and amount of payments on the notes.

Recent Additions to the Master Trust II Portfolio

The following table sets forth the timing and amount of additions of receivables in additional accounts to the Master Trust II Portfolio since the beginning of 2001. Balances of receivables include principal and finance charge receivables as of the date of the related addition.

Additions of Receivables
Master Trust II Portfolio

Date of Addition	Number of Accounts	Receivables	Percentage of Total Receivables
August 24, 2005	1,042,761	$1,788,019,802	2.6%
April 27, 2005	1,076,679	1,467,186,621	2.2
December 2, 2004	1,224,243	1,501,323,184	2.1
August 25, 2004	1,718,059	2,409,773,063	3.3
April 22, 2004	2,584,078	3,142,535,908	4.3
November 19, 2003	1,620,789	1,754,560,022	2.4
July 29, 2003	1,835,591	2,689,463,672	3.8
April 24, 2003	1,598,545	2,728,260,279	3.9
November 22, 2002	2,181,256	2,994,477,993	4.4
July 25, 2002	2,208,399	3,757,990,403	5.8
March 19, 2002	2,652,455	4,365,797,657	6.9
November 27, 2001	2,252,309	2,881,019,461	4.6
July 20, 2001	2,491,847	3,760,863,507	6.3
April 30, 2001	1,288,123	1,450,543,629	2.5
January 30, 2001	1,593,803	1,789,807,766	3.1

The following tables summarize by various criteria the receivables and related accounts added to the Master Trust II Portfolio on August 24, 2005. Because the characteristics of the receivables and related accounts added on August 24, 2005 may change over time, these tables do not describe the composition of those receivables and related accounts at any time before or after August 24, 2005. Additionally, the characteristics of the receivables and related accounts added on August 24, 2005 may be materially different from the characteristics of receivables and related accounts added before or after August 24, 2005.

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Composition by Account Balance
August 24, 2005 Addition of Accounts

Account Balance Range	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Credit Balance	6,587	0.6%	$ (1,402,196)	(0.1)%
No Balance	530,572	50.9	0	0.0
$ .01-$ 5,000.00	391,312	37.5	519,972,095	29.1
$ 5,000.01-$10,000.00	70,990	6.8	513,530,212	28.7
$10,000.01-$15,000.00	25,500	2.5	312,831,853	17.5
$15,000.01-$20,000.00	8,957	0.9	155,096,370	8.7
$20,000.01-$25,000.00	4,205	0.4	94,429,367	5.3
$25,000.01 or More	4,638	0.4	193,562,101	10.8
Total	1,042,761	100.0%	$1,788,019,802	100.0%

Composition by Credit Limit
August 24, 2005 Addition of Accounts

Credit Limit Range	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Less than or equal to $5,000.00	462,788	44.4%	$ 262,209,585	14.7%
$ 5,000.01-$10,000.00	312,383	30.0	485,292,720	27.1
$10,000.01-$15,000.00	162,654	15.6	433,599,677	24.3
$15,000.01-$20,000.00	64,885	6.2	229,637,291	12.8
$20,000.01-$25,000.00	23,330	2.2	139,145,895	7.8
$25,000.01 or More	16,721	1.6	238,134,634	13.3
Total	1,042,761	100.0%	$1,788,019,802	100.0%

Composition by Period of Delinquency
August 24, 2005 Addition of Accounts

Period of Delinquency (Days Contractually Delinquent)	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Not Delinquent	1,026,713	98.5%	$1,722,708,662	96.3%
Up to 29 Days	10,954	1.0	43,974,959	2.5
30 to 59 Days	2,736	0.3	9,649,325	0.6
60 to 89 Days	848	0.1	3,811,631	0.2
90 or More Days	1,510	0.1	7,875,225	0.4

Total	1,042,761	100.0%	$1,788,019,802	100.0%

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Composition by Account Age
August 24, 2005 Addition of Accounts

Account Age	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Not More than 6 Months	812,873	77.9%	$1,336,599,863	74.8%
Over 6 Months to 12 Months	19,653	1.9	25,514,393	1.4
Over 12 Months to 24 Months	41,320	4.0	50,383,122	2.8
Over 24 Months to 36 Months	28,323	2.7	35,317,605	2.0
Over 36 Months to 48 Months	13,274	1.3	37,418,965	2.1
Over 48 Months to 60 Months	13,079	1.2	34,484,724	1.9
Over 60 Months to 72 Months	12,291	1.2	31,816,418	1.8
Over 72 Months	101,948	9.8	236,484,712	13.2
Total	1,042,761	100.0%	$1,788,019,802	100.0%

Geographic Distribution of Accounts
August 24, 2005 Addition of Accounts

State/Territory	Number of Accounts	Percentage of Total Number of Accounts	Receivables	Percentage of Total Receivables
Florida	126,621	12.1%	$ 200,719,308	11.2%
Alabama	98,217	9.4	191,344,264	10.7
Tennessee	77,472	7.4	138,387,213	7.7
California	57,567	5.5	140,951,664	7.9
New York	56,736	5.4	97,457,597	5.5
Pennsylvania	49,648	4.8	59,386,201	3.3
Texas	40,763	3.9	91,298,263	5.1
Georgia	38,187	3.7	62,887,405	3.5
New Jersey	37,893	3.6	58,625,307	3.3
Illinois	37,783	3.6	52,893,145	3.0
Other	421,874	40.6	694,069,435	38.8
Total	1,042,761	100.0%	$1,788,019,802	100.0%

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Underwriting

Subject to the terms and conditions of the underwriting agreement for these Class C(2005-3) notes, the issuer has agreed to sell to each of the underwriters named below, and each of those underwriters has severally agreed to purchase, the principal amount of these Class C(2005-3) notes set forth opposite its name:

Underwriters	Principal Amount
Deutsche Bank Securities Inc.	$62,500,000
Greenwich Capital Markets, Inc.	62,500,000
Banc of America Securities LLC	62,500,000
Merrill Lynch, Pierce, Fenner & Smith Incorporated	62,500,000
Total	$250,000,000

The several underwriters have agreed, subject to the terms and conditions of the underwriting agreement, to purchase all $250,000,000 of the aggregate principal amount of these Class C(2005-3) notes if any of these Class C(2005-3) notes are purchased.

The underwriters have advised the issuer that the several underwriters propose initially to offer these Class C(2005-3) notes to the public at the public offering price set forth on the cover page of this prospectus supplement, and to certain dealers at that public offering price less a concession not in excess of [•]% of the principal amount of these Class C(2005-3) notes. The underwriters may allow, and those dealers may reallow to other dealers, a concession not in excess of [•]% of the principal amount.

After the initial public offering, the public offering price and other selling terms may be changed by the underwriters.

Each underwriter of these Class C(2005-3) notes has agreed that:

- it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "FSMA") with respect to anything done by it in relation to the Class C(2005-3) notes in, from or otherwise involving the United Kingdom; and
- it has only communicated or caused to be communicated and it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Class C(2005-3) notes in circumstances in which Section 21(1) of the FSMA does not apply to the issuer.

In connection with the sale of these Class C(2005-3) notes, the underwriters may engage in:

- over-allotments, in which members of the syndicate selling these Class C(2005-3) notes sell more notes than the issuer actually sold to the syndicate, creating a syndicate short position;
- stabilizing transactions, in which purchases and sales of these Class C(2005-3) notes may be made by the members of the selling syndicate at prices that do not exceed a specified maximum;

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- syndicate covering transactions, in which members of the selling syndicate purchase these Class C(2005-3) notes in the open market after the distribution has been completed in order to cover syndicate short positions; and
- penalty bids, by which the underwriter reclaims a selling concession from a syndicate member when any of these Class C(2005-3) notes originally sold by that syndicate member are purchased in a syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may cause the price of these Class C(2005-3) notes to be higher than it would otherwise be. These transactions, if commenced, may be discontinued at any time.

The issuer and MBNA will, jointly and severally, indemnify the underwriters against certain liabilities, including liabilities under applicable securities laws, or contribute to payments the underwriters may be required to make in respect of those liabilities.

Bank of America Corporation, an affiliate of Banc of America Securities LLC, one of the underwriters of the Class C(2005-3) notes, and MBNA Corporation, an affiliate of MBNA, the seller and the servicer of master trust II and the originator of the issuer, announced on June 30, 2005 that they had entered into an agreement and plan of merger. See *"MBNA and MBNA Corporation—Bank of America Corporation/MBNA Corporation Merger"* in the accompanying prospectus.

The proceeds to the issuer from the sale of these Class C(2005-3) notes and the underwriting discount are set forth on the cover page of this prospectus supplement. Additional offering expenses are estimated to be $400,000.

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Glossary of Defined Terms

"Base Rate" means, with respect to any month, the sum of (i) the weighted average (based on the outstanding dollar principal amount of the related notes) of the interest rates for the outstanding MBNAseries notes for such month, (ii) 1.25%, or if MBNA or The Bank of New York is not the servicer, 2.0% and (iii) solely if MBNA or The Bank of New York is the servicer, the rate (not to exceed 0.75%) at which finance charge receivables allocable to interchange are collected for any month.

"Class A Unused Subordinated Amount of Class B notes" means for any tranche of outstanding Class A notes, with respect to any Transfer Date, an amount equal to the Class A required subordinated amount of Class B notes *minus* the Class A Usage of Class B Required Subordinated Amount, each as of such Transfer Date.

"Class A Unused Subordinated Amount of Class C notes" means for any tranche of outstanding Class A notes, with respect to any Transfer Date, an amount equal to the Class A required subordinated amount of Class C notes *minus* the Class A Usage of Class C Required Subordinated Amount, each as of such Transfer Date.

"Class A Usage of Class B Required Subordinated Amount" means, with respect to any tranche of outstanding Class A notes, zero on the date of issuance of such tranche, and on any Transfer Date thereafter, the sum of the Class A Usage of Class B Required Subordinated Amount as of the preceding date of determination *plus* the sum of the following amounts:

(1) an amount equal to the product of:

- a fraction, the numerator of which is the Class A Unused Subordinated Amount of Class B notes for that tranche of Class A notes (as of the last day of the preceding month) and the denominator of which is the aggregate nominal liquidation amount of all Class B notes (as of the last day of the preceding month), *times*
- the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated to Class B notes which did not result in a Class A Usage of Class C Required Subordinated Amount for such tranche of Class A notes on such Transfer Date; *plus*

(2) the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated to that tranche of Class A notes and then reallocated on such Transfer Date to Class B notes; *plus*

(3) the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to the interest funding subaccount for that tranche of Class A notes which did not result in a Class A Usage of Class C Required Subordinated Amount for such tranche of Class A notes; *plus*

(4) an amount equal to the aggregate amount of MBNAseries Available Principal Amounts reallocated to pay any amount to the servicer for such tranche of Class A notes

which did not result in a Class A Usage of Class C Required Subordinated Amount for such tranche of Class A notes on such Transfer Date; *minus*

(5) an amount (which will not exceed the sum of items (1) through (4) above) equal to the sum of:

- the product of:

—a fraction, the numerator of which is the Class A Usage of Class B Required Subordinated Amount (prior to giving effect to any reimbursement of a Nominal Liquidation Amount Deficit for any tranche of Class B notes on such Transfer Date) for such tranche of Class A notes and the denominator of which is the aggregate Nominal Liquidation Amount Deficits for all tranches of Class B notes (prior to giving effect to any reimbursement of a Nominal Liquidation Amount Deficit for any tranche of Class B notes on such Transfer Date), *times*

—the aggregate amount of the Nominal Liquidation Amount Deficits of any tranche of Class B notes which are reimbursed on such Transfer Date, *plus*

- if the aggregate Class A Usage of Class B Required Subordinated Amount (prior to giving effect to any reimbursement of Nominal Liquidation Amount Deficits for any tranche of Class B notes on such Transfer Date) for all Class A notes exceeds the aggregate Nominal Liquidation Amount Deficits of all tranches of Class B notes (prior to giving effect to any reimbursement on such Transfer Date), the product of:

—a fraction, the numerator of which is the amount of such excess and the denominator of which is the aggregate Nominal Liquidation Amount Deficits for all tranches of Class C notes (prior to giving effect to any reimbursement of a Nominal Liquidation Amount Deficit for any tranche of Class C notes on such Transfer Date), *times*

—the aggregate amount of the Nominal Liquidation Amount Deficits of any tranche of Class C notes which are reimbursed on such Transfer Date, *times*

—a fraction, the numerator of which is the Class A Usage of Class B Required Subordinated Amount of such tranche of Class A notes and the denominator of which is the Class A Usage of Class B Required Subordinated Amount for all Class A notes in the MBNAseries.

"Class A Usage of Class C Required Subordinated Amount" means, with respect to any tranche of outstanding Class A notes, zero on the date of issuance of such tranche of Class A notes, and on any Transfer Date thereafter, the sum of the Class A Usage of Class C Required Subordinated Amount as of the preceding date of determination *plus* the sum of the following amounts:

(1) an amount equal to the product of:

- a fraction, the numerator of which is the Class A Unused Subordinated Amount of Class C notes for that tranche of Class A notes (as of the last day of the preceding

month) and the denominator of which is the aggregate nominal liquidation amount of all Class C notes (as of the last day of the preceding month), *times*

- the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated on such Transfer Date to Class C notes; *plus*

(2) the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated to that tranche of Class A notes and then reallocated on such date to Class C notes; *plus*

(3) an amount equal to the product of:

- a fraction, the numerator of which is the Class A Unused Subordinated Amount of Class B notes for that tranche of Class A notes (as of the last day of the preceding month) and the denominator of which is the aggregate nominal liquidation amount of all Class B notes (as of the last day of the preceding month), *times*
- the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated on such Transfer Date to Class B notes; *plus*

(4) the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to the interest funding subaccount for that tranche of Class A notes; *plus*

(5) an amount equal to the product of:

- a fraction, the numerator of which is the Class A Unused Subordinated Amount of Class B notes for such tranche of Class A notes (as of the last day of the preceding month) and the denominator of which is the aggregate nominal liquidation amount of all Class B notes (as of the last day of the preceding month), *times*
- the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to the interest funding subaccount for any tranche of Class B notes; *plus*

(6) the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to pay any amount to the servicer for such tranche of Class A notes; *plus*

(7) an amount equal to the product of:

- a fraction, the numerator of which is the Class A Unused Subordinated Amount of Class B notes for that tranche of Class A notes (as of the last day of the preceding month) and the denominator of which is the aggregate nominal liquidation amount of all Class B notes (as of the last day of the preceding month), *times*
- the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to pay any amount to the servicer for any tranche of Class B notes; *minus*

(8) an amount (which will not exceed the sum of items (1) through (7) above) equal to the product of:

- a fraction, the numerator of which is the Class A Usage of Class C Required Subordinated Amount (prior to giving effect to any reimbursement of a Nominal Liquidation Amount Deficit for any tranche of Class C notes on such Transfer Date) for that tranche of Class A notes and the denominator of which is the aggregate Nominal Liquidation Amount Deficits (prior to giving effect to such reimbursement) of all Class C notes, *times*
- the aggregate Nominal Liquidation Amount Deficits of all Class C notes which are reimbursed on such Transfer Date.

"Class B Unused Subordinated Amount of Class C notes" means for any tranche of outstanding Class B notes, with respect to any Transfer Date, an amount equal to the Class B required subordinated amount of Class C notes *minus* the Class B Usage of Class C Required Subordinated Amount, each as of such Transfer Date.

"Class B Usage of Class C Required Subordinated Amount" means, with respect to any tranche of outstanding Class B notes, zero on the date of issuance of such tranche, and on any Transfer Date thereafter, the sum of the Class B Usage of Class C Required Subordinated Amount as of the preceding date of determination *plus* the sum of the following amounts:

(1) an amount equal to the product of:

- a fraction, the numerator of which is the Class B Unused Subordinated Amount of Class C notes for that tranche of Class B notes (as of the last day of the preceding month) and the denominator of which is the aggregate nominal liquidation amount of all Class C notes (as of the last day of the preceding month), *times*
- the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated on such Transfer Date to Class C notes; *plus*

(2) an amount equal to the product of:

- a fraction, the numerator of which is the nominal liquidation amount for that tranche of Class B notes (as of the last day of the preceding month) and the denominator of which is the aggregate nominal liquidation amount of all Class B notes (as of the last day of the preceding month), *times*
- the sum of (i) the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated to any tranche of Class A notes that has a Class A Unused Subordinated Amount of Class B notes that was included in Class A Usage of Class C Required Subordinated Amount and (ii) the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated to any tranche of Class A notes that has a Class A Unused Subordinated Amount of Class B notes that was included in Class A Usage of Class B Required Subordinated Amount; *plus*

(3) the amount of charge-offs for uncovered defaults on principal receivables in master trust II initially allocated to that tranche of Class B notes, and then reallocated on such date to the Class C notes; *plus*

(4) an amount equal to the product of:

- a fraction, the numerator of which is the nominal liquidation amount for that tranche of Class B notes (as of the last day of the preceding month) and the denominator of which is the aggregate nominal liquidation amount of all Class B notes (as of the last day of the preceding month), *times*
- the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to the interest funding subaccount for any tranche of Class A notes that has a Class A Unused Subordinated Amount of Class B notes; *plus*

(5) the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to the interest funding subaccount for that tranche of Class B notes; *plus*

(6) an amount equal to the product of:

- a fraction, the numerator of which is the nominal liquidation amount for such tranche of Class B notes (as of the last day of the preceding month) and the denominator of which is the aggregate nominal liquidation amount of all Class B notes (as of the last day of the preceding month), *times*
- the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to pay any amount to the servicer for any tranche of Class A notes that has a Class A Unused Subordinated Amount of Class B notes; *plus*

(7) the amount of MBNAseries Available Principal Amounts reallocated on such Transfer Date to pay any amount to the servicer for such tranche of Class B notes; *minus*

(8) an amount (which will not exceed the sum of items (1) through (7) above) equal to the product of:

- a fraction, the numerator of which is the Class B Usage of Class C Required Subordinated Amount (prior to giving effect to any reimbursement of a Nominal Liquidation Amount Deficit for any tranche of Class C notes on such Transfer Date) for that tranche of Class B notes and the denominator of which is the aggregate Nominal Liquidation Amount Deficits (prior to giving effect to such reimbursement) of all Class C notes, *times*
- the aggregate Nominal Liquidation Amount Deficits of all Class C notes which are reimbursed on such Transfer Date.

"Excess Available Funds" means, for the MBNAseries for any month, the Available Funds allocable to the MBNAseries remaining after application to cover targeted deposits to the interest funding account, payment of the portion of the master trust II servicing fee allocable to the MBNAseries, and application to cover any defaults on principal receivables

in master trust II allocable to the MBNAseries or any deficits in the nominal liquidation amount of the MBNAseries notes.

"Excess Available Funds Percentage" shall mean, with respect to any Transfer Date, the amount, if any, by which the Portfolio Yield for the preceding month exceeds the Base Rate for such month.

"LIBOR" means, as of any LIBOR Determination Date, the rate for deposits in United States dollars for a one-month period which appears on Telerate Page 3750 as of 11:00 a.m., London time, on such date. If such rate does not appear on Telerate Page 3750, the rate for that LIBOR Determination Date will be determined on the basis of the rates at which deposits in United States dollars are offered by four major banks selected by the beneficiary of the issuer at approximately 11:00 a.m., London time, on that day to prime banks in the London interbank market for a one-month period. The indenture trustee will request the principal London office of each of such banks to provide a quotation of its rate. If at least two such quotations are provided, the rate for that LIBOR Determination Date will be the arithmetic mean of such quotations. If fewer than two quotations are provided, the rate for that LIBOR Determination Date will be the arithmetic mean of the rates quoted by four major banks in New York City, selected by the beneficiary of the issuer, at approximately 11:00 a.m., New York City time, on that day for loans in United States dollars to leading European banks for a one-month period.

"LIBOR Determination Date" means (i) October [•], 2005 for the period from and including the issuance date to but excluding November 15, 2005, (ii) November 10, 2005 for the period from and including November 15, 2005 to but excluding December 15, 2005 and (iii) for each interest period thereafter, the second London Business Day prior to the interest payment date on which such interest period commences.

"London Business Day" means any Business Day on which dealings in deposits in United States dollars are transacted in the London interbank market.

"MBNAseries Available Funds" means, for any month, the amounts to be treated as MBNAseries Available Funds as described in *"Deposit and Application of Funds—MBNAseries Available Funds."*

"MBNAseries Available Principal Amounts" means, for any month, the sum of the Available Principal Amounts allocated to the MBNAseries, dollar payments for principal under any derivative agreements for tranches of notes of the MBNAseries, and any amounts of MBNAseries Available Funds available to cover defaults on principal receivables in master trust II allocable to the MBNAseries or any deficits in the nominal liquidation amount of the MBNAseries notes.

"Monthly Interest Accrual Date" means, with respect to any outstanding series, class or tranche of notes:

- each interest payment date for such series, class or tranche; and

- for any month in which no interest payment date occurs, the date in that month corresponding numerically to the next interest payment date for that series, class or tranche of notes, or in the case of a series, class or tranche of zero-coupon discount notes, the expected principal payment date for that series, class or tranche; but

  —for the month in which a series, class or tranche of notes is issued, the date of issuance of such series, class or tranche will be the first Monthly Interest Accrual Date for such tranche of notes;

  —for the month next following the month in which a series, class or tranche of notes is issued, unless otherwise indicated, the first day of such month will be the first Monthly Interest Accrual Date in such next following month for such series, class or tranche of notes;

  —any date on which proceeds from a sale of receivables following an event of default and acceleration of any series, class or tranche of notes are deposited into the interest funding account for such series, class or tranche of notes will be a Monthly Interest Accrual Date for such series, class or tranche of notes;

  —if there is no such numerically corresponding date in that month, then the Monthly Interest Accrual Date will be the last Business Day of the month; and

  —if the numerically corresponding date in such month is not a Business Day with respect to that class or tranche, then the Monthly Interest Accrual Date will be the next following Business Day, unless that Business Day would fall in the following month, in which case the Monthly Interest Accrual Date will be the last Business Day of the earlier month.

"Monthly Principal Accrual Date" means with respect to any outstanding series, class or tranche of notes:

- for any month in which the expected principal payment date occurs for such series, class or tranche, such expected principal payment date, or if that day is not a Business Day, the next following Business Day; and

- for any month in which no expected principal payment date occurs for such series, class or tranche, the date in that month corresponding numerically to the expected principal payment date for that tranche of notes (or for any month following the last expected principal payment date, the date in such month corresponding numerically to the preceding expected principal payment date for such tranche of notes); but

  —following a Pay Out Event, the second Business Day following such Pay Out Event shall be a Monthly Principal Accrual Date;

  —any date on which prefunded excess amounts are released from any principal funding subaccount and deposited into the principal funding subaccount of any tranche of notes on or after the expected principal payment date for such tranche of notes will be a Monthly Principal Accrual Date for such tranche of notes;

  —any date on which proceeds from a sale of receivables following an event of default and acceleration of any series, class or tranche of notes are deposited into the

principal funding account for such series, class or tranche of notes will be a Monthly Principal Accrual Date for such series, class or tranche of notes;

—if there is no numerically corresponding date in that month, then the Monthly Principal Accrual Date will be the last Business Day of the month; and

—if the numerically corresponding date in such month is not a Business Day, the Monthly Principal Accrual Date will be the next following Business Day, unless that Business Day would fall in the following month, in which case the Monthly Principal Accrual Date will be the last Business Day of the earlier month.

"Nominal Liquidation Amount Deficit" means, for any tranche of notes, the Adjusted Outstanding Dollar Principal Amount *minus* the nominal liquidation amount of that tranche.

"Performing" means, with respect to any derivative agreement, that no payment default or repudiation by the derivative counterparty has occurred and such derivative agreement has not been terminated.

"Portfolio Yield" means, for any month, the annualized percentage equivalent of a fraction:

- the numerator of which is equal to the sum of:

—Available Funds allocated to the MBNAseries for the related Transfer Date; *plus*

—the net investment earnings, if any, in the interest funding subaccounts for notes of the MBNAseries on such Transfer Date; *plus*

—any amounts to be treated as MBNAseries Available Funds remaining in interest funding subaccounts after a sale of receivables as described in *"Deposit and Application of Funds—Sale of Credit Card Receivables"* in this prospectus supplement; *plus*

—any shared excess available funds from any other series of notes; *plus*

—the product of the servicer interchange allocated to the collateral certificate (as described in *"Master Trust II—Servicing Compensation and Payment of Expenses"* in the prospectus) for such month *times* a fraction, the numerator of which is the Weighted Average Available Funds Allocation Amount for the MBNAseries for such month and the denominator of which is the Weighted Average Available Funds Allocation Amount for all series of notes for such month; *minus*

—the excess, if any, of the shortfalls in the investment earnings on amounts in any principal funding accounts for notes of the MBNAseries over the sum of (i) any withdrawals of amounts from the accumulation reserve subaccount and (ii) any additional finance charge collections allocable to the MBNAseries, in each case, to cover such shortfalls as described under *"Deposit and Application of Funds—MBNAseries Available Funds"*; *minus*

— the sum, for each day during such month, of the product of the Investor Default Amounts with respect to each such day *times* the percentage equivalent of a fraction, the numerator of which is the Available Funds Allocation Amount for the MBNAseries for such day and the denominator of which is the Available Funds Allocation Amount for all series of notes for such day; and

- the denominator of which is the Weighted Average Available Funds Allocation Amount of the MBNAseries for such month.

"Required Excess Available Funds" means, for any month, zero; *provided, however*, that this amount may be changed if the issuer (i) receives the consent of the rating agencies and (ii) reasonably believes that the change will not have a material adverse effect on the notes.

"Telerate Page 3750" means the display page currently so designated on the Moneyline Telerate Service (or such other page as may replace that page on that service for the purpose of displaying comparable rates or prices).

Annex I

Outstanding Series, Classes and Tranches of Notes

The information provided in this Annex I is an integral part of the prospectus supplement.

MBNAseries

Class A Notes

Class A	Issuance Date	Nominal Liquidation Amount	Note Interest Rate	Expected Principal Payment Date	Legal Maturity Date
Class A(2001-1)	5/31/01	$ 1,000,000,000	5.75%	May 2006	October 2008
Class A(2001-2)	7/26/01	$ 500,000,000	One Month LIBOR + 0.25%	July 2011	December 2013
Class A(2001-3)	8/8/01	$ 1,000,000,000	Three Month LIBOR + 0.11%	July 2006	December 2008
Class A(2001-Emerald)	8/15/01	Up to $7,650,000,000	—	—	—
Class A(2001-5)	11/8/01	$ 500,000,000	One Month LIBOR + 0.21%	October 2008	March 2011
Class A(2002-1)	1/31/02	$ 1,000,000,000	4.95%	January 2007	June 2009
Class A(2002-2)	3/27/02	$ 656,175,000	Not to exceed Three Month LIBOR + 0.35%[1]	February 17, 2012	July 17, 2014
Class A(2002-3)	4/24/02	$ 750,000,000	One Month LIBOR + 0.24%	April 2012	September 2014
Class A(2002-4)	5/9/02	$ 1,000,000,000	One Month LIBOR + 0.11%	March 2007	August 2009
Class A(2002-5)	5/30/02	$ 750,000,000	One Month LIBOR + 0.18%	May 2009	October 2011
Class A(2002-7)	7/25/02	$ 497,250,000	Not to exceed Three Month LIBOR + 0.25%[2]	July 17, 2009	December 19, 2011
Class A(2002-8)	7/31/02	$ 400,000,000	Three Month LIBOR + 0.15%	July 2009	December 2011
Class A(2002-9)	7/31/02	$ 700,000,000	Three Month LIBOR + 0.09%	July 2007	December 2009
Class A(2002-10)	9/19/02	$ 1,000,000,000	One Month LIBOR + 0.14%	September 2007	February 2010
Class A(2002-11)	10/30/02	$ 490,600,000	Not to exceed Three Month LIBOR + 0.35%[3]	October 19, 2009	March 19, 2012
Class A(2002-12)	11/19/02	$ 1,500,000,000	One Month LIBOR + 0.06%	November 2005	April 2008
Class A(2002-13)	12/18/02	$ 500,000,000	One Month LIBOR + 0.13%	December 2007	May 2010
Class A(2003-1)	2/27/03	$ 500,000,000	3.30%	February 2008	July 2010
Class A(2003-2)	3/26/03	$ 1,000,000,000	One Month LIBOR + 0.05%	March 2006	August 2008
Class A(2003-3)	4/10/03	$ 750,000,000	One Month LIBOR + 0.12%	March 2008	August 2010
Class A(2003-4)	4/24/03	$ 750,000,000	One Month LIBOR + 0.22%	April 2010	September 2012
Class A(2003-5)	5/21/03	$ 548,200,000	Not to exceed Three Month LIBOR + 0.35%[4]	April 19, 2010	September 19, 2012
Class A(2003-6)	6/4/03	$ 500,000,000	2.75%	May 2008	October 2010
Class A(2003-7)	7/8/03	$ 650,000,000	2.65%	June 2008	November 2010
Class A(2003-8)	8/5/03	$ 750,000,000	One Month LIBOR + 0.19%	July 2010	December 2012
Class A(2003-9)	9/24/03	$ 1,050,000,000	One Month LIBOR + 0.13%	September 2008	February 2011
Class A(2003-10)	10/15/03	$ 500,000,000	One Month LIBOR + 0.26%	October 2013	March 2016
Class A(2003-11)	11/6/03	$ 500,000,000	3.65%	October 2008	March 2011
Class A(2003-12)	12/18/03	$ 500,000,000	One Month LIBOR + 0.11%	December 2008	May 2011
Class A(2004-1)	2/26/04	$ 752,760,000	Not to exceed Three Month LIBOR + 0.30%[5]	January 17, 2014	June 17, 2016
Class A(2004-2)	2/25/04	$ 600,000,000	One Month LIBOR + 0.15%	February 2011	July 2013
Class A(2004-3)	3/17/04	$ 700,000,000	One Month LIBOR + 0.26%	March 2019	August 2021
Class A(2004-4)	4/15/04	$ 1,350,000,000	2.70%	April 2007	September 2009
Class A(2004-5)	5/25/04	$ 1,015,240,000	Not to exceed Three Month LIBOR + 0.25%[6]	May 18, 2011	October 17, 2013
Class A(2004-6)	6/17/04	$ 500,000,000	One Month LIBOR + 0.14%	June 2011	November 2013
Class A(2004-7)	7/28/04	$ 900,000,000	One Month LIBOR + 0.10%	July 2009	December 2011
Class A(2004-8)	9/14/04	$ 500,000,000	One Month LIBOR + 0.15%	August 2011	January 2014
Class A(2004-9)	10/1/04	$ 672,980,000	Not to exceed One Month LIBOR + 0.20%[7]	September 19, 2011	February 20, 2014
Class A(2004-10)	10/27/04	$ 500,000,000	One Month LIBOR + 0.08%	October 2009	March 2012
Class A(2005-1)	4/20/05	$ 750,000,000	4.20%	April 2008	September 2010
Class A(2005-2)	5/19/05	$ 500,000,000	One Month LIBOR + 0.08%	May 2012	October 2014
Class A(2005-3)	6/14/05	$ 600,000,000	4.10%	May 2010	October 2012
Class A(2005-4)	7/7/05	$ 800,000,000	One Month LIBOR + 0.04%	June 2010	November 2012
Class A(2005-5)	8/11/05	$ 1,500,000,000	One Month LIBOR + 0.00%	July 2008	December 2010
Class A(2005-6)	8/25/05	$ 500,000,000	4.50%	August 2010	January 2013
Class A(2005-7)	9/29/05	$ 1,000,000,000	4.30%	September 2008	February 2011

*Class A(2005-8)	10/12/05	$	850,000,000	One Month LIBOR + 0.02%	September 2009	February 2012

*Expectedissuance.

[1] Class A(2002-2) noteholders will receive interest at 5.60% on an outstanding euro principal amount of €750,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class A(2002-2) notes.

[2] Class A(2002-7) noteholders will receive interest at Three Month EURIBOR + 0.15% on an outstanding euro principal amount of €500,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class A(2002-7) notes.

[3] Class A(2002-11) noteholders will receive interest at Three Month EURIBOR + 0.25% on an outstanding euro principal amount of €500,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class A(2002-11) notes.

[4] Class A(2003-5) noteholders will receive interest at 4.15% on an outstanding euro principal amount of €500,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class A(2003-5) notes.

[5] Class A(2004-1) noteholders will receive interest at 4.50% on an outstanding euro principal amount of €600,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class A(2004-1) notes.

[6] Class A(2004-5) noteholders will receive interest at Three Month EURIBOR + 0.15% on an outstanding euro principal amount of €850,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class A(2004-5) notes.

[7] Class A(2004-9) noteholders will receive interest at One Month EURIBOR + 0.11% on an outstanding euro principal amount of €550,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class A(2004-9) notes.

MBNAseries

Class B Notes

Class B	Issuance Date	Nominal Liquidation Amount	Note Interest Rate	Expected Principal Payment Date	Legal Maturity Date
Class B(2001-1)	5/24/01	$250,000,000	One Month LIBOR + 0.375%	May 2006	October 2008
Class B(2001-2)	9/6/01	$250,000,000	One Month LIBOR + 0.36%	August 2006	January 2009
Class B(2001-3)	12/20/01	$150,000,000	Not to exceed One Month LIBOR + 0.50%	January 2007	June 2009
Class B(2002-1)	2/28/02	$250,000,000	5.15%	February 2007	July 2009
Class B(2002-2)	6/12/02	$250,000,000	One Month LIBOR + 0.38%	May 2007	October 2009
Class B(2002-4)	10/29/02	$200,000,000	One Month LIBOR + 0.50%	October 2007	March 2010
Class B(2003-1)	2/20/03	$200,000,000	One Month LIBOR + 0.44%	February 2008	July 2010
Class B(2003-2)	6/12/03	$200,000,000	One Month LIBOR + 0.39%	May 2008	October 2010
Class B(2003-3)	8/20/03	$200,000,000	One Month LIBOR + 0.375%	August 2008	January 2011
Class B(2003-4)	10/15/03	$331,650,000	Not to exceed Three Month LIBOR + 0.85%[1]	September 18, 2013	February 17, 2016
Class B(2003-5)	10/2/03	$150,000,000	One Month LIBOR + 0.37%	September 2008	February 2011
Class B(2004-1)	4/1/04	$350,000,000	4.45%	March 2014	August 2016
Class B(2004-2)	8/11/04	$150,000,000	One Month LIBOR + 0.39%	July 2011	December 2013
Class B(2005-1)	6/22/05	$125,000,000	One Month LIBOR + 0.29%	June 2012	November 2014
Class B(2005-2)	8/11/05	$200,000,000	One Month LIBOR + 0.18%	July 2010	December 2012

1 Class B(2003-4) noteholders will receive interest at 5.45% on an outstanding sterling principal amount of £200,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class B(2003-4) notes.

MBNAseries

Class C Notes

Class C	Issuance Date	Nominal Liquidation Amount	Note Interest Rate	Expected Principal Payment Date	Legal Maturity Date
Class C(2001-1)	5/24/01	$250,000,000	One Month LIBOR + 1.05%	May 2006	October 2008
Class C(2001-2)	7/12/01	$100,000,000	Not to exceed One Month LIBOR + 1.15%	July 2008	December 2010
Class C(2001-3)	7/25/01	$400,000,000	6.55%	July 2006	December 2008
Class C(2001-4)	9/6/01	$250,000,000	One Month LIBOR + 1.05%	August 2006	January 2009
Class C(2001-5)	12/11/01	$150,000,000	One Month LIBOR + 1.22%	January 2007	June 2009
Class C(2002-1)	2/28/02	$250,000,000	6.80%	February 2012	July 2014
Class C(2002-2)	6/12/02	$100,000,000	Not to exceed One Month LIBOR + 0.95%	May 2007	October 2009
Class C(2002-3)	6/12/02	$200,000,000	One Month LIBOR + 1.35%	May 2012	October 2014
Class C(2002-4)	8/29/02	$100,000,000	One Month LIBOR + 1.20%	August 2007	January 2010
Class C(2002-6)	10/29/02	$ 50,000,000	One Month LIBOR + 2.00%	October 2012	March 2015
Class C(2002-7)	10/29/02	$ 50,000,000	6.70%	October 2012	March 2015
Class C(2003-1)	2/4/03	$200,000,000	One Month LIBOR + 1.70%	January 2010	June 2012
Class C(2003-2)	2/12/03	$100,000,000	One Month LIBOR + 1.60%	January 2008	June 2010
Class C(2003-3)	5/8/03	$175,000,000	One Month LIBOR + 1.35%	May 2008	October 2010
Class C(2003-4)	6/19/03	$327,560,000	Not to exceed Three Month LIBOR + 2.05%[1]	May 17, 2013	October 19, 2015
Class C(2003-5)	7/2/03	$100,000,000	One Month LIBOR + 1.18%	June 2008	November 2010
Class C(2003-6)	7/30/03	$250,000,000	One Month LIBOR + 1.18%	July 2008	December 2010
Class C(2003-7)	11/5/03	$100,000,000	One Month LIBOR + 1.35%	October 2013	March 2016
Class C(2004-1)	3/16/04	$200,000,000	One Month LIBOR + 0.78%	February 2011	July 2013
Class C(2004-2)	7/1/04	$275,000,000	One Month LIBOR + 0.90%	June 2014	November 2016
Class C(2005-1)	6/1/05	$125,000,000	One Month LIBOR + 0.41%	May 2010	October 2012
Class C(2005-2)	9/22/05	$150,000,000	One Month LIBOR + 0.35%	September 2010	February 2013

[1] Class C(2003-4) noteholders will receive interest at 6.10% on an outstanding sterling principal amount of £200,000,000, pursuant to the terms of a currency and interest rate swap applicable only to the Class C(2003-4) notes.

Annex II

Outstanding Master Trust II Series

The information provided in this Annex II is an integral part of the prospectus supplement.

#	Series/Class	Issuance Date	Investor Interest	Certificate Rate	Scheduled Payment Date	Termination Date
1	*Series 1996-B*	3/26/96				
	Class A	—	$435,000,000	One Month LIBOR + .26%	March 2006	August 2008
	Class B	—	$22,500,000	One Month LIBOR + .37%	April 2006	August 2008
	Collateral Interest	—	$42,500,000	—	—	—
2	*Series 1996-G*	7/17/96				
	Class A	—	$425,000,000	One Month LIBOR + .18%	July 2006	December 2008
	Class B	—	$37,500,000	One Month LIBOR + .35%	August 2006	December 2008
	Collateral Interest	—	$37,500,000	—	—	—
3	*Series 1996-M*	11/26/96				
	Class A	—	$425,000,000	Three Month LIBOR + .13%	November 2006	April 2009
	Class B	—	$37,500,000	Three Month LIBOR + .35%	December 2006	April 2009
	Collateral Interest	—	$37,500,000	—	—	—
4	*Series 1997-B*	2/27/97				
	Class A	—	$850,000,000	One Month LIBOR + .16%	March 2012	August 2014
	Class B	—	$75,000,000	One Month LIBOR + .35%	March 2012	August 2014
	Collateral Interest	—	$75,000,000	—	—	—
5	*Series 1997-D*	5/22/97				
	Class A	—	$387,948,000	Three Month LIBOR + .05%	May 2007	October 2009
	Class B	—	$34,231,000	Not to Exceed Three Month LIBOR + .50%	May 2007	October 2009
	Collateral Interest	—	$34,231,000	—	—	—
6	*Series 1997-H*	8/6/97				
	Class A	—	$507,357,000	Three Month LIBOR + .07%	September 2007	February 2010
	Class B	—	$44,770,000	Not to Exceed Three Month LIBOR + .50%	September 2007	February 2010
	Collateral Interest	—	$44,770,000	—	—	—
7	*Series 1997-K*	10/22/97				
	Class A	—	$637,500,000	One Month LIBOR + .12%	November 2005	April 2008
	Class B	—	$56,250,000	One Month LIBOR + .32%	November 2005	April 2008
	Collateral Interest	—	$56,250,000	—	—	—
8	*Series 1997-O*	12/23/97				
	Class A	—	$425,000,000	One Month LIBOR + .17%	December 2007	May 2010
	Class B	—	$37,500,000	One Month LIBOR + .35%	December 2007	May 2010
	Collateral Interest	—	$37,500,000	—	—	—
9	*Series 1998-B*	4/14/98				
	Class A	—	$550,000,000	Three Month LIBOR + .09%	April 2008	September 2010
	Class B	—	$48,530,000	Not to Exceed Three Month LIBOR + .50%	April 2008	September 2010
	Collateral Interest	—	$48,530,000	—	—	—
10	*Series 1998-E*	8/11/98				
	Class A	—	$750,000,000	Three Month LIBOR + .145%	April 2008	September 2010
	Class B	—	$66,200,000	Three Month LIBOR + .33%	April 2008	September 2010
	Collateral Interest	—	$66,200,000	—	—	—
11	*Series 1998-G*	9/10/98				
	Class A	—	$637,500,000	One Month LIBOR + .13%	September 2006	February 2009
	Class B	—	$56,250,000	One Month LIBOR + .40%	September 2006	February 2009
	Collateral Interest	—	$56,250,000	—	—	—
12	*Series 1999-B*	3/26/99				
	Class A	—	$637,500,000	5.90%	March 2009	August 2011
	Class B	—	$56,250,000	6.20%	March 2009	August 2011
	Collateral Interest	—	$56,250,000	—	—	—
13	*Series 1999-D*	6/3/99				
	Class A	—	$425,000,000	One Month LIBOR + .19%	June 2006	November 2008
	Class B	—	$37,500,000	6.50%	June 2006	November 2008
	Collateral Interest	—	$37,500,000	—	—	—
14	*Series 1999-J*	9/23/99				

Class A	—	$850,000,000	7.00%	September 2009	February 2012
Class B	—	$75,000,000	7.40%	September 2009	February 2012
Collateral Interest	—	$75,000,000	—	—	—
15 *Series 1999-L*	11/5/99				
Class A	—	$637,500,000	One Month LIBOR + .25%	October 2006	March 2009
Class B	—	$56,250,000	One Month LIBOR + .53%	October 2006	March 2009
Collateral Interest	—	$56,250,000	—	—	—
16 *Series 2000-D*	5/11/00				
Class A	—	$722,500,000	One Month LIBOR + .20%	April 2007	September 2009
Class B	—	$63,750,000	One Month LIBOR + .43%	April 2007	September 2009
Collateral Interest	—	$63,750,000	—	—	—

#	Series/Class	Issuance Date	Investor Interest	Certificate Rate	Scheduled Payment Date	Termination Date
17	*Series 2000-E*	6/1/00				
	Class A	—	$500,000,000	7.80%	May 2010	October 2012
	Class B	—	$45,000,000	8.15%	May 2010	October 2012
	Collateral Interest	—	$45,000,000	—	—	—
18	*Series 2000-H*	8/23/00				
	Class A	—	$595,000,000	One Month LIBOR + .25%	August 2010	January 2013
	Class B	—	$52,500,000	One Month LIBOR + .60%	August 2010	January 2013
	Collateral Interest	—	$52,500,000	—	—	—
19	*Series 2000-J*	10/12/00				
	Class A Swiss Francs	—	CHF 1,000,000,000	4.125%		
	Class A	—	$568,990,043	Three Month LIBOR + .21%	October 17, 2007	March 17, 2010
	Class B	—	$50,250,000	One Month LIBOR + .44%	October 2007	March 17, 2010
	Collateral Interest	—	$50,250,000	—	—	—
20	*Series 2000-K*	11/21/00				
	Class A	—	$637,500,000	Three Month LIBOR + .11%	October 2005	March 2008
	Class B	—	$56,250,000	Three Month LIBOR + .375%	October 2005	March 2008
	Collateral Interest	—	$56,250,000	—	—	—
21	*Series 2000-L*	12/13/00				
	Class A	—	$425,000,000	6.50%	November 2007	April 2010
	Class B	—	$37,500,000	One Month LIBOR + .50%	November 2007	April 2010
	Collateral Interest	—	$37,500,000	—	—	—
22	*Series 2001-A*	2/20/01				
	Class A	—	$1,062,500,000	One Month LIBOR + .15%	February 2006	July 2008
	Class B	—	$93,750,000	One Month LIBOR + .45%	February 2006	July 2008
	Collateral Interest	—	$93,750,000	—	—	—
23	*Series 2001-B*	3/8/01				
	Class A	—	$637,500,000	One Month LIBOR + .26%	March 2011	August 2013
	Class B	—	$56,250,000	One Month LIBOR + .60%	March 2011	August 2013
	Collateral Interest	—	$56,250,000	—	—	—
24	*Series 2001-C*	4/25/01				
	Class A	—	$675,000,000	Three Month LIBOR - .125%	April 2011	September 2013
	Class B	—	$60,000,000	One Month LIBOR + .62%	April 2011	September 2013
	Collateral Interest	—	$60,000,000	—	—	—

Prospectus Dated October 11, 2005

MBNA Credit Card Master Note Trust

Issuer

MBNA America Bank, National Association

Originator of the Issuer

The issuer—

- may periodically issue notes in one or more series, classes or tranches; and
- will own—
  - — the collateral certificate, Series 2001-D, representing an undivided interest in master trust II, whose assets include a portfolio of consumer revolving credit card accounts; and
  - — other property described in this prospectus and in the accompanying prospectus supplement.

The notes—

- will be secured by the issuer's assets and will be paid only from proceeds of the issuer's assets;
- offered with this prospectus and the related prospectus supplement will be rated in one of the four highest rating categories by at least one nationally recognized rating agency; and
- may be issued as part of a designated series, class or tranche.

You should consider the discussion under "Risk Factors" beginning on page 15 of this prospectus before you purchase any notes.

MBNA Credit Card Master Note Trust will be the issuer of the notes. The notes will be obligations of the issuer only and are not obligations of any other person. Each tranche of notes will be secured by only some of the assets of the issuer. Noteholders will have no recourse to any other assets of the issuer for the payment of the notes.

The notes will not be insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency or instrumentality.

Neither the SEC nor any state securities commission has approved these notes or determined that this prospectus is truthful, accurate or complete. Any representation to the contrary is a criminal offense.

Important Notice about Information Presented in this Prospectus and the Accompanying Prospectus Supplement

We provide information to you about the notes in two separate documents that progressively provide more detail: (a) this prospectus, which provides general information, some of which may not apply to a particular series, class or tranche of notes, including your series, class or tranche, and (b) the accompanying prospectus supplement, which will describe the specific terms of your series, class or tranche of notes, including:

- the timing of interest and principal payments;
- financial and other information about the issuer's assets;
- information about enhancement for your series, class or tranche;
- the ratings for your class or tranche; and
- the method for selling the notes.

This prospectus may be used to offer and sell any series, class or tranche of notes only if accompanied by the prospectus supplement for that series, class or tranche.

If the terms of a particular series, class or tranche of notes vary between this prospectus and the accompanying prospectus supplement, you should rely on the information in the accompanying prospectus supplement.

You should rely only on the information provided in this prospectus and the accompanying prospectus supplement including the information incorporated by reference. We have not authorized anyone to provide you with different information. We are not offering the notes in any state where the offer is not permitted. We do not claim the accuracy of the information in this prospectus or the accompanying prospectus supplement as of any date other than the dates stated on their respective covers.

We include cross-references in this prospectus and in the accompanying prospectus supplement to captions in these materials where you can find further related discussions. The Table of Contents in this prospectus and in the accompanying prospectus supplement provide the pages on which these captions are located.

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Prospectus Summary

This summary does not contain all the information you may need to make an informed investment decision. You should read the entire prospectus and any supplement to this prospectus before you purchase any notes. The accompanying supplement to this prospectus may supplement disclosure in this prospectus.

Securities Offered

The issuer will be offering notes. The notes will be issued pursuant to an indenture between the issuer and The Bank of New York, as indenture trustee.

Risk Factors

Investment in notes involves risks. You should consider carefully the risk factors beginning on page 15 in this prospectus and any risk factors disclosed in the accompanying prospectus supplement.

Issuer

MBNA Credit Card Master Note Trust, a Delaware trust, will be the issuer of the notes. The address of the issuer is MBNA Credit Card Master Note Trust, c/o Wilmington Trust Company, Rodney Square North, 1100 N. Market Street, Wilmington, Delaware 19890-0001. Its telephone number is (302) 651-1284.

Master Trust II

The issuer's primary asset will be the collateral certificate issued by the MBNA Master Credit Card Trust II, which is referred to in this prospectus and in the accompanying prospectus supplement as master trust II. For a description of the collateral certificate, see "*Sources of Funds to Pay the Notes—The Collateral Certificate.*" Master trust II's assets consist primarily of credit card receivables arising in a portfolio of consumer revolving credit card accounts. In addition, MBNA is permitted to add to master trust II participations representing interests in a pool of assets primarily consisting of receivables arising under consumer revolving credit card accounts owned by MBNA and collections thereon. For a description of master trust II, see "*Master Trust II.*"

MBNA

MBNA America Bank, National Association formed master trust II and has transferred and may continue to transfer credit card receivables to master trust II. MBNA will be responsible for servicing, managing and making collections on the credit card receivables in master trust II.

MBNA will be the originator and beneficiary of the issuer.

Indenture Trustee

The Bank of New York will be the indenture trustee under the indenture for the notes.

Under the terms of the indenture, the role of the indenture trustee is limited. See *"The Indenture—Indenture Trustee."*

Series, Classes and Tranches of Notes

The notes will be issued in series. Each series is entitled to its allocable share of the issuer's assets. It is expected that most series will consist of multiple classes. A class designation determines the relative seniority for receipt of cash flows and funding of uncovered defaults on principal receivables

in master trust II allocated to the related series of notes. For example, subordinated classes of notes provide credit enhancement for senior classes of notes in the same series.

Some series of notes will be multiple tranche series, meaning that they may have classes consisting of multiple tranches. Tranches of notes within a class may be issued on different dates and have different stated principal amounts, rates of interest, interest payment dates, expected principal payment dates, legal maturity dates and other material terms as described in the related prospectus supplement.

In a multiple tranche series, the expected principal payment dates and the legal maturity dates of the senior and subordinated classes of such series may be different. As such, certain subordinated tranches of notes may have expected principal payment dates and legal maturity dates earlier than some or all of the senior notes of such series. However, subordinated notes will not be repaid before their legal maturity dates, unless, after payment, the remaining subordinated notes provide the required enhancement for the senior notes. In addition, senior notes will not be issued unless, after issuance, there are enough outstanding subordinated notes to provide the required subordinated amount for the senior notes. See *"The Notes—Issuances of New Series, Classes and Tranches of Notes."*

Some series may not be multiple tranche series. For these series, there will be only one tranche per class and each class will generally be issued on the same date. The expected principal payment dates and legal maturity dates of the subordinated classes of such a series will either be the same as or later than those of the senior classes of that series.

Interest Payments

Each tranche of notes, other than discount notes, will bear interest from the date and at the rate set forth or as determined in the related prospectus supplement. Interest on the notes will be paid on the interest payment dates specified in the related prospectus supplement.

Expected Principal Payment Date and Legal Maturity Date

Unless otherwise specified in the related prospectus supplement, it is expected that the issuer will pay the stated principal amount of each note in one payment on that note's expected principal payment date. The expected principal payment date of a note is generally 29 months before its legal maturity date. The legal maturity date is the date on which a note is legally required to be fully paid in accordance with its terms. The expected principal payment date and legal maturity date for a note will be specified in the related prospectus supplement.

The issuer will be obligated to pay the stated principal amount of a note on its expected principal payment date, or upon the occurrence of an early redemption event or event of default and acceleration or other optional or mandatory redemption, only to the extent that funds are available for that purpose and only to the extent that payment is permitted by the subordination provisions of the senior notes of the same series. The

remedies a noteholder may exercise following an event of default and acceleration or on the legal maturity date are described in "*The Indenture—Events of Default Remedies*" and "*Sources of Funds to Pay the Notes—Sale of Credit Card Receivables.*"

Stated Principal Amount, Outstanding Dollar Principal Amount and Nominal Liquidation Amount of Notes

Each note has a stated principal amount, an outstanding dollar principal amount and a nominal liquidation amount.

- *Stated Principal Amount.* The stated principal amount of a note is the amount that is stated on the face of the note to be payable to the holder. It can be denominated in U.S. dollars or a foreign currency.
- *Outstanding Dollar Principal Amount.* For U.S. dollar notes (other than discount notes), the outstanding dollar principal amount is the same as the initial dollar principal amount of the notes (as set forth in the applicable supplement to this prospectus), less principal payments to noteholders. For foreign currency notes, the outstanding dollar principal amount is the U.S. dollar equivalent of the initial dollar principal amount of the notes (as set forth in the related prospectus supplement), less dollar payments to derivative counterparties with respect to principal. For discount notes, the outstanding dollar principal amount is an amount stated in, or determined by a formula described in, the related prospectus supplement.

  In addition, a note may have an adjusted outstanding dollar principal amount. The adjusted outstanding dollar principal amount is the same as the outstanding dollar principal amount, less any funds on deposit in the principal funding subaccount for that note.
- *Nominal Liquidation Amount.* The nominal liquidation amount of a note is a U.S. dollar amount based on the outstanding dollar principal amount of the note, but after deducting:

  —that note's share of reallocations of available principal amounts used to pay interest on senior classes of notes or a portion of the master trust II servicing fee allocated to its series;

  —that note's share of charge-offs resulting from uncovered defaults on principal receivables in master trust II;

  —amounts on deposit in the principal funding subaccount for that note;

  and adding back all reimbursements from excess available funds allocated to that note of (i) reallocations of available principal amounts used to pay interest on senior classes of notes or the master trust II servicing fee or (ii) charge-offs resulting from uncovered defaults on principal receivables in master trust II. Excess available funds are available funds that remain after the payment of interest and other required payments with respect to the notes.

  The nominal liquidation amount of a note corresponds to the portion of the investor interest of the collateral certificate that is allocated to support that note.

The aggregate nominal liquidation amount of all of the notes is equal to the investor interest of the collateral certificate. The investor interest of the collateral certificate corresponds to the amount of principal receivables in master trust II that is allocated to support the collateral certificate. For a more detailed discussion, see the definition of investor interest in the glossary. Anything that increases or decreases the aggregate nominal liquidation amount of the notes will also increase or decrease the investor interest of the collateral certificate.

Upon a sale of credit card receivables held by master trust II (i) following the insolvency of MBNA, (ii) following an event of default and acceleration for a note, or (iii) on a note's legal maturity date, each as described in "*Sources of Funds to Pay the Notes—Sale of Credit Card Receivables,*" the nominal liquidation amount of a note will be reduced to zero.

For a detailed discussion of nominal liquidation amount, see "*The Notes—Stated Principal Amount, Outstanding Dollar Principal Amount and Nominal Liquidation Amount.*"

Subordination

Unless otherwise specified in the accompanying prospectus supplement, payment of principal of and interest on subordinated classes of notes will be subordinated to the payment of principal of and interest on senior classes of notes.

Unless otherwise specified in the accompanying prospectus supplement, available principal amounts allocable to the notes of a series may be reallocated to pay interest on senior classes of notes in that series or a portion of the master trust II servicing fee allocable to that series. In addition, the nominal liquidation amount of a subordinated class of notes will generally be reduced for charge-offs resulting from uncovered defaults on principal receivables in master trust II prior to any reductions in the nominal liquidation amount of the senior classes of notes of the same series. While in a multiple tranche series charge-offs from uncovered defaults on principal receivables in master trust II allocable to the series will be initially allocated to each tranche *pro rata,* these charge-offs will then be reallocated from tranches in the senior classes to tranches in the subordinated classes to the extent credit enhancement in the form of subordination is still available to such senior tranches.

In addition, available principal amounts are first utilized to fund targeted deposits to the principal funding subaccounts of senior classes before being applied to the principal funding subaccounts of the subordinated classes.

In a multiple tranche series, subordinated notes that reach their expected principal payment date, or that have an early redemption event, event of default or other optional or mandatory redemption, will not be paid to the extent that those notes are necessary to provide the required subordination for senior classes of notes of the same series. If a tranche of subordinated notes cannot be paid because of the subordination provisions of its respective indenture supplement, prefunding of the principal funding subaccounts for the senior notes of the same series will begin, as described in the related prospectus supplement. After that time, the

subordinated notes will be paid only to the extent that:

- the principal funding subaccounts for the senior classes of notes of that series are prefunded in an amount such that the subordinated notes that have reached their expected principal payment date are no longer necessary to provide the required subordination;
- new tranches of subordinated notes of that series are issued so that the subordinated notes that have reached their expected principal payment date are no longer necessary to provide the required subordination;
- enough notes of senior classes of that series are repaid so that the subordinated notes that have reached their expected principal payment date are no longer necessary to provide the required subordination; or
- the subordinated notes reach their legal maturity date.

On the legal maturity date of a tranche of notes, available principal amounts, if any, allocable to that tranche and proceeds from any sale of receivables will be paid to the noteholders of that tranche, even if payment would reduce the amount of available subordination below the required subordination for the senior classes of that series.

Limit on Repayment of All Notes

You may not receive full repayment of your notes if:

- the nominal liquidation amount of your notes has been reduced by charge-offs due to uncovered defaults on principal receivables in master trust II or as a result of reallocations of available principal amounts to pay interest on senior classes of notes or a portion of the master trust II servicing fee, and those amounts have not been reimbursed from available funds; or
- receivables are sold (i) following the insolvency of MBNA, (ii) following an event of default and acceleration or (iii) on the legal maturity date, and the proceeds from the sale of receivables, plus any available amounts on deposit in the applicable subaccounts allocable to your notes are insufficient.

Sources of Funds to Pay the Notes

The issuer will have the following sources of funds to pay principal of and interest on the notes:

- *Collateral Certificate.* The collateral certificate is an investor certificate issued as "Series 2001-D" by master trust II to the issuer. It represents an undivided interest in the assets of master trust II. Master trust II owns primarily receivables arising in selected MasterCard, Visa and American Express consumer revolving credit card accounts. MBNA has transferred, and may continue to transfer, credit card receivables to master trust II in accordance with the terms of the master trust II agreement. Both collections of principal receivables and finance charge receivables will be allocated among holders of interests in master trust II—including the collateral certificate—based generally on the investment in principal receivables of each interest in master trust II. If collections of receivables allocable to the collateral certificate are less than expected, payments of principal of and interest on the notes could be delayed or remain unpaid.

The collateral certificate will receive an investment grade rating from at least one nationally recognized rating agency.

- *Derivative Agreements.* Some notes may have the benefit of one or more derivative agreements, including interest rate or currency swaps, or other similar agreements with various counterparties. A description of the specific terms of each derivative agreement and each derivative counterparty will be included in the applicable prospectus supplement.
- *The Issuer Accounts.* The issuer will establish a collection account for the purpose of receiving collections of finance charge receivables and principal receivables and other related amounts from master trust II payable under the collateral certificate. If so specified in the prospectus supplement, the issuer may establish supplemental accounts for any series, class or tranche of notes.

Each month, distributions on the collateral certificate will be deposited into the collection account. Those deposits will then be allocated among each series of notes and applied as described in the accompanying prospectus supplement.

Early Redemption of Notes

The issuer will be required to redeem any note upon the occurrence of an early redemption event with respect to that note, but only to the extent funds are available for such redemption after giving effect to all allocations and reallocations and, in the case of subordinated notes of a multiple tranche series, only to the extent that payment is permitted by the subordination provisions of the senior notes of the same series.

However, if so specified in the accompanying prospectus supplement, subject to certain exceptions, any notes that have the benefit of a derivative agreement will not be redeemed prior to such notes' expected principal payment date.

Early redemption events include, unless otherwise provided in the related prospectus supplement, the following:

- the occurrence of a note's expected principal payment date;
- each of the pay out events applicable to the collateral certificate, as described under "*Master Trust II—Pay Out Events*";
- the issuer becoming an "investment company" within the meaning of the Investment Company Act of 1940, as amended; or
- any additional early redemption events specified in the accompanying prospectus supplement.

It is not an event of default if the issuer fails to redeem a note because it does not have sufficient funds available or because payment of the note is delayed because it is necessary to provide required subordination for a senior class of notes.

If so specified in the accompanying prospectus supplement, under certain circumstances the servicer may direct the issuer to redeem the notes of any series, class or tranche before the applicable expected principal payment date on the terms described in such prospectus supplement.

Events of Default

The documents that govern the terms and conditions of the notes include a list of adverse events known as events of default.

Some events of default result in an automatic acceleration of the notes, and others result in the right of the holders of the affected series, class or tranche of notes to demand acceleration after an affirmative vote by holders of more than 50% of the outstanding dollar principal amount of the affected series, class or tranche of notes.

Events of default for any series, class or tranche of notes include the following:

- with respect to any tranche of notes, the issuer's failure, for a period of 35 days, to pay interest upon such notes when such interest becomes due and payable;
- with respect to any tranche of notes, the issuer's failure to pay the principal amount of such notes on the applicable legal maturity date;
- the issuer's default in the performance, or breach, of any other of its covenants or warranties in the indenture for a period of 60 days after either the indenture trustee or the holders of 25% of the aggregate outstanding dollar principal amount of the outstanding notes of the affected series, class or tranche has provided written notice requesting remedy of such breach, and, as a result of such default, the interests of the related noteholders are materially and adversely affected and continue to be materially and adversely affected during the 60 day period;
- the occurrence of certain events of bankruptcy, insolvency, conservatorship or receivership of the issuer; and
- with respect to any series, class or tranche of notes, any additional events of default specified in the accompanying prospectus supplement.

An event of default with respect to one series, class or tranche of notes will not necessarily be an event of default with respect to any other series, class or tranche of notes.

Events of Default Remedies

After an event of default and acceleration of a series, class or tranche of notes, funds on deposit in the applicable issuer accounts for the affected notes will be applied to pay principal of and interest on those notes. Then, in each following month, available principal amounts and available funds allocated to those notes will be applied to make monthly principal and interest payments on those notes until the earlier of the date those notes are paid in full or the legal maturity date of those notes. However, subordinated notes of a multiple tranche series will receive payment of principal of those notes prior to the legal maturity date of such notes only if and to the extent that funds are available for that payment and, after giving effect to that payment, the required subordination will be maintained for senior notes in that series.

If an event of default of a series, class or tranche of notes occurs and that series, class or tranche of notes is accelerated, the indenture trustee may, and at the direction of the majority of the noteholders of the affected series, class or tranche will, direct master trust II to sell credit card receivables. However, this sale of receivables may occur only:

- if the conditions specified in "*The Indenture—Events of Default*" are satisfied and, for subordinated notes of a multiple tranche series, only to the extent that payment is permitted by the subordination provisions of the senior notes of the same series; or

- on the legal maturity date of those notes.

The holders of the accelerated notes will be paid their allocable share of the proceeds of a sale of credit card receivables. Upon the sale of the receivables, the nominal liquidation amount of those accelerated notes will be reduced to zero. See "*Sources of Funds to Pay the Notes—Sale of Credit Card Receivables.*"

Security for the Notes

The notes of all series are secured by a shared security interest in the collateral certificate and the collection account, but each tranche of notes is entitled to the benefits of only that portion of those assets allocated to it under the indenture and the indenture supplement.

Each tranche of notes is also secured by:

- a security interest in any applicable supplemental account; and
- a security interest in any derivative agreement for that tranche.

Limited Recourse to the Issuer

The sole source of payment for principal of or interest on a tranche of notes is provided by:

- the portion of collections of principal receivables and finance charge receivables received by the issuer under the collateral certificate and available to that tranche of notes after giving effect to all allocations and reallocations;
- funds in the applicable issuer accounts for that tranche of notes; and
- payments received under any applicable derivative agreement for that tranche of notes.

Noteholders will have no recourse to any other assets of the issuer or any other person or entity for the payment of principal of or interest on the notes.

If there is a sale of credit card receivables (i) following the insolvency of MBNA, (ii) following an event of default and acceleration, or (iii) on the applicable legal maturity date, each as described in "*Sources of Funds to Pay the Notes—Sale of Credit Card Receivables,*" following such sale those noteholders have recourse only to the proceeds of that sale, investment earnings on those proceeds and any funds previously deposited in any applicable issuer account for such noteholders.

Registration, Clearance and Settlement

The notes offered by this prospectus will be registered in the name of The Depository Trust Company or its nominee, and purchasers of notes will only be entitled to receive a definitive certificate under limited circumstances. Owners of notes may elect to hold their notes through The Depository Trust Company in the United States or through Clearstream, Luxembourg or the Euroclear System in Europe. Transfers will be made in accordance with the rules and operating procedures of those clearing systems. See "*The Notes—Book-Entry Notes.*"

ERISA Eligibility

The indenture permits benefit plans to purchase notes of every class offered
pursuant to this prospectus and a related prospectus supplement. A fiduciary of a benefit plan should consult its counsel as to whether a purchase of notes by the plan is permitted by ERISA and the Internal

Revenue Code. See *"Benefit Plan Investors."*

Tax Status

Subject to important considerations described under *"Federal Income Tax Consequences"* in this prospectus, Orrick, Herrington & Sutcliffe LLP, as special tax counsel to the issuer, is of the opinion that, for United States federal income tax purposes (1) the notes will be treated as indebtedness and (2) the issuer will not be an association or a publicly traded partnership taxable as a corporation. In addition, noteholders will agree, by acquiring notes, to treat the notes as debt for federal, state and local income and franchise tax purposes.

Denominations

The notes offered by this prospectus will be issued in denominations of $5,000 and multiples of $1,000 in excess of that amount.

Record Date

The record date for payment of the notes will be the last day of the month before the related payment date.

Risk Factors

The risk factors disclosed in this section of the prospectus and in the accompanying prospectus supplement describe the principal risk factors of an investment in the notes.

Some liens or interests may be given priority over your notes which could cause your receipt of payments to be delayed or reduced.

MBNA will represent and warrant that its transfer of receivables to master trust II is either (1) an absolute sale of those receivables or (2) the grant of a security interest in those receivables. For a description of master trust II's rights if these representations and warranties are not true, see "*Master Trust II—Representations and Warranties*" in this prospectus. In addition, MBNA will represent and warrant that its transfer of the collateral certificate to the issuer is either (1) an absolute sale of the collateral certificate or (2) the grant of a security interest in the collateral certificate.

MBNA will take steps under the Uniform Commercial Code to perfect master trust II's interest in the receivables and the issuer's and the indenture trustee's interest in the collateral certificate. Nevertheless, if the UCC does not govern these transfers and if some other action is required under applicable law and has not been taken, payments to you could be delayed or reduced.

MBNA will represent, warrant, and covenant that both its transfer of receivables to master trust II and its transfer of the collateral certificate to the issuer is perfected and free and clear of the lien or interest of any other entity. If this is not true, master trust II's interest in the receivables and the issuer's and the indenture trustee's interest in the collateral certificate could be impaired, and payments to you could be delayed or reduced. For instance,

- a prior or subsequent transferee of receivables could have an interest in the receivables superior to the interest of master trust II, or a prior or subsequent transferee of the collateral certificate could have an interest in the collateral certificate superior to the interest of the issuer and the indenture trustee;
- a tax, governmental, or other nonconsensual lien that attaches to the property of MBNA could have priority over the interest of master trust II in the receivables and the interest of the issuer and the indenture trustee in the collateral certificate; and

- the administrative expenses of a conservator or receiver for MBNA could be paid from collections on the receivables or distributions on the collateral certificate before master trust II, the issuer or the indenture trustee receives any payments.

Regulatory action could cause delays or reductions in payment of your notes.

MBNA is chartered as a national banking association and is regulated and supervised by the Office of the Comptroller of the Currency, which is authorized to appoint the Federal Deposit Insurance Corporation as conservator or receiver for MBNA if certain events occur relating to MBNA's financial condition or the propriety of its actions. In addition, the FDIC could appoint itself as conservator or receiver for MBNA.

Although MBNA will treat both its transfer of the receivables to master trust II and its transfer of the collateral certificate to the issuer as sales for accounting purposes, each of these transfers may constitute the grant of a security interest under general applicable law. Nevertheless, the FDIC has issued regulations surrendering certain rights under the Federal Deposit Insurance Act, as amended by the Financial Institutions Reform, Recovery and Enforcement Act of 1989, to reclaim, recover, or recharacterize a financial institution's transfer of financial assets such as the receivables and the collateral certificate if (i) the transfer involved a securitization of the financial assets and meets specified conditions for treatment as a sale under relevant accounting principles, (ii) the financial institution received adequate consideration for the transfer, (iii) the parties intended that the transfer constitute a sale for accounting purposes, and (iv) the financial assets were not transferred fraudulently, in contemplation of the financial institution's insolvency, or with the intent to hinder, delay, or defraud the financial institution or its creditors. The master trust II agreement and MBNA's transfer of the receivables, as well as the trust agreement and MBNA's transfer of the collateral certificate, are intended to satisfy all of these conditions.

If a condition required under the FDIC's regulations were found not to have been met, however, the FDIC could reclaim, recover, or recharacterize MBNA's transfer of the receivables or the collateral certificate. The FDIA would limit master trust II's, the issuer's or the indenture trustee's damages in this event to its "actual direct compensatory damages" determined as of the date

that the FDIC was appointed as conservator or receiver for MBNA. The FDIC, moreover, could delay its decision whether to reclaim, recover, or recharacterize MBNA's transfer of the receivables or the collateral certificate for a reasonable period following its appointment as conservator or receiver for MBNA. Therefore, if the FDIC were to reclaim, recover, or recharacterize MBNA's transfer of the receivables or the collateral certificate, payments to you could be delayed or reduced.

Even if the conditions set forth in the regulations were satisfied and the FDIC did not reclaim, recover, or recharacterize MBNA's transfer of the receivables or the collateral certificate, you could suffer a loss on your investment if (i) the master trust II agreement, the trust agreement, or MBNA's transfer of the receivables or the collateral certificate were found to violate the regulatory requirements of the FDIA, (ii) master trust II, the master trust II trustee, the issuer, or the indenture trustee were required to comply with the claims process established under the FDIA in order to collect payments on the receivables or the collateral certificate, (iii) the FDIC were to request a stay of any action by master trust II, the master trust II trustee, the issuer, or the indenture trustee to enforce the master trust II agreement, the trust agreement, the indenture, the collateral certificate, or the notes, or (iv) the FDIC were to repudiate other parts of the master trust II agreement or the trust agreement, such as any obligation to collect payments on or otherwise service the receivables or to manage the issuer.

In addition, regardless of the terms of the master trust II agreement, the trust agreement, or the indenture, and regardless of the instructions of those authorized to direct the master trust II trustee's, the issuer's or the indenture trustee's actions, the FDIC as conservator or receiver for MBNA may have the power (i) to prevent or require the commencement of an early redemption of the notes, (ii) to prevent, limit, or require the early liquidation of receivables or the collateral certificate and termination of master trust II or the issuer, or (iii) to require, prohibit, or limit the continued transfer of receivables or payments on the collateral certificate. Furthermore, regardless of the terms of the master trust II agreement or the trust agreement, the FDIC (i) could prevent the appointment of a successor servicer or another manager for the issuer, (ii) could authorize MBNA to stop servicing the receivables or managing the issuer, or (iii) could increase the amount or the priority of the servicing fee due to MBNA or otherwise alter the terms under which MBNA services the receivables or manages the issuer. If any of

these events were to occur, payments to you could be delayed or reduced. See *"Master Trust II—Servicer Default"* in this prospectus.

In addition, if insolvency proceedings were commenced by or against MBNA, or if certain time periods were to pass, master trust II, the issuer and the indenture trustee may lose any perfected security interest in collections held by MBNA and commingled with its other funds. See *"Sources of Funds to Pay the Notes—The Collateral Certificate"* and *"Master Trust II—Application of Collections"* in this prospectus.

Furthermore, at any time, if the appropriate banking regulatory authorities, including the Office of the Comptroller of the Currency, were to conclude that any obligation under the master trust II agreement, the trust agreement or the indenture were an unsafe or unsound practice or violated any law, rule, regulation or written condition or agreement applicable to MBNA, such regulatory authority has the power to order MBNA, among other things, to rescind the agreement or contract, refuse to perform that obligation, terminate the activity, amend the terms of such obligation or take such other action as such regulatory authority determines to be appropriate. If such an order were issued, payments to you could be delayed or reduced, and MBNA may not be liable to you for contractual damages for complying with such an order and you may have no recourse against the relevant regulatory authority. See *"Material Legal Aspects of the Receivables—Certain Regulatory Matters"* in this prospectus.

Changes to consumer protection laws may impede collection efforts or alter timing and amount of collections which may result in an acceleration of or reduction in payments on your notes.

Receivables that do not comply with consumer protection laws may not be valid or enforceable under their terms against the obligors of those receivables.

Federal and state consumer protection laws regulate the creation and enforcement of consumer loans. Congress and the states could further regulate the credit card and consumer credit industry in ways that make it more difficult for MBNA as servicer of master trust II to collect payments on the receivables or that reduce the finance charges and other fees that MBNA as seller to master trust II can charge on credit card account

balances. For example, if MBNA were required to reduce its finance charges and other fees, resulting in a corresponding decrease in the credit card accounts' effective yield, this could lead to an early redemption event and could result in an acceleration of payment or reduced payments on your notes. See *"Material Legal Aspects of the Receivables—Certain Regulatory Matters"* and *"—Consumer Protection Laws"* in this prospectus.

If a cardholder sought protection under federal or state bankruptcy or debtor relief laws, a court could reduce or discharge completely the cardholder's obligations to repay amounts due on its account and, as a result, the related receivables would be written off as uncollectible. The noteholders could suffer a loss if no funds are available from credit enhancement or other sources. See *"Master Trust II—Defaulted Receivables; Rebates and Fraudulent Charges"* in this prospectus.

Competition in the credit card industry may result in a decline in ability to generate new receivables. This may result in the payment of principal earlier or later than the expected principal payment date, or in reduced amounts.

The credit card industry is highly competitive. As new credit card companies enter the market and companies try to expand their market share, effective advertising, target marketing and pricing strategies grow in importance. MBNA's ability to compete in this environment will affect its ability to generate new receivables and might also affect payment patterns on the receivables. If the rate at which MBNA generates new receivables declines significantly, MBNA might be unable to transfer additional receivables or designate additional credit card accounts to master trust II and a pay out event could occur, resulting in payment of principal sooner than expected or in reduced amounts. If the rate at which MBNA generates new receivables decreases significantly at a time when noteholders are scheduled to receive principal, noteholders might receive principal more slowly than planned or in reduced amounts.

Payment patterns of cardholders may not be consistent over time and variations in these payment patterns may result in reduced payment of principal, or receipt of payment of principal earlier or later than expected.

Collections of principal receivables available to pay your notes on any principal payment date or to make deposits into an issuer account will depend on many factors, including:

- the rate of repayment of credit card balances by cardholders, which may be slower or faster than expected which may cause payment on the notes to be earlier or later than expected;
- the extent of credit card usage by cardholders, and the creation of additional receivables in the accounts designated to master trust II; and
- the rate of default by cardholders.

Changes in payment patterns and credit card usage result from a variety of economic, competitive, political, social and legal factors. Economic factors include the rate of inflation, unemployment levels and relative interest rates. The availability of incentive or other award programs may also affect cardholders' actions. Social factors include consumer confidence levels and the public's attitude about incurring debt and the consequences of personal bankruptcy. In addition, acts of terrorism and natural disasters, including Hurricane Katrina which struck Louisiana, the southeastern United States and surrounding areas on August 29, 2005, in the United States and the political and military response to any such events may have an adverse effect on general economic conditions, consumer confidence and general market liquidity.

We cannot predict how any of these or other factors will affect repayment patterns or credit card use and, consequently, the timing and amount of payments on your notes. Any reductions in the amount, or delays in the timing, of interest or principal payments will reduce the amount available for distribution on the notes.

Allocations of defaulted principal receivables and reallocation of available principal amounts could result in a reduction in payment on your notes.

MBNA, as servicer, will write off the principal receivables arising in credit card accounts in the master trust II portfolio if the principal receivables become uncollectible. Your notes will be allocated a portion of these defaulted principal receivables. In addition, available principal amounts may be reallocated to pay

interest on senior classes of notes or to pay a portion of the master trust II servicing fee. You may not receive full repayment of your notes and full payment of interest due if (i) the nominal liquidation amount of your notes has been reduced by charge-offs resulting from uncovered default amounts on principal receivables in master trust II or as the result of reallocations of available principal amounts to pay interest and a portion of the master trust II servicing fee, and (ii) those amounts have not been reimbursed from available funds. For a discussion of nominal liquidation amount, see "*The Notes—Stated Principal Amount, Outstanding Dollar Principal Amount and Nominal Liquidation Amount.*"

The note interest rate and the receivables interest rate may reset at different times or fluctuate differently, resulting in a delay or reduction in payments on your notes.

Some credit card accounts may have finance charges set at a variable rate based on a designated index (for example, the prime rate). A series, class or tranche of notes may bear interest either at a fixed rate or at a floating rate based on a different index. If the rate charged on the credit card accounts declines, collections of finance charge receivables allocated to the collateral certificate may be reduced without a corresponding reduction in the amounts payable as interest on the notes and other amounts paid from collections of finance charge receivables. This could result in delayed or reduced principal and interest payments to you.

Issuance of additional notes or master trust II investor certificates may affect the timing and amount of payments to you.

The issuer expects to issue notes from time to time, and master trust II may issue new investor certificates from time to time. New notes and master trust II investor certificates may be issued without notice to existing noteholders, and without their consent, and may have different terms from outstanding notes and investor certificates. For a description of the conditions that must be met before master trust II can issue new investor certificates or the issuer can issue new notes, see "*Master Trust II—New Issuances*" and "*The Notes—Issuances of New Series, Classes and Tranches of Notes.*"

The issuance of new notes or master trust II investor certificates could adversely affect the timing and amount of payments on

outstanding notes. For example, if notes in your series issued after your notes have a higher interest rate than your notes, this could result in a reduction in the available funds used to pay interest on your notes. Also, when new notes or investor certificates are issued, the voting rights of your notes will be diluted. See "*Risk Factors—You may have limited or no ability to control actions under the indenture and the master trust II agreement*" below.

Addition of credit card accounts to master trust II and attrition of credit card accounts and receivables from master trust II may decrease the credit quality of the assets securing the repayment of your notes. If this occurs, your receipt of payments of principal and interest may be reduced, delayed or accelerated.

The assets of master trust II, and therefore the assets allocable to the collateral certificate held by the issuer, change every day. These changes may be the result of cardholder actions and preferences, marketing initiatives by MBNA and other card issuers or other factors, including but not limited to, reductions in card usage, changes in payment patterns for revolving balances, closing of accounts in the master trust II portfolio, and transfers or conversions of accounts in the master trust II portfolio to new card accounts and other products. MBNA may choose, or may be required, to add credit card receivables to master trust II. The credit card accounts from which these receivables arise may have different terms and conditions from the credit card accounts already designated for master trust II. For example, the new credit card accounts may have higher or lower fees or interest rates, or different payment terms.

We cannot guarantee that new credit card accounts will be of the same credit quality as the credit card accounts currently or historically designated for master trust II. If the credit quality of the assets in master trust II were to deteriorate, the issuer's ability to make payments on the notes could be adversely affected. See *"Master Trust II—Addition of Master Trust II Assets"* in this prospectus.

MBNA may not be able to generate new receivables or designate new credit card accounts to master trust II when required by the master trust II agreement. This could result in an acceleration of or reduction in payments on your notes.

The issuer's ability to make payments on the notes will be impaired if sufficient new credit card receivables are not

generated by MBNA. MBNA may be prevented from generating sufficient new receivables or designating new credit card accounts to add to master trust II, due to regulatory restrictions or for other reasons. We do not guarantee that new credit card accounts or receivables will be created, that any credit card account or receivable created will be eligible for inclusion in master trust II, that they will be added to master trust II, or that credit card receivables will be repaid at a particular time or with a particular pattern.

The master trust II agreement provides that MBNA must add additional credit card receivables to master trust II if the total amount of principal receivables in master trust II falls below specified percentages of the total investor interests of investor certificates in master trust II. There is no guarantee that MBNA will have enough receivables to add to master trust II. If MBNA does not make an addition of receivables within five business days after the date it is required to do so, a pay out event will occur with respect to the collateral certificate. This would constitute an early redemption event and could result in an early payment of your notes. See "*Master Trust II—Addition of Master Trust II Assets*," "*—Pay Out Events*" and "*The Indenture—Early Redemption Events.*"

MBNA may change the terms of the credit card accounts in a way that reduces or slows collections. These changes may result in reduced, accelerated or delayed payments to you.

MBNA transfers the receivables to master trust II but continues to own the credit card accounts. As owner of the credit card accounts, MBNA retains the right to change various credit card account terms (including finance charges and other fees it charges and the required minimum monthly payment). An early redemption event could occur if MBNA reduced the finance charges and other fees it charges and a corresponding decrease in the collection of finance charges and fees resulted. In addition, changes in the credit card account terms may alter payment patterns. If payment rates decrease significantly at a time when you are scheduled to receive principal, you might receive principal more slowly than planned.

MBNA will not reduce the interest rate it charges on the receivables or other fees if that action would cause a master trust II pay out event or cause an early redemption event with respect to the notes unless MBNA is required by law or determines it is

necessary to maintain its credit card business, based on its good faith assessment of its business competition.

MBNA will not change the terms of the credit card accounts or its servicing practices (including changes to the required minimum monthly payment and the calculation of the amount or the timing of finance charges, other fees and charge-offs) unless MBNA reasonably believes a master trust II pay out event would not occur for any master trust II series of investor certificates and an early redemption event would not occur with respect to any tranche of notes and takes the same action on other substantially similar credit card accounts, to the extent permitted by those credit card accounts.

For a discussion of early redemption events, see the accompanying prospectus supplement.

MBNA has no restrictions on its ability to change the terms of the credit card accounts except as described above or in the accompanying prospectus supplement. Changes in relevant law, changes in the marketplace or prudent business practices could cause MBNA to change credit card account terms. In addition, the consummation of the merger of Bank of America Corporation and MBNA Corporation could result in changes to credit card account terms. See *"MBNA and MBNA Corporation—Bank of America Corporation/MBNA Corporation Merger."*

If MBNA breaches representations and warranties relating to the receivables, payments on your notes may be reduced.

MBNA, as seller of the receivables, makes representations and warranties relating to the validity and enforceability of the receivables arising under the credit card accounts in the master trust II portfolio, and as to the perfection and priority of the master trust II trustee's interests in the receivables. However, the master trust II trustee will not make any examination of the receivables or the related assets for the purpose of determining the presence of defects, compliance with the representations and warranties or for any other purpose.

If a representation or warranty relating to the receivables is violated, the related obligors may have defenses to payment or offset rights, or creditors of MBNA may claim rights to the master trust II assets. If a representation or warranty is violated, MBNA may have an opportunity to cure the violation. If it is unable to cure the violation, subject to certain conditions described under "*Master Trust II—Representations and Warranties*" in this prospectus, MBNA must accept

reassignment of each receivable affected by the violation. These reassignments are the only remedy for breaches of representations and warranties, even if your damages exceed your share of the reassignment price. See "*Master Trust II—Representations and Warranties*" in this prospectus.

There is no public market for the notes. As a result you may be unable to sell your notes or the price of the notes may suffer.

The underwriters of the notes may assist in resales of the notes but they are not required to do so. A secondary market for any notes may not develop. If a secondary market does develop, it might not continue or it might not be sufficiently liquid to allow you to resell any of your notes.

In addition, some notes have a more limited trading market and experience more price volatility. There may be a limited number of buyers when you decide to sell those notes. This may affect the price you receive for the notes or your ability to sell the notes. You should not purchase notes unless you understand and know you can bear the investment risks.

You may not be able to reinvest any early redemption proceeds in a comparable security.

If your notes are redeemed at a time when prevailing interest rates are relatively low, you may not be able to reinvest the redemption proceeds in a comparable security with an effective interest rate equivalent to that of your notes.

If the ratings of the notes are lowered or withdrawn, their market value could decrease.

The initial rating of a note addresses the likelihood of the payment of interest on that note when due and the ultimate payment of principal of that note by its legal maturity date. The ratings do not address the likelihood of payment of principal of a note on its expected principal payment date. In addition, the ratings do not address the possibility of early payment or acceleration of a note, which could be caused by an early redemption event or an event of default. See "*The Indenture—Early Redemption Events*" and "*—Events of Default*."

The ratings of the notes are not a recommendation to buy, hold or sell the notes. The ratings of the notes may be lowered or withdrawn entirely at any time by the applicable rating agency. The market value of the notes could decrease if the ratings are lowered or withdrawn.

You may have limited or no ability to control actions under the indenture and the master trust II agreement. This may result in, among other things, payment of principal being accelerated when it is in your interest to receive payment of principal on the expected principal payment date, or it may result in payment of principal not being accelerated when it is in your interest to receive early payment of principal.

Under the indenture, some actions require the consent of noteholders holding a specified percentage of the aggregate outstanding dollar principal amount of notes of a series, class or tranche or all the notes. These actions include consenting to amendments relating to the collateral certificate. In the case of votes by series or votes by holders of all of the notes, the outstanding dollar principal amount of the senior-most classes of notes will generally be substantially greater than the outstanding dollar principal amount of the subordinated classes of notes. Consequently, the noteholders of the senior-most class of notes will generally have the ability to determine whether and what actions should be taken. The subordinated noteholders will generally need the concurrence of the senior-most noteholders to cause actions to be taken.

The collateral certificate is an investor certificate under the master trust II agreement, and noteholders have indirect consent rights under the master trust II agreement. See "*The Indenture—Voting.*" Under the master trust II agreement, some actions require the vote of a specified percentage of the aggregate principal amount of all of the investor certificates. These actions include consenting to amendments to the master trust II agreement. While the outstanding principal amount of the collateral certificate is currently larger than the outstanding principal amount of the other series of investor certificates issued by master trust II, noteholders may need the concurrence of the holders of the other investor certificates to cause actions to be taken. Additionally, other series of investor certificates may be issued by master trust II in the future without the consent of any noteholders. See *"Master Trust II—New Issuances."* If new series of investor certificates are issued, the holders of investor certificates—other than the collateral certificate—may have the ability to determine whether and to what extent actions are taken regarding master trust II. As a result, the noteholders, in exercising their voting powers under the collateral certificate, would generally need the concurrence of the holders of the other investor certificates to cause actions to be taken.

If an event of default occurs, your remedy options may be limited and you may not receive full payment of principal and accrued interest.

Your remedies may be limited if an event of default under your series, class or tranche of notes occurs. After an event of default affecting your series, class or tranche of notes and an acceleration of your notes, any funds in an issuer account with respect to that series, class or tranche of notes will be applied to pay principal of and interest on those notes. Then, in each following month, available principal amounts and available funds will be deposited into the applicable issuer account, and applied to make monthly principal and interest payments on those notes until the legal maturity date of those notes.

However, if your notes are subordinated notes of a multiple tranche series, you generally will receive payment of principal of those notes only if and to the extent that, after giving effect to that payment, the required subordination will be maintained for the senior classes of notes in that series.

Following an event of default and acceleration, holders of the affected notes will have the ability to direct a sale of credit card receivables held by master trust II only under the limited circumstances as described in "*The Indenture—Events of Default*" and "*Sources of Funds to Pay the Notes—Sale of Credit Card Receivables.*"

However, following an event of default and acceleration with respect to subordinated notes of a multiple tranche series, if the indenture trustee or a majority of the noteholders of the affected class or tranche directs master trust II to sell credit card receivables, the sale will occur only if, after giving effect to that payment, the required subordination will be maintained for the senior notes in that series by the remaining notes or if such sale occurs on the legal maturity date. However, if principal of or interest on a tranche of notes has not been paid in full on its legal maturity date, the sale will automatically take place on that date regardless of the subordination requirements of any senior classes of notes.

Even if a sale of receivables is permitted, we can give no assurance that the proceeds of the sale will be enough to pay unpaid principal of and interest on the accelerated notes.

Glossary

This prospectus uses defined terms. You can find a listing of defined terms in the "*Glossary of Defined Terms*" beginning on page 108 in this prospectus.

The Issuer

MBNA Credit Card Master Note Trust will be the issuer of the notes. The issuer's principal offices will be at Rodney Square North, 1100 N. Market Street, Wilmington, Delaware 19890-0001, in care of Wilmington Trust Company, as owner trustee.

The issuer's activities will be limited to:

- acquiring and holding the collateral certificate, and other certificates of beneficial interest in master trust II, and the other assets of the issuer and the proceeds from these assets;
- issuing notes;
- making payments on the notes; and
- engaging in other activities that are necessary or incidental to accomplish these limited purposes.

The assets of the issuer will consist primarily of:

- the collateral certificate;
- derivative agreements that the issuer will enter into from time to time to manage interest rate or currency risk relating to certain series, classes or tranches of notes; and
- funds on deposit in the issuer accounts.

It is not expected that the issuer will have any other significant assets.

UCC financing statements will be filed to perfect the ownership or security interests of the issuer and the indenture trustee described herein.

The issuer will operate pursuant to a trust agreement between MBNA and Wilmington Trust Company, the owner trustee. The issuer will not have any officers or directors. Its sole beneficiary will be MBNA. As beneficiary, MBNA will generally direct the actions of the issuer.

MBNA and the owner trustee may amend the trust agreement without the consent of the noteholders or the indenture trustee so long as the amendment will not (i) adversely affect in any material respect the interests of the noteholders or (ii) significantly change the purpose and powers of the issuer, as set forth in the trust agreement. Accordingly, neither the indenture trustee nor any holder of any note will be entitled to vote on any such amendment.

In addition, if holders of not less than (a) in the case of a significant change in the purpose and powers of the issuer which is not reasonably expected to have a material adverse effect on the noteholders, a majority of the aggregate outstanding dollar principal amount of the notes affected by an amendment consent, and (b) in all other cases, 66 $^{2}/_{3}$% of the

aggregate outstanding dollar principal amount of the notes affected by an amendment consent, the trust agreement may also be amended for the purpose of (i) adding, changing or eliminating any provisions of the trust agreement or of modifying the rights of those noteholders or (ii) significantly changing the purposes and powers of the issuer.

In addition, a noteholder will not have any right to consent to any amendment to the trust agreement providing for a change in the beneficiary or other related amendments in connection with replacing MBNA, as seller under the master trust II agreement, with a bankruptcy-remote special purpose entity.

See "*The Indenture—Tax Opinions for Amendments*" for additional conditions to amending the trust agreement.

Use of Proceeds

The net proceeds from the sale of each series, class and tranche of notes offered hereby will be paid to MBNA. MBNA will use such proceeds for its general corporate purposes.

MBNA and MBNA Corporation

MBNA America Bank, National Association, a national banking association located in Wilmington, Delaware, conducts nationwide consumer lending programs, principally comprised of credit card related activities. MBNA has two wholly-owned non-U.S. bank subsidiaries, MBNA Europe Bank Limited, with its headquarters in the United Kingdom, and MBNA Canada Bank, located in Canada.

MBNA conducts all direct customer contact processes with respect to the cardholder. This involves a 24 hour, 365 day per year Customer Service telephone staff, credit decisions, correspondence resolution, security and collection operations.

MBNA is a principal wholly-owned subsidiary of MBNA Corporation.

Bank of America Corporation/MBNA Corporation Merger

On June 30, 2005, Bank of America Corporation and MBNA Corporation announced they had entered into an Agreement and Plan of Merger, dated as of June 30, 2005 (the "merger agreement"). The merger agreement has been approved by the Boards of Directors of Bank of America Corporation and MBNA Corporation and is subject to customary closing conditions, including regulatory and MBNA Corporation stockholders' approvals. It is anticipated that the merger will be closed in the fourth quarter of 2005.

MBNA is a principal wholly-owned subsidiary of MBNA Corporation. MBNA is the seller and the servicer of master trust II, whose assets consist primarily of credit card receivables arising in a portfolio of consumer revolving credit card accounts. MBNA is also the originator of the issuer, whose primary asset is the collateral certificate representing an undivided interest in the assets of master trust II.

Bank of America Corporation and MBNA Corporation have operated and, until the completion of the merger, will continue to operate, independently. However, when and if the merger is completed, MBNA's business may be adversely impacted by difficulties or delays in integrating the businesses of Bank of America Corporation and MBNA Corporation. MBNA's existing businesses and/or practices also may be changed, replaced, reorganized or adversely impacted as a result of the merger, including, but not limited to, servicing, technology systems, marketing, credit card origination and underwriting. Additionally, certain credit card accounts originated, underwritten or owned by Bank of America Corporation or its affiliates may become eligible for inclusion in the Master Trust II Portfolio in the future. As a result, we cannot predict if or how any of these or other factors in connection with the merger will adversely affect master trust II and, consequently, the timing and amount of payments on your notes.

The MBNA/American Express Agreement

MBNA and American Express Travel Related Services Company, Inc. have entered into a card issuer agreement allowing MBNA to issue cards that carry the American Express logo and will be accepted on the American Express global merchants network. MBNA became the first major U.S. financial institution to enter into such an agreement with American Express. On October 4, 2004, the United States Supreme Court decided to let stand a lower court ruling that effectively allowed banks that issue cards on Visa's or MasterCard's networks also to issue cards on competitor networks (such as the American Express global merchants network). MBNA began marketing American Express branded credit cards in the fourth quarter of 2004.

The master trust II agreement has been amended to allow for (i) the addition of American Express credit card accounts in the Master Trust II Portfolio and (ii) the conversion of Visa and MasterCard credit card accounts presently included in the Master Trust II Portfolio to American Express credit card accounts. Receivables arising under American Express credit card accounts were added to master trust II starting in late 2004.

Industry Developments

MBNA issues credit cards on MasterCard's and Visa's networks. MasterCard and Visa are facing significant litigation and increased competition. In 2003, MasterCard and Visa settled a suit by Wal-Mart and other merchants who claimed that MasterCard and Visa unlawfully tied acceptance of debit cards to acceptance of credit cards. Under the settlement MasterCard and Visa are required to, among other things, allow merchants to accept MasterCard or Visa branded credit cards without accepting their debit cards (and vice versa), reduce the prices charged to merchants for off-line signature debit transactions for a period of time, and pay over ten years amounts totaling $3.05 billion into a settlement fund. MasterCard and Visa are also parties to suits by U.S. merchants who opted out of the Wal-Mart settlement.

In October 2004, the United States Supreme Court let stand a federal court decision in a suit brought by the U.S. Department of Justice, in which MasterCard and Visa rules prohibiting banks that issue cards on MasterCard and Visa networks from issuing cards on other networks (the "association rules") were found to have violated federal antitrust laws. This decision effectively permits banks that issue cards on Visa's or MasterCard's networks, such as MBNA and MBNA Corporation's other banking subsidiaries, to issue cards on

competitor networks. Discover and American Express have initiated separate civil lawsuits against MasterCard and Visa claiming substantial damages stemming from the association rules. MasterCard and Visa are also parties to suits alleging that MasterCard's and Visa's currency conversion practices are unlawful.

In 2005, certain retail merchants filed purported class action lawsuits in various federal courts, alleging that MasterCard and Visa and their member banks, including MBNA, conspired to charge retailers excessive interchange and other fees in violation of federal antitrust laws. MBNA is named as a defendant in certain of these lawsuits. MBNA is in the process of reviewing and assessing the impact of the lawsuits.

The costs associated with these and other matters could cause MasterCard and Visa to invest less in their networks and marketing efforts and could adversely affect the interchange paid to their member banks, including MBNA.

Litigation

Securities Class Actions

In 2005, several lawsuits were filed in federal court against MBNA Corporation, which is the parent of MBNA, and certain of its officers. These lawsuits are purported class actions seeking unspecified damages, interest and costs, including reasonable attorneys' fees, stemming from alleged violations of the Securities Exchange Act of 1934, as amended. On April 21, 2005, MBNA Corporation announced in its first quarter earnings release that management believed MBNA Corporation's 2005 earnings would be "significantly below" its previously-stated growth objective. MBNA Corporation's stock price dropped following publication of that earnings release. The lawsuits allege that MBNA Corporation and certain of its officers violated federal securities laws through material misstatements and omissions regarding MBNA Corporation's business, which the plaintiffs allege had the effect of inflating MBNA Corporation's stock price. Additionally, in 2005, shareholder derivative lawsuits were filed in federal and state court on behalf of MBNA Corporation alleging that certain officers and directors of MBNA Corporation breached their fiduciary duties to MBNA Corporation and violated federal securities laws. These claims arise from the facts stated above. One of these derivative lawsuits also alleges that the directors of MBNA Corporation violated their fiduciary duties in approving the merger of MBNA Corporation and Bank of America Corporation and seeks to enjoin the merger.

In June 2005, a purported class action lawsuit was filed in the United States District Court for the District of Delaware against MBNA Corporation, the Pension & 401(k) Plan Committee of MBNA Corporation and certain directors and officers of MBNA Corporation. The lawsuit alleges that the defendants violated certain provisions of the Employee Retirement Income Security Act of 1974 as a result of breaches of fiduciary duties owed to the 401(k) plan participants and beneficiaries. Specifically, the alleged breaches of fiduciary duties related to, but are not limited to, (i) offering MBNA Corporation common stock as an investment option, (ii) purchasing MBNA Corporation stock for the 401(k) plan, (iii) holding

MBNA Corporation stock in the 401(k) plan, (iv) failing to monitor the 401(k) plan's investment in MBNA Corporation stock and (v) failing to communicate information concerning MBNA Corporation's financial performance to 401(k) plan participants and beneficiaries.

MBNA Corporation denies the claims made in the class action, shareholder derivative and ERISA lawsuits and intends to defend these matters vigorously.

Foreign Currency Conversion Fee Litigation

MBNA and MBNA Corporation are among the card issuers who are defendants in *In Re Currency Conversion Fee Antitrust Litigation*, a class action filed in the U.S. District Court for the Southern District of New York that relates to foreign currency conversion fees charged to customers. MasterCard and Visa applied a currency conversion rate, equal to a wholesale rate plus 1% to credit card transactions in foreign currencies for conversion of the foreign currency into U.S. dollars. MasterCard and Visa required MBNA and other member banks to disclose the 1% add-on to the wholesale rate if the bank chose to pass it along to the cardholder. MBNA disclosed this information in its cardholder agreements. In January 2002, MBNA and MBNA Corporation were added as defendants in the matter. The plaintiffs claim that the defendants conspired in violation of the antitrust laws to charge foreign currency conversion fees and failed to properly disclose the fees in solicitations and applications, initial disclosure statements and cardholder statements, in violation of the Truth-in-Lending Act. The plaintiffs also claim that the bank defendants and MasterCard and Visa conspired to charge the 1% foreign currency conversion fee assessed by MasterCard and Visa and an additional fee assessed by some issuers. In the United States MBNA did not charge the additional fee on consumer credit cards in addition to the fee charged by MasterCard and Visa. However, MBNA did charge such an additional fee on business credit cards. The plaintiffs are seeking unspecified monetary damages and injunctive relief. In July 2003, the court granted a motion to dismiss certain Truth-in-Lending Act claims against MBNA, MBNA Corporation and other defendants, but denied a motion to dismiss the antitrust claims against the defendants. In October 2004, a class was certified by the court. MBNA and MBNA Corporation intend to defend this matter vigorously and believe that the claim is without merit.

Arbitration Litigation

In August 2005, a purported class action lawsuit was filed in the United States District Court for the Southern District of New York, alleging that several of the nation's largest credit card issuers illegally conspired to compel their customers to submit disputes to an arbitrator rather than a court. MBNA, MBNA Corporation and MBNA (Delaware) Bank N.A. are among the defendants named in the lawsuit. MBNA and its affiliates deny the claims made in the lawsuit and intend to defend the matter vigorously.

MBNA and its affiliates are commonly subject to various pending or threatened legal proceedings, including certain class actions, arising out of the normal course of business. In view of the inherent difficulty of predicting the outcome of such matters, MBNA cannot state what the eventual outcome of these matters will be.

The Notes

The notes will be issued pursuant to the indenture and a related indenture supplement. The following discussion and the discussions under *"The Indenture"* in this prospectus and certain sections in the related prospectus supplement summarize the material terms of the notes, the indenture and the indenture supplements. These summaries do not purport to be complete and are qualified in their entirety by reference to the provisions of the indenture and the indenture supplements. The indenture does not limit the aggregate stated principal amount of notes that may be issued.

The notes will be issued in series. Each series of notes will represent a contractual debt obligation of the issuer which shall be in addition to the debt obligations of the issuer represented by any other series of notes. Each series will be issued pursuant to the indenture and an indenture supplement, copies of the forms of which are filed as exhibits to the registration statement of which this prospectus is a part. Each prospectus supplement will describe the provisions specific to the related series, class or tranche of notes.

The following summaries describe certain provisions common to each series of notes.

General

Each series of notes is expected to consist of multiple classes of notes. Some series, if so specified in the accompanying prospectus supplement, may be multiple tranche series, meaning they have classes consisting of multiple tranches. Whenever a "class" of notes is referred to in this prospectus or any prospectus supplement, it also includes all tranches of that class, unless the context otherwise requires.

The issuer may issue different tranches of notes of a multiple tranche series at the same time or at different times, but no senior tranche of notes of a series may be issued unless a sufficient amount of subordinated notes (or other form of credit enhancement) of that series will be issued on that date or has previously been issued and is outstanding and available as subordination (or other credit enhancement) for such senior tranche of notes. See "*—Required Subordinated Amount.*"

If so specified in the related prospectus supplement, the notes of a series may be included in a group of series for purposes of sharing Available Principal Amounts and Available Funds.

The issuer may offer notes denominated in U.S. dollars or any foreign currency. We will describe the specific terms of any note denominated in a foreign currency in the related prospectus supplement.

If so specified in the related prospectus supplement, the noteholders of a particular series, class or tranche may have the benefit of a derivative agreement, including an interest rate or currency swap, cap, collar, guaranteed investment contract or other similar agreement with various counterparties. The specific terms of each derivative agreement and a description of each counterparty will be included in the related prospectus supplement.

The issuer will pay principal of and interest on a series, class or tranche of notes solely from the portion of Available Funds and Available Principal Amounts which are allocable to that series, class or tranche of notes after giving effect to all allocations and reallocations, amounts in any issuer accounts relating to that series, class or tranche of notes, and amounts received under any derivative agreement relating to that series, class or tranche of notes. If those sources are not sufficient to pay the notes, those noteholders will have no recourse to any other assets of the issuer or any other person or entity for the payment of principal of or interest on those notes.

Holders of notes of any outstanding series, class or tranche will not have the right to prior review of, or consent to, any subsequent issuance of notes.

Interest

Interest will accrue on the notes, except on discount notes, from the relevant issuance date at the applicable note rate, which may be a fixed, floating or other type of rate as specified in the accompanying prospectus supplement. Interest will be distributed or deposited with respect to noteholders on the dates described in the related prospectus supplement. Interest payments or deposits will be funded from Available Funds allocated to the notes during the preceding month or months, from any applicable credit enhancement, if necessary, and from certain other amounts specified in the accompanying prospectus supplement.

For each issuance of fixed rate notes, we will designate in the related prospectus supplement the fixed rate of interest at which interest will accrue on those notes. For each issuance of floating rate notes, we will designate in the related prospectus supplement the interest rate index or other formula on which the interest is based. A discount note will be issued at a price lower than the stated principal amount payable on the expected principal payment date of that note. Until the expected principal payment date for a discount note, accreted principal will be capitalized as part of the principal of the note and reinvested in the collateral certificate, so long as an early redemption event or an event of default and acceleration has not occurred. If applicable, the related prospectus supplement will specify the interest rate to be borne by a discount note after an event of default or after its expected principal payment date.

Each payment of interest on a note will include all interest accrued from the preceding interest payment date—or, for the first interest period, from the issuance date—through the day preceding the current interest payment date, or any other period as may be specified in the related prospectus supplement. We refer to each period during which interest accrues as an "interest period." Interest on a note will be due and payable on each interest payment date.

If interest on a note is not paid within 35 days after such interest is due, an event of default will occur with respect to that note. See "*The Indenture—Events of Default.*"

Principal

The timing of payment of principal of a note will be specified in the related prospectus supplement.

Principal of a note may be paid later than its expected principal payment date if sufficient funds are not allocated from master trust II to the collateral certificate or are not allocable to the series, class or tranche of the note to be paid. It is not an event of default if the principal of a note is not paid on its expected principal payment date. However, if the principal amount of a note is not paid in full by its legal maturity date, an event of default will occur with respect to that note. See *"The Indenture—Events of Default."*

Principal of a note may be paid earlier than its expected principal payment date if an early redemption event or an event of default and acceleration occurs. See *"The Indenture—Early Redemption Events"* and *"—Events of Default."*

See *"Risk Factors"* in this prospectus and the accompanying prospectus supplement for a discussion of factors that may affect the timing of principal payments on the notes.

Stated Principal Amount, Outstanding Dollar Principal Amount and Nominal Liquidation Amount

Each note has a stated principal amount, an outstanding dollar principal amount and a nominal liquidation amount.

Stated Principal Amount

The stated principal amount of a note is the amount that is stated on the face of the notes to be payable to the holder. It can be denominated in U.S. dollars or in a foreign currency.

Outstanding Dollar Principal Amount

For dollar notes, the outstanding dollar principal amount is the initial dollar principal amount (as set forth in the applicable supplement to this prospectus) of the notes, less principal payments to the noteholders. For foreign currency notes, the outstanding dollar principal amount is the dollar equivalent of the initial dollar principal amount (as set forth in the applicable supplement to this prospectus) of the notes, less dollar payments to derivative counterparties or, in the event the derivative agreement is non-performing, less dollar payments converted to make payments to noteholders, each with respect to principal. For discount notes, the outstanding dollar principal amount is an amount stated in, or determined by a formula described in, the related prospectus supplement. The outstanding dollar principal amount of a discount note will increase over time as principal accretes. The outstanding dollar principal amount of any note will decrease as a result of each payment of principal of the note.

In addition, a note may have an Adjusted Outstanding Dollar Principal Amount. The Adjusted Outstanding Dollar Principal Amount of a note is the outstanding dollar principal amount, less any funds on deposit in the principal funding subaccount for that note. The Adjusted Outstanding Dollar Principal Amount of any note will decrease as a result of each deposit into the principal funding subaccount for such note.

Nominal Liquidation Amount

The nominal liquidation amount of a note is a dollar amount based on the initial outstanding dollar principal amount of that note, but with some reductions—including

reductions from reallocations of Available Principal Amounts, allocations of charge-offs for uncovered defaults allocable to the collateral certificate and deposits in a principal funding subaccount for such note—and increases described below. The aggregate nominal liquidation amount of all of the notes will always be equal to the Investor Interest of the collateral certificate, and the nominal liquidation amount of any particular note corresponds to the portion of the Investor Interest of the collateral certificate that would be allocated to that note if master trust II were liquidated.

The nominal liquidation amount of a note may be reduced as follows:

- If Available Funds allocable to a series of notes are insufficient to fund the portion of defaults on principal receivables in master trust II allocable to such series of notes (which will be allocated to each series of notes *pro rata* based on the Weighted Average Available Funds Allocation Amount of all notes in such series) such uncovered defaults will result in a reduction of the nominal liquidation amount of such series. Within each series, unless otherwise specified in the related prospectus supplement, subordinated classes of notes will bear the risk of reduction in their nominal liquidation amount due to charge-offs resulting from uncovered defaults before senior classes of notes.

  In a multiple tranche series, while these reductions will be initially allocated *pro rata* to each tranche of notes, they will then be reallocated to the subordinated classes of notes in that series in succession, beginning with the most subordinated classes. However, these reallocations will be made from senior notes to subordinated notes only to the extent that such senior notes have not used all of their required subordinated amount. For any tranche, the required subordinated amount will be specified in the related prospectus supplement. For multiple tranche series, these reductions will generally be allocated within each class *pro rata* to each outstanding tranche of the related class based on the Weighted Average Available Funds Allocation Amount of such tranche. Reductions that cannot be reallocated to a subordinated tranche will reduce the nominal liquidation amount of the tranche to which the reductions were initially allocated.

- If Available Principal Amounts are reallocated from subordinated notes of a series to pay interest on senior notes, any shortfall in the payment of the master trust II servicing fee or any other shortfall with respect to Available Funds which Available Principal Amounts are reallocated to cover, the nominal liquidation amount of those subordinated notes will be reduced by the amount of the reallocations. The amount of the reallocation of Available Principal Amounts will be applied to reduce the nominal liquidation amount of the subordinated classes of notes in that series in succession, to the extent of such senior tranches' required subordinated amount of the related subordinated notes, beginning with the most subordinated classes. No Available Principal Amounts will be reallocated to pay interest on a senior class of notes or any portion of the master trust II servicing fee if such reallocation would result in the reduction of the nominal liquidation amount of such senior class of notes. For a multiple tranche series, these reductions will generally be allocated within each class

pro rata to each outstanding tranche of the related class based on the Weighted Average Available Funds Allocation Amount of such tranche.

- The nominal liquidation amount of a note will be reduced by the amount on deposit in its respective principal funding subaccount.
- The nominal liquidation amount of a note will be reduced by the amount of all payments of principal of that note.
- Upon a sale of credit card receivables after the insolvency of MBNA, an event of default and acceleration or on the legal maturity date of a note, the nominal liquidation amount of such note will be automatically reduced to zero. See "*Sources of Funds to Pay the Notes—Sale of Credit Card Receivables.*"

The nominal liquidation amount of a note can be increased in two ways.

- For discount notes, the nominal liquidation amount will increase over time as principal accretes, to the extent that Available Funds are allocated for that purpose.
- If Available Funds are available, they will be applied to reimburse earlier reductions in the nominal liquidation amount from charge-offs for uncovered defaults on principal receivables in master trust II, or from reallocations of Available Principal Amounts from subordinated classes to pay shortfalls of Available Funds. Within each series, the increases will be allocated first to the senior-most class with a deficiency in its nominal liquidation amount and then, in succession, to the subordinated classes with a deficiency in the nominal liquidation amount. In a multiple tranche series, the increases will be further allocated to each tranche of a class *pro rata* based on the deficiency in the nominal liquidation amount in each tranche.

In most circumstances, the nominal liquidation amount of a note, together with any accumulated Available Principal Amounts held in a principal funding subaccount, will be equal to the outstanding dollar principal amount of that note. However, if there are reductions in the nominal liquidation amount as a result of reallocations of Available Principal Amounts from that note to pay interest on senior classes or the master trust II servicing fee, or as a result of charge-offs for uncovered defaults on principal receivables in master trust II allocable to the collateral certificate, there will be a deficit in the nominal liquidation amount of that note. Unless that deficiency is reimbursed through the reinvestment of Available Funds in the collateral certificate, the stated principal amount of that note will not be paid in full.

A subordinated note's nominal liquidation amount represents the maximum amount of Available Principal Amounts that may be reallocated from such note to pay interest on senior notes or the master trust II servicing fee of the same series and the maximum amount of charge-offs for uncovered defaults on the principal receivables in master trust II that may be allocated to such note. The nominal liquidation amount is also used to calculate the amount of Available Principal Amounts that can be allocated for payment of principal of a class or tranche of notes, or paid to the counterparty to a derivative agreement, if applicable. This means that if the nominal liquidation amount of a class or tranche of notes has been reduced by charge-offs for uncovered defaults on principal receivables in master trust II or by reallocations of Available Principal Amounts to pay interest on senior notes or the master trust

II servicing fee, the holders of notes with the reduced nominal liquidation amount will receive less than the full stated principal amount of their notes, either because the amount of dollars allocated to pay them is less than the outstanding dollar principal amount of the notes, or because the amount of dollars allocated to pay the counterparty to a derivative agreement is less than the amount necessary to obtain enough of the applicable foreign currency for payment of their notes in full.

The nominal liquidation amount of a note may not be reduced below zero, and may not be increased above the outstanding dollar principal amount of that note, less any amounts on deposit in the applicable principal funding subaccount.

If a note held by MBNA, the issuer or any of their affiliates is canceled, the nominal liquidation amount of that note is automatically reduced to zero, with a corresponding automatic reduction in the Investor Interest of the collateral certificate.

The cumulative amount of reductions of the nominal liquidation amount of any class or tranche of notes due to the reallocation of Available Principal Amounts to pay Available Funds shortfalls will be limited as described in the related prospectus supplement.

Allocations of charge-offs for uncovered defaults on principal receivables in master trust II and reallocations of Available Principal Amounts to cover Available Funds shortfalls reduce the nominal liquidation amount of outstanding notes only and do not affect notes that are issued after that time.

Final Payment of the Notes

Noteholders will not receive payment of principal in excess of the highest outstanding dollar principal amount of that series, class or tranche, or in the case of foreign currency notes, any amount received by the issuer under a derivative agreement with respect to principal.

Following the insolvency of MBNA, following an event of default and acceleration or on the legal maturity date of a series, class or tranche of notes, credit card receivables in an aggregate amount not to exceed the nominal liquidation amount, *plus* any past due, accrued and additional interest, of the related series, class or tranche will be sold by master trust II. The proceeds of such sale will be applied to the extent available to pay the outstanding principal amount of, plus any accrued, past due and additional interest on, those notes on the date of the sale.

A series, class or tranche of notes will be considered to be paid in full, the holders of those notes will have no further right or claim, and the issuer will have no further obligation or liability for principal or interest, on the earliest to occur of:

- the date of the payment in full of the stated principal amount of and all accrued, past due and additional interest on those notes;
- the date on which the outstanding dollar principal amount of the notes is reduced to zero and all accrued, past due and additional interest on those notes is paid in full; or
- the legal maturity date of those notes, after giving effect to all deposits, allocations, reallocations, sale of credit card receivables and payments to be made on that date.

Subordination of Interest and Principal

Interest and principal payments on subordinated classes of notes of a series may be subordinated as described in the related prospectus supplement.

Available Principal Amounts may be reallocated to pay interest on senior classes of notes of, or a portion of the master trust II servicing fee allocated to, that series. In addition, unless otherwise indicated in the related prospectus supplement, subordinated classes of notes bear the risk of reduction in their nominal liquidation amount due to charge-offs for uncovered defaults on principal receivables in master trust II before senior classes of notes. In a multiple tranche series, charge-offs from uncovered defaults on principal receivables in master trust II are generally allocated first to each class of a series and then reallocated to the subordinated classes of such series, reducing the nominal liquidation amount of such subordinated classes to the extent credit enhancement in the form of subordination is still available for the senior classes. See "*The Notes—Stated Principal Amount, Outstanding Dollar Principal Amount and Nominal Liquidation Amount—Nominal Liquidation Amount.*"

Required Subordinated Amount

The required subordinated amount of a senior class or tranche of notes is the amount of a subordinated class that is required to be outstanding and available to provide subordination for that senior class or tranche on the date when the senior class or tranche of notes is issued. Such amount will be specified in the applicable prospectus supplement. No notes of a series may be issued unless the required subordinated amount for that class or tranche of notes is available at the time of its issuance, as described in the related prospectus supplement. The required subordinated amount is also used, in conjunction with usage, to determine whether a subordinated class or tranche of a multiple tranche series may be repaid before its legal maturity date while senior notes of that series are outstanding.

The issuer may change the required subordinated amount for any tranche of notes at any time, without the consent of any noteholders, so long as the issuer has (i) received confirmation from the rating agencies that have rated any outstanding notes of the related series that the change in the required subordinated amount will not result in the reduction, qualification or withdrawal of the ratings of any outstanding notes in that series and (ii) delivered to the indenture trustee and the rating agencies a master trust II tax opinion and issuer tax opinion, as described under *"The Indenture—Tax Opinions for Amendments."*

Early Redemption of Notes

Each series, class and tranche of notes will be subject to mandatory redemption on its expected principal payment date, which will generally be 29 months before its legal maturity date. In addition, if any other early redemption event occurs, the issuer will be required to redeem each series, class or tranche of the affected notes before the expected principal payment date of that series, class or tranche of notes; however, for any such affected notes with the benefit of a derivative agreement, subject to certain exceptions, such redemption will not occur earlier than such notes' expected principal payment date if so specified in the accompanying prospectus supplement. The issuer will give notice to holders of the affected

notes before an early redemption date. See *"The Indenture—Early Redemption Events"* for a description of the early redemption events and their consequences to noteholders.

Whenever the issuer redeems a series, class or tranche of notes, it will do so only to the extent of Available Funds and Available Principal Amounts allocated to that series, class or tranche of notes, and only to the extent that the notes to be redeemed are not required to provide required subordination for senior notes. A noteholder will have no claim against the issuer if the issuer fails to make a required redemption of notes before the legal maturity date because no funds are available for that purpose or because the notes to be redeemed are required to provide subordination for senior notes. The failure to redeem before the legal maturity date under these circumstances will not be an event of default.

If so specified in the accompanying prospectus supplement, the servicer may direct the issuer to redeem the notes of any series, class or tranche before its expected principal payment date. The prospectus supplement will indicate at what times and under what conditions the issuer may exercise that right of redemption and if the redemption may be made in whole or in part, as well as other terms of the redemption. The issuer will give notice to holders of the affected notes before any optional redemption date.

Issuances of New Series, Classes and Tranches of Notes

Unless otherwise specified in the accompanying prospectus supplement, the issuer may issue new notes of any series, class or tranche only if the conditions of issuance are met (or waived as described below). These conditions include:

- on or before the third Business Day before a new issuance of notes, the issuer gives the indenture trustee and the rating agencies written notice of the issuance;
- on or prior to the date that the new issuance is to occur, the issuer delivers to the indenture trustee and each rating agency a certificate to the effect that:

  —the issuer reasonably believes that the new issuance will not at the time of its occurrence or at a future date (i) cause an early redemption event or event of default, (ii) adversely affect the amount of funds available to be distributed to noteholders of any series, class or tranche of notes or the timing of such distributions or (iii) adversely affect the security interest of the indenture trustee in the collateral securing the outstanding notes;

  —all instruments furnished to the indenture trustee conform to the requirements of the indenture and constitute sufficient authority under the indenture for the indenture trustee to authenticate and deliver the notes;

  —the form and terms of the notes have been established in conformity with the provisions of the indenture;

  —all laws and requirements with respect to the execution and delivery by the issuer of the notes have been complied with, the issuer has the power and authority to issue the notes, and the notes have been duly authorized and delivered by the issuer, and, assuming due authentication and delivery by the indenture trustee, constitute legal,

valid and binding obligations of the issuer enforceable in accordance with their terms (subject to certain limitations and conditions), and are entitled to the benefits of the indenture equally and ratably with all other notes, if any, of such series, class or tranche outstanding subject to the terms of the indenture, each indenture supplement and each terms document; and

—the issuer shall have satisfied such other matters as the indenture trustee may reasonably request;

- the issuer delivers to the indenture trustee and the rating agencies an opinion of counsel that for federal income tax purposes (i) the new issuance will not adversely affect the tax characterization as debt of any outstanding series or class of investor certificates issued by master trust II that were characterized as debt at the time of their issuance, (ii) following the new issuance, master trust II will not be treated as an association, or a publicly traded partnership, taxable as a corporation, and (iii) the new issuance will not cause or constitute an event in which gain or loss would be recognized by any holder of an investor certificate issued by master trust II;
- the issuer delivers to the indenture trustee and the rating agencies an opinion of counsel that for federal income tax purposes (i) the new issuance will not adversely affect the tax characterization as debt of any outstanding series, class or tranche of notes that were characterized as debt at the time of their issuance, (ii) following the new issuance, the issuer will not be treated as an association, or publicly traded partnership, taxable as a corporation, (iii) such issuance will not cause or constitute an event in which gain or loss would be recognized by any holder of such outstanding notes and (iv) except as provided in the related indenture supplement, following the new issuance of a series, class or tranche of notes, the newly issued series, class or tranche of notes will be properly characterized as debt;
- the issuer delivers to the indenture trustee an indenture supplement and terms document relating to the applicable series, class or tranche of notes;
- no Pay Out Event with respect to the collateral certificate has occurred or is continuing as of the date of the new issuance;
- in the case of foreign currency notes, the issuer appoints one or more paying agents in the appropriate countries;
- each rating agency that has rated any outstanding notes has provided confirmation that the new issuance of notes will not cause a reduction, qualification or withdrawal of the ratings of any outstanding notes rated by that rating agency;
- the provisions governing required subordinated amounts are satisfied; and
- any other conditions in the accompanying prospectus supplement are satisfied.

If the issuer obtains confirmation from each rating agency that has rated any outstanding notes that the issuance of a new series, class or tranche of notes will not cause a reduction, qualification or withdrawal of the ratings of any outstanding notes rated by that rating agency, then some of the conditions described above may be waived.

The issuer and the indenture trustee are not required to obtain the consent of any noteholder of any outstanding series, class or tranche to issue any additional notes of any series, class or tranche.

There are no restrictions on the timing or amount of any additional issuance of notes of an outstanding tranche of a multiple tranche series, so long as the conditions described above are met or waived. As of the date of any additional issuance of an outstanding tranche of notes, the stated principal amount, outstanding dollar principal amount and nominal liquidation amount of that tranche will be increased to reflect the principal amount of the additional notes. If the additional notes are a tranche of notes that has the benefit of a derivative agreement, the issuer will enter into a derivative agreement for the benefit of the additional notes. The targeted deposits, if any, to the principal funding subaccount will be increased proportionately to reflect the principal amount of the additional notes.

When issued, the additional notes of a tranche will be equally and ratably entitled to the benefits of the indenture and the related indenture supplement applicable to such notes as the other outstanding notes of that tranche without preference, priority or distinction.

Payments on Notes; Paying Agent

The notes offered by this prospectus and the accompanying prospectus supplement will be delivered in book-entry form and payments of principal of and interest on the notes will be made in U.S. dollars as described under "*—Book-Entry Notes*" unless the stated principal amount of the notes is denominated in a foreign currency.

The issuer, the indenture trustee and any agent of the issuer or the indenture trustee will treat the registered holder of any note as the absolute owner of that note, whether or not the note is overdue and notwithstanding any notice to the contrary, for the purpose of making payment and for all other purposes.

The issuer will make payments on a note to the registered holder of the note at the close of business on the record date established for the related payment date.

The issuer will designate the corporate trust office of The Bank of New York in New York City as its paying agent for the notes of each series. The issuer will identify any other entities appointed to serve as paying agents on notes of a series, class or tranche in a supplement to this prospectus. The issuer may at any time designate additional paying agents or rescind the designation of any paying agent or approve a change in the office through which any paying agent acts. However, the issuer will be required to maintain an office, agency or paying agent in each place of payment for a series, class or tranche of notes.

After notice by publication, all funds paid to a paying agent for the payment of the principal of or interest on any note of any series which remains unclaimed at the end of two years after the principal or interest becomes due and payable will be paid to the issuer. After funds are paid to the issuer, the holder of that note may look only to the issuer for payment of that principal or interest.

Denominations

The notes offered by this prospectus will be issued in denominations of $5,000 and multiples of $1,000 in excess of that amount.

Record Date

The record date for payment of the notes will be the last day of the month before the related payment date.

Governing Law

The laws of the State of Delaware will govern the notes and the indenture.

Form, Exchange and Registration and Transfer of Notes

The notes offered by this prospectus will be issued in registered form. The notes will be represented by one or more global notes registered in the name of The Depository Trust Company, as depository, or its nominee. We refer to each beneficial interest in a global note as a "book-entry note." For a description of the special provisions that apply to book-entry notes, see "*—Book-Entry Notes.*"

A holder of notes may exchange those notes for other notes of the same class or tranche of any authorized denominations and of the same aggregate stated principal amount, expected principal payment date and legal maturity date, and of like terms.

Any holder of a note may present that note for registration of transfer, with the form of transfer properly executed, at the office of the note registrar or at the office of any transfer agent that the issuer designates. Unless otherwise provided in the note to be transferred or exchanged, holders of notes will not be charged any service charge for the exchange or transfer of their notes. Holders of notes that are to be transferred or exchanged will be liable for the payment of any taxes and other governmental charges described in the indenture before the transfer or exchange will be completed. The note registrar or transfer agent, as the case may be, will effect a transfer or exchange when it is satisfied with the documents of title and identity of the person making the request.

The issuer will appoint The Bank of New York as the registrar for the notes. The issuer also may at any time designate additional transfer agents for any series, class or tranche of notes. The issuer may at any time rescind the designation of any transfer agent or approve a change in the location through which any transfer agent acts. However, the issuer will be required to maintain a transfer agent in each place of payment for a series, class or tranche of notes.

Book-Entry Notes

The notes offered by this prospectus will be delivered in book-entry form. This means that, except under the limited circumstances described below under "*—Definitive Notes,*" purchasers of notes will not be entitled to have the notes registered in their names and will not be entitled to receive physical delivery of the notes in definitive paper form. Instead, upon issuance, all the notes of a class will be represented by one or more fully registered permanent global notes, without interest coupons.

Each global note will be deposited with a securities depository named The Depository Trust Company and will be registered in the name of its nominee, Cede & Co. No global note representing book-entry notes may be transferred except as a whole by DTC to a nominee of
DTC, or by a nominee of DTC to another nominee of DTC. Thus, DTC or its nominee will be the only registered holder of the notes and will be considered the sole representative of the beneficial owners of notes for purposes of the indenture.

The registration of the global notes in the name of Cede & Co. will not affect beneficial ownership and is performed merely to facilitate subsequent transfers. The book-entry system, which is also the system through which most publicly traded common stock is held, is used because it eliminates the need for physical movement of securities. The laws of some jurisdictions, however, may require some purchasers to take physical delivery of their notes in definitive form. These laws may impair the ability to own or transfer book-entry notes.

Purchasers of notes in the United States may hold interests in the global notes through DTC, either directly, if they are participants in that system—such as a bank, brokerage house or other institution that maintains securities accounts for customers with DTC or its nominee—or otherwise indirectly through a participant in DTC. Purchasers of notes in Europe may hold interests in the global notes through Clearstream, Luxembourg, or through Euroclear Bank S.A./N.V., as operator of the Euroclear system.

Because DTC will be the only registered owner of the global notes, Clearstream, Luxembourg and Euroclear will hold positions through their respective U.S. depositories, which in turn will hold positions on the books of DTC.

As long as the notes are in book-entry form, they will be evidenced solely by entries on the books of DTC, its participants and any indirect participants. DTC will maintain records showing:

- the ownership interests of its participants, including the U.S. depositories; and
- all transfers of ownership interests between its participants.

The participants and indirect participants, in turn, will maintain records showing:

- the ownership interests of their customers, including indirect participants, that hold the notes through those participants; and
- all transfers between these persons.

Thus, each beneficial owner of a book-entry note will hold its note indirectly through a hierarchy of intermediaries, with DTC at the "top" and the beneficial owner's own securities intermediary at the "bottom."

The issuer, the indenture trustee and their agents will not be liable for the accuracy of, and are not responsible for maintaining, supervising or reviewing DTC's records or any participant's records relating to book-entry notes. The issuer, the indenture trustee and their agents also will not be responsible or liable for payments made on account of the book-entry notes.

Until Definitive Notes are issued to the beneficial owners as described below under *"—Definitive Notes,"* all references to "holders" of notes means DTC. The issuer, the indenture trustee and any paying agent, transfer agent or securities registrar may treat DTC as the absolute owner of the notes for all purposes.

Beneficial owners of book-entry notes should realize that the issuer will make all distributions of principal and interest on their notes to DTC and will send all required reports and notices solely to DTC as long as DTC is the registered holder of the notes. DTC and the participants are generally required by law to receive and transmit all distributions, notices and directions from the indenture trustee to the beneficial owners through the chain of intermediaries.

Similarly, the indenture trustee will accept notices and directions solely from DTC. Therefore, in order to exercise any rights of a holder of notes under the indenture, each person owning a beneficial interest in the notes must rely on the procedures of DTC and, in some cases, Clearstream, Luxembourg or Euroclear. If the beneficial owner is not a participant in that system, then it must rely on the procedures of the participant through which that person owns its interest. DTC has advised the issuer that it will take actions under the indenture only at the direction of its participants, which in turn will act only at the direction of the beneficial owners. Some of these actions, however, may conflict with actions it takes at the direction of other participants and beneficial owners.

Notices and other communications by DTC to participants, by participants to indirect participants, and by participants and indirect participants to beneficial owners will be governed by arrangements among them.

Beneficial owners of book-entry notes should also realize that book-entry notes may be more difficult to pledge because of the lack of a physical note. Beneficial owners may also experience delays in receiving distributions on their notes since distributions will initially be made to DTC and must be transferred through the chain of intermediaries to the beneficial owner's account.

The Depository Trust Company

DTC is a limited-purpose trust company organized under the New York Banking Law and is a "banking institution" within the meaning of the New York Banking Law. DTC is also a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934. DTC was created to hold securities deposited by its participants and to facilitate the clearance and settlement of securities transactions among its participants through electronic book-entry changes in accounts of the participants, thus eliminating the need for physical movement of securities. DTC is owned by a number of its participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. The rules applicable to DTC and its participants are on file with the Securities and Exchange Commission.

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Clearstream, Luxembourg

Clearstream, Luxembourg is registered as a bank in Luxembourg and is regulated by the Banque Centrale du Luxembourg, the Luxembourg Central Bank, which supervises Luxembourg banks. Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfers between their accounts. Clearstream, Luxembourg provides various services, including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in over 30 countries through established depository and custodial relationships. Clearstream, Luxembourg has established an electronic bridge with Euroclear in Brussels to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear. Clearstream, Luxembourg currently accepts over 110,000 securities issues on its books.

Clearstream, Luxembourg's customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Clearstream, Luxembourg's U.S. customers are limited to securities brokers and dealers and banks. Currently, Clearstream, Luxembourg has approximately 2,000 customers located in over 80 countries, including all major European countries, Canada, and the United States. Indirect access to Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg.

Euroclear System

Euroclear was created in 1968 to hold securities for participants of Euroclear and to clear and settle transactions between Euroclear participants through simultaneous electronic book- entry delivery against payment. This system eliminates the need for physical movement of securities and any risk from lack of simultaneous transfers of securities and cash. Euroclear includes various other services, including securities lending and borrowing and interfaces with domestic markets in several countries. The Euroclear operator is Euroclear Bank S.A./N.V. The Euroclear operator conducts all operations. All Euroclear securities clearance accounts and Euroclear cash accounts are accounts with the Euroclear operator. The Euroclear operator establishes policy for Euroclear on behalf of Euroclear participants. Euroclear participants include banks, including central banks, securities brokers and dealers and other professional financial intermediaries and may include the underwriters. Indirect access to Euroclear is also available to other firms that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

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

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This information about DTC, Clearstream, Luxembourg and Euroclear has been provided by each of them for informational purposes only and is not intended to serve as a representation, warranty or contract modification of any kind.

Distributions on Book-Entry Notes

The issuer will make distributions of principal of and interest on book-entry notes to DTC. These payments will be made in immediately available funds by the issuer's paying agent, The Bank of New York, at the office of the paying agent in New York City that the issuer designates for that purpose.

In the case of principal payments, the global notes must be presented to the paying agent in time for the paying agent to make those payments in immediately available funds in accordance with its normal payment procedures.

Upon receipt of any payment of principal of or interest on a global note, DTC will immediately credit the accounts of its participants on its book-entry registration and transfer system. DTC will credit those accounts with payments in amounts proportionate to the participants' respective beneficial interests in the stated principal amount of the global note as shown on the records of DTC. Payments by participants to beneficial owners of book-entry notes will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of those participants.

Distributions on book-entry notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg participants in accordance with its rules and procedures, to the extent received by its U.S. depository.

Distributions on book-entry notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Terms and Conditions, to the extent received by its U.S. depository.

In the event Definitive Notes are issued, distributions of principal and interest on Definitive Notes will be made directly to the holders of the Definitive Notes in whose names the Definitive Notes were registered at the close of business on the related record date.

Global Clearance and Settlement Procedures

Initial settlement for the notes will be made in immediately available funds. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC's rules and will be settled in immediately available funds using DTC's Same-Day Funds Settlement System. Secondary market trading between Clearstream, Luxembourg participants and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream, Luxembourg and Euroclear and will be settled using the procedures applicable to conventional eurobonds in immediately available funds.

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

Because of time-zone differences, credits to notes received in Clearstream, Luxembourg or Euroclear as a result of a transaction with a DTC participant will be made during subsequent securities settlement processing and will be credited the business day following a DTC settlement date. The credits to or any transactions in the notes settled during processing will be reported to the relevant Euroclear or Clearstream, Luxembourg participants on that business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of notes by or through a Clearstream, Luxembourg participant or a Euroclear participant to a DTC participant will be received with value on the DTC settlement date, but will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only as of the business day following settlement in DTC.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to these procedures in order to facilitate transfers of notes among participants of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform these procedures and these procedures may be discontinued at any time.

Definitive Notes

Beneficial owners of book-entry notes may exchange those notes for Definitive Notes registered in their name only if:

- DTC is unwilling or unable to continue as depository for the global notes or ceases to be a registered "clearing agency" and the issuer is unable to find a qualified replacement for DTC;
- the issuer, in its sole discretion, elects to terminate the book-entry system through DTC; or
- any event of default has occurred with respect to those book-entry notes and beneficial owners evidencing not less than 50% of the unpaid outstanding dollar principal amount of the notes of that class advise the indenture trustee and DTC that the continuation of a book-entry system is no longer in the best interests of those beneficial owners.

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If any of these three events occurs, DTC is required to notify the beneficial owners through the chain of intermediaries that the Definitive Notes are available. The appropriate global note will then be exchangeable in whole for Definitive Notes in registered form of like tenor and of an equal aggregate stated principal amount, in specified denominations. Definitive Notes will be registered in the name or names of the person or persons specified by DTC in a written instruction to the registrar of the notes. DTC may base its written instruction upon directions it receives from its participants. Thereafter, the holders of the Definitive Notes will be recognized as the "holders" of the notes under the indenture.

Replacement of Notes

The issuer will replace at the expense of the holder any mutilated note upon surrender of that note to the indenture trustee. The issuer will replace at the expense of the holder any notes that are destroyed, lost or stolen upon delivery to the indenture trustee of evidence of the destruction, loss or theft of those notes satisfactory to the issuer and the indenture trustee. In the case of a destroyed, lost or stolen note, the issuer and the indenture trustee may require the holder of the note to provide an indemnity satisfactory to the indenture trustee and the issuer before a replacement note will be issued, and the issuer may require the payment of a sum sufficient to cover any tax or other governmental charge, and any other expenses (including the fees and expenses of the indenture trustee) in connection with the issuance of a replacement note.

Sources of Funds to Pay the Notes

The Collateral Certificate

The primary source of funds for the payment of principal of and interest on the notes will be the collateral certificate issued by master trust II to the issuer. The following discussion and certain discussions in the related prospectus supplement summarize the material terms of the collateral certificate. These summaries do not purport to be complete and are qualified in their entirety by reference to the provisions of the master trust II agreement and the collateral certificate. For a description of master trust II and its assets, see *"Master Trust II."* The collateral certificate is the only master trust II investor certificate issued pursuant to Series 2001-D.

The collateral certificate represents an undivided interest in the assets of master trust II. The assets of master trust II consist primarily of credit card receivables arising in selected MasterCard, Visa and American Express revolving credit card accounts that have been transferred by MBNA. The amount of credit card receivables in master trust II will fluctuate from day to day as new receivables are generated or added to or removed from master trust II and as other receivables are collected, charged off as uncollectible, or otherwise adjusted.

The collateral certificate has no specified interest rate. The issuer, as holder of the collateral certificate, is entitled to receive its allocable share of defaults and of collections of finance charge receivables and principal receivables payable by master trust II.

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Finance charge receivables are all periodic finance charges, annual membership fees, cash advance fees and late charges on amounts charged for merchandise and services and some other fees designated by MBNA, and recoveries on receivables in Defaulted Accounts. Principal receivables are all amounts charged by cardholders for merchandise and services, amounts advanced to cardholders as cash advances and all other fees billed to cardholders on the credit card accounts. Interchange, which represents fees received by MBNA from MasterCard, Visa and American Express as partial compensation for taking credit risk, absorbing fraud losses and funding receivables for a limited period before initial billing, will be treated as collections of finance charge receivables. Interchange varies from approximately 1% to 2% of the transaction amount, but these amounts may be changed by MasterCard, Visa or American Express.

Each month, master trust II will allocate collections of finance charge receivables and principal receivables and defaults to the investor certificates outstanding under master trust II, including the collateral certificate.

Allocations of defaults and collections of finance charge receivables are made *pro rata* among each series of investor certificates issued by master trust II, including the collateral certificate, based on its respective Investor Interest, and the seller, based on the Seller Interest. In general, the Investor Interest of each series of investor certificates (including the collateral certificate) issued by master trust II will equal the stated dollar amount of the investor certificates (including the collateral certificate) issued to investors in that series, less unreimbursed charge-offs for uncovered defaults on principal receivables in master trust II allocated to those investors, reallocations of collections of principal receivables to cover certain shortfalls in collections of finance charge receivables and principal payments deposited to a master trust II principal funding account or made to those investors.

The collateral certificate has a fluctuating Investor Interest, representing the investment of that certificate in principal receivables. The Investor Interest of the collateral certificate will equal the total nominal liquidation amount of the outstanding notes secured by the collateral certificate. For a discussion of Investor Interest, see the definition of Investor Interest in the glossary. The Seller Interest, which is owned by MBNA, represents the interest in the principal receivables in master trust II not represented by any master trust II series of investor certificates. For example, if the total principal receivables in master trust II at the end of the month is 500, the Investor Interest of the collateral certificate is 100, the Investor Interests of the other investor certificates are 200 and the Seller Interest is 200, the collateral certificate is entitled, in general, to 1/5—or 100/500—of the defaults and collections of finance charge receivables for the applicable month.

Collections of principal receivables are allocated similarly to the allocation of collections of finance charge receivables when no principal amounts are needed for deposit into a principal funding account or needed to pay principal to investors. However, collections of principal receivables are allocated differently when principal amounts need to be deposited into master trust II principal funding accounts or paid to master trust II investors. When the principal amount of a master trust II investor certificate other than the collateral certificate begins to accumulate or amortize, collections of principal receivables continue to be allocated

to the series as if the Investor Interest of that series had not been reduced by principal collections deposited to a master trust II principal funding account or paid to master trust II investors. During this time, allocations of collections of principal receivables to the investors in a series of certificates issued by master trust II, other than the collateral certificate, is based on the Investor Interest of the series "fixed" at the time immediately before the first deposit of principal collections into a principal funding account or the time immediately before the first payment of principal collections to investors.

The collateral certificate is allocated collections of principal receivables at all times based on an Investor Interest calculation which is an aggregate of the nominal liquidation amounts for each individual class or tranche of notes. For classes and tranches of notes which do not require principal amounts to be deposited into a principal funding account or paid to noteholders, the nominal liquidation amount calculation will be "floating," i.e. calculated as of the end of the prior month. For classes or tranches of notes which require principal amounts to be deposited into a principal funding account or paid to noteholders, the nominal liquidation amount will be "fixed" immediately before the issuer begins to allocate Available Principal Amounts to the principal funding subaccount for that class or tranche, i.e. calculated as of the end of the month prior to any reductions for deposits or payments of principal.

For a detailed description of the percentage used in allocating finance charge collections and defaults to the collateral certificate, see the definition of "Floating Investor Percentage" in the glossary. For a detailed description of the percentage used in allocating principal collections to the collateral certificate, see the definition of "Principal Investor Percentage" in the glossary.

If collections of principal receivables allocated to the collateral certificate are needed for reallocation to cover certain shortfalls in Available Funds, to pay the notes or to make a deposit into the issuer accounts within a month, they will be deposited into the issuer's collection account. Otherwise, collections of principal receivables allocated to the collateral certificate will be reallocated to other series of master trust II investor certificates which have principal collection shortfalls—which does not reduce the Investor Interest of the collateral certificate—or reinvested in master trust II to maintain the Investor Interest of the collateral certificate. If the collateral certificate has a shortfall in collections of principal receivables, but other series of investor certificates issued by master trust II have excess collections of principal receivables, a portion of the excess collections of principal receivables allocated to other series of investor certificates issued by master trust II will be reallocated to the collateral certificate and any other master trust II investor certificate which may have a shortfall in collections of principal receivables and the collateral certificate's share of the excess collections of principal receivables from the other series will be paid to the issuer and treated as Available Principal Amounts.

The collateral certificate will also be allocated a portion of the net investment earnings, if any, on amounts in the master trust II finance charge account and the master trust II principal account, as more specifically described below in *"—Deposit and Application of Funds."* Such net investment earnings will be treated as Available Funds.

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Upon a sale of credit card receivables, or interests therein, following an insolvency of MBNA, following an event of default and acceleration, or on the applicable legal maturity date for a series, class or tranche of notes, as described in the accompanying prospectus supplement, the portion of the nominal liquidation amount, and thereby the portion of the Investor Interest, related to that series, class or tranche will be reduced to zero and that series, class or tranche will no longer receive any allocations of collections of finance charge receivables or principal receivables from master trust II and any allocations of Available Funds or Available Principal Amounts from the issuer.

Following a Pay Out Event with respect to the collateral certificate, which is an early redemption event for the notes, all collections of principal receivables for any month allocated to the Investor Interest of the collateral certificate will be used to cover principal payments to the issuer as holder of the collateral certificate.

For a detailed description of the application of collections and allocation of defaults by master trust II, see "*Master Trust II—Application of Collections*" and "*—Defaulted Receivables; Rebates and Fraudulent Charges*" in this prospectus.

Deposit and Application of Funds

Collections of finance charge receivables allocated and paid to the issuer, as holder of the collateral certificate, as described in "*—The Collateral Certificate*" above and "*Master Trust II—Application of Collections*" in this prospectus, will be treated as Available Funds. Such Available Funds will be allocated *pro rata* to each series of notes in an amount equal to the sum of:

- the sum of the Daily Available Funds Amounts for each day during such month for such series of notes,
- such series's *pro rata* portion of the net investment earnings, if any, in the master trust II finance charge account that are allocated to the collateral certificate with respect to the related Transfer Date, based on the ratio of the aggregate amount on deposit in the master trust II finance charge account with respect to such series of notes to the aggregate amount on deposit in the master trust II finance charge account with respect to all series of notes, and
- such series's *pro rata* portion of the net investment earnings, if any, in the master trust II principal account that are allocated to the collateral certificate with respect to the related Transfer Date, based on the ratio of the aggregate amount on deposit in the master trust II principal account with respect to such series of notes to the aggregate amount on deposit in the master trust II principal account with respect to all series of notes.

Collections of principal receivables allocated and paid to the issuer, as holder of the collateral certificate, as described in "*—The Collateral Certificate*" above and "*Master Trust II—Application of Collections*" in this prospectus, will be treated as Available Principal Amounts. Such Available Principal Amounts, after any reallocations of Available Principal

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Amounts, will be allocated to each series of notes with a monthly principal payment for such month in an amount equal to:

- such series's monthly principal payment; or
- in the event that Available Principal Amounts for any month are less than the aggregate monthly principal payments for all series of notes, Available Principal Amounts will be allocated to each series of notes with a monthly principal payment for such month to the extent needed by each such series to cover its monthly principal payment in an amount equal to the lesser of (a) the sum of the Daily Principal Amounts for each day during such month for such series of notes and (b) the monthly principal payment for such series of notes for such month.

If Available Principal Amounts for any month are less than the aggregate monthly principal payments for all series of notes, and any series of notes has excess Available Principal Amounts remaining after its application of its allocation described above, then any such excess will be applied to each series of notes to the extent such series still needs to cover a monthly principal payment *pro rata* based on the ratio of the Weighted Average Principal Allocation Amount for the related series of notes for such month to the Weighted Average Principal Allocation Amount for all series of notes with an unpaid monthly principal payment for such month.

In the case of a series of notes having more than one class or tranche, Available Principal Amounts and Available Funds allocated to that series will be further allocated and applied to each class or tranche in the manner and order of priority described in the accompanying prospectus supplement.

Issuer Accounts

The issuer has established a collection account for the purpose of receiving payments of finance charge collections and principal collections and other amounts from master trust II payable under the collateral certificate.

If so specified in the accompanying prospectus supplement, the issuer may direct the indenture trustee to establish and maintain in the name of the indenture trustee supplemental accounts for any series, class or tranche of notes for the benefit of the related noteholders.

Each month, distributions on the collateral certificate will be deposited into one or more supplemental accounts, to make payments of interest on and principal of the notes, to make payments under any applicable derivative agreements, and for the other purposes as specified in the accompanying prospectus supplement.

The supplemental accounts described in this section are referred to as issuer accounts. Amounts maintained in issuer accounts may only be invested in Permitted Investments.

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Derivative Agreements

Some notes may have the benefit of one or more derivative agreements, which may be a currency, interest rate or other swap, a cap, a collar, a guaranteed investment contract or other similar arrangements with various counterparties. In general, the issuer will receive payments from counterparties to the derivative agreements in exchange for the issuer's payments to them, to the extent required under the derivative agreements. Payments received from derivative counterparties with respect to interest payments on dollar notes in a series, class or tranche will generally be treated as Available Funds for such series, class or tranche. The specific terms of a derivative agreement applicable to a series, class or tranche of notes and a description of the related counterparty will be included in the related prospectus supplement.

Sale of Credit Card Receivables

In addition to a sale of receivables following an insolvency of MBNA, if a series, class or tranche of notes has an event of default and is accelerated before its legal maturity date, master trust II will sell credit card receivables, or interests therein, if the conditions described in "*The Indenture—Events of Default*" and "*—Events of Default Remedies*" are satisfied, and with respect to subordinated notes of a multiple tranche series, only to the extent that payment is permitted by the subordination provisions of the senior notes of the same series. This sale will take place at the direction of the indenture trustee or at the direction of the holders of a majority of aggregate outstanding dollar principal amount of notes of that series, class or tranche.

Any sale of receivables for a subordinated tranche of notes in a multiple tranche series may be delayed until the senior classes of notes of the same series are prefunded, enough notes of senior classes are repaid, or new subordinated notes have been issued, in each case, to the extent that the subordinated tranche is no longer needed to provide the required subordination for the senior notes of that series. In a multiple tranche series, if a senior tranche of notes directs a sale of credit card receivables, then after the sale that tranche will no longer be entitled to subordination from subordinated classes of notes of the same series.

If principal of or interest on a tranche of notes has not been paid in full on its legal maturity date, the sale will automatically take place on that date regardless of the subordination requirements of any senior classes of notes. Proceeds from such sale will be immediately paid to the noteholders of the related tranche.

The amount of credit card receivables sold will be up to the nominal liquidation amount of, plus any accrued, past due and additional interest on, the related notes. The nominal liquidation amount of such notes will be automatically reduced to zero upon such sale. No more Available Principal Amounts or Available Funds will be allocated to those notes. Noteholders will receive the proceeds of such sale in an amount not to exceed the outstanding principal amount of, plus any past due, accrued and additional interest on, such notes. Such notes are no longer outstanding under the indenture once the sale occurs.

After giving effect to a sale of receivables for a series, class or tranche of notes, the amount of proceeds on deposit in a principal funding account or subaccount may be less than the

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outstanding dollar principal amount of that series, class or tranche. This deficiency can arise because the nominal liquidation amount of that series, class or tranche was reduced before the sale of receivables or because the sale price for the receivables was less than the outstanding dollar principal amount and accrued, past due and additional interest. Unless otherwise specified in the prospectus supplement, these types of deficiencies will not be reimbursed.

Limited Recourse to the Issuer; Security for the Notes

Only the portion of Available Funds and Available Principal Amounts allocable to a series, class or tranche of notes after giving effect to all allocations and reallocations thereof, funds on deposit in the applicable issuer accounts, any applicable derivative agreement and proceeds of sales of credit card receivables provide the source of payment for principal of or interest on any series, class or tranche of notes. Noteholders will have no recourse to any other assets of the issuer or any other person or entity 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 collateral certificate and the collection account, but each series, class or tranche of notes is entitled to the benefits of only that portion of those assets allocated to it under the indenture and the related indenture supplement. Each series, class or tranche of notes is also secured by a security interest in any applicable supplemental account and any applicable derivative agreement.

The Indenture

The notes will be issued pursuant to the terms of the indenture and a related indenture supplement. The following discussion and the discussions under *"The Notes"* in this prospectus and certain sections in the prospectus summary summarize the material terms of the notes, the indenture and the indenture supplements. These summaries do not purport to be complete and are qualified in their entirety by reference to the provisions of the notes, the indenture and the indenture supplements.

Indenture Trustee

The Bank of New York is the trustee under the indenture for the notes. Its principal corporate trust office is located at 101 Barclay Street, Floor 8 West, Attention: Corporate Trust Administration—Asset Backed Securities, New York, New York 10286.

Under the terms of the indenture, the issuer has agreed to pay to the indenture trustee reasonable compensation for performance of its duties under the indenture. The indenture trustee has agreed to perform only those duties specifically set forth in the indenture. Many of the duties of the indenture trustee are described throughout this prospectus and the related prospectus supplement. Under the terms of the indenture, the indenture trustee's limited responsibilities include the following:

- to deliver to noteholders of record certain notices, reports and other documents received by the indenture trustee, as required under the indenture;
- to authenticate, deliver, cancel and otherwise administer the notes;

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- to maintain custody of the collateral certificate;
- to establish and maintain necessary issuer accounts and to maintain accurate records of activity in those accounts;
- to serve as the initial transfer agent, paying agent and registrar, and, if it resigns these duties, to appoint a successor transfer agent, paying agent and registrar;
- to invest funds in the issuer accounts at the direction of the issuer;
- to represent the noteholders in interactions with clearing agencies and other similar organizations;
- to distribute and transfer funds at the direction of the issuer, as applicable, in accordance with the terms of the indenture;
- to periodically report on and notify noteholders of certain matters relating to actions taken by the indenture trustee, property and funds that are possessed by the indenture trustee, and other similar matters; and
- to perform certain other administrative functions identified in the indenture.

In addition, the indenture trustee has the discretion to require the issuer to cure a potential event of default and to institute and maintain suits to protect the interest of the noteholders in the collateral certificate. The indenture trustee is not liable for any errors of judgment as long as the errors are made in good faith and the indenture trustee was not negligent. The indenture trustee is not responsible for any investment losses to the extent that they result from permitted investments.

If an event of default occurs, in addition to the responsibilities described above, the indenture trustee will exercise its rights and powers under the indenture to protect the interests of the noteholders using the same degree of care and skill as a prudent man would exercise in the conduct of his own affairs. If an event of default occurs and is continuing, the indenture trustee will be responsible for enforcing the agreements and the rights of the noteholders. See "*The Indenture—Events of Default Remedies.*" The indenture trustee may, under certain limited circumstances, have the right or the obligation to do the following:

- demand immediate payment by the issuer of all principal and accrued interest on the notes;
- enhance monitoring of the securitization;
- protect the interests of the noteholders in the collateral certificate or the receivables in a bankruptcy or insolvency proceeding;
- prepare and send timely notice to noteholders of the event of default;
- institute judicial proceedings for the collection of amounts due and unpaid;
- rescind and annul a declaration of acceleration of the notes by the noteholders following an event of default; and

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- cause master trust II to sell credit card receivables (see *"Sources of Funds to Pay the Notes—Sale of Credit Card Receivables"*).

Following an event of default, the majority holders of any series, class or tranche of notes will have the right to direct the indenture trustee to exercise certain remedies available to the indenture trustee under the indenture. In such case, the indenture trustee may decline to follow the direction of the majority holders only if it determines that: (1) the action so directed is unlawful or conflicts with the indenture, (2) the action so directed would involve it in personal liability, or (3) the action so directed would be unjustly prejudicial to the noteholders not taking part in such direction.

The indenture trustee may resign at any time. The issuer may also remove the indenture trustee if the indenture trustee is no longer eligible to act as trustee under the indenture or if the indenture trustee becomes insolvent. In all circumstances, the issuer must appoint a successor indenture trustee for the notes. 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 the appointment.

The issuer or its affiliates may maintain accounts and other banking or trustee relationships with the indenture trustee and its affiliates.

Issuer Covenants

The issuer will not, among other things:

- claim any credit on or make any deduction from the principal and interest payable on the notes, other than amounts withheld in good faith from such payments under the Internal Revenue Code or other applicable tax law,
- voluntarily dissolve or liquidate, or
- permit (A) the validity or effectiveness of the indenture to be impaired, or permit the lien created by 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 except as may be expressly permitted by the indenture, (B) any lien, charge, excise, claim, security interest, mortgage or other encumbrance (other than the lien created by the indenture) to be created on or extend to or otherwise arise upon or burden the collateral securing the notes or proceeds thereof or (C) the lien of the indenture not to constitute a valid first priority security interest in the collateral securing the notes.

The issuer may not engage in any activity other than the activities described in *"The Issuer"* in this prospectus. The issuer will not incur, assume, guarantee or otherwise become liable, directly or indirectly, for any indebtedness except for the notes.

The issuer will also covenant that if:

- the issuer defaults in the payment of interest on any series, class or tranche of notes when such interest becomes due and payable and such default continues for a period of 35 days following the date on which such interest became due and payable, or

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- the issuer defaults in the payment of the principal of any series, class or tranche of notes on its legal maturity date,

and any such default continues beyond any specified period of grace provided with respect to such series, class or tranche of notes, the issuer will, upon demand of the indenture trustee, pay to the indenture trustee, for the benefit of the holders of any such notes of the affected series, class or tranche, the whole amount then due and payable on any such notes for principal and interest, with interest, to the extent that payment of such interest will be legally enforceable, upon the overdue principal and upon overdue installments of interest. In addition, the issuer will pay an amount sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the indenture trustee, its agents and counsel and all other compensation due to the indenture trustee. If the issuer fails to pay such amounts upon such demand, the indenture trustee may institute a judicial proceeding for the collection of the unpaid amounts described above.

Early Redemption Events

The issuer will be required to redeem in whole or in part, to the extent that funds are available for that purpose and, with respect to subordinated notes of a multiple tranche series, to the extent payment is permitted by the subordination provisions of the senior notes of the same series, each affected series, class or tranche of notes upon the occurrence of an early redemption event. Early redemption events include the following:

- with respect to any tranche of notes, the occurrence of such note's expected principal payment date;
- each of the Pay Out Events applicable to the collateral certificate, as described under *"Master Trust II—Pay Out Events"*;
- the issuer becoming an "investment company" within the meaning of the Investment Company Act of 1940, as amended; and
- with respect to any series, class or tranche of notes, any additional early redemption event specified in the accompanying prospectus supplement.

The redemption price of a note so redeemed will be the outstanding principal amount of that note, plus accrued, past due and additional interest to but excluding the date of redemption, which will be the next payment date. If the amount of Available Funds and Available Principal Amounts allocable to the series, class or tranche of notes to be redeemed, together with funds on deposit in the applicable principal funding subaccount, interest funding subaccount and Class C reserve subaccount and any amounts payable to the issuer under any applicable derivative agreement are insufficient to pay the redemption price in full on the next payment date after giving effect to the subordination provisions and allocations to any other notes ranking equally with that note, monthly payments on the notes to be redeemed will thereafter be made on each principal payment date until the outstanding principal amount of the notes *plus* all accrued, past due and additional interest are paid in full, or the legal maturity date of the notes occurs, whichever is earlier. However, if so specified in the accompanying

prospectus supplement, subject to certain exceptions, any notes that have the benefit of a derivative agreement will not be redeemed prior to such notes' expected principal payment date.

No Available Principal Amounts will be allocated to a series, class or tranche of notes with a nominal liquidation amount of zero, even if the stated principal amount of that series, class or tranche has not been paid in full. However, any funds previously deposited in the applicable principal funding subaccount, interest funding subaccount and Class C reserve subaccount and any amounts received from an applicable derivative agreement will still be available to pay principal of and interest on that series, class or tranche of notes. In addition, if Available Funds are available, they can be applied to reimburse reductions in the nominal liquidation amount of that series, class or tranche resulting from reallocations of Available Principal Amounts to pay interest on senior classes of notes or the master trust II servicing fee, or from charge-offs for uncovered defaults on principal receivables in master trust II.

Payments on redeemed notes will be made in the same priority as described in the related prospectus supplement. The issuer will give notice to holders of the affected notes before an early redemption date.

Events of Default

Each of the following events is an event of default for any affected series, class or tranche of notes:

- with respect to any tranche of notes, the issuer's failure, for a period of 35 days, to pay interest on such notes when such interest becomes due and payable;
- with respect to any tranche of notes, the issuer's failure to pay the principal amount of such notes on the applicable legal maturity date;
- the issuer's default in the performance, or breach, of any other of its covenants or warranties in the indenture, for a period of 60 days after either the indenture trustee or the holders of at least 25% of the aggregate outstanding dollar principal amount of the outstanding notes of the affected series, class or tranche has provided written notice requiring remedy of such breach, and, as a result of such default, the interests of the related noteholders are materially and adversely affected and continue to be materially and adversely affected during the 60 day period;
- the occurrence of certain events of bankruptcy, insolvency, conservatorship or receivership of the issuer; and
- with respect to any series, class or tranche, any additional events of default specified in the prospectus supplement relating to the series, class or tranche.

Failure to pay the full stated principal amount of a note on its expected principal payment date will not constitute an event of default. An event of default with respect to one series, class or tranche of notes will not necessarily be an event of default with respect to any other series, class or tranche of notes.

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Events of Default Remedies

The occurrence of some events of default involving the bankruptcy or insolvency of the issuer results in an automatic acceleration of all of the notes. If other events of default occur and are continuing with respect to any series, class or tranche, either the indenture trustee or the holders of more than a majority in aggregate outstanding dollar principal amount of the notes of that series, class or tranche may declare by written notice to the issuer the principal of all those outstanding notes to be immediately due and payable. This declaration of acceleration may generally be rescinded by the holders of a majority in aggregate outstanding dollar principal amount of outstanding notes of that series, class or tranche.

If a series, class or tranche of notes is accelerated before its legal maturity date, the indenture trustee may at any time thereafter, and at the direction of the holders of a majority of aggregate outstanding dollar principal amount of notes of that series, class or tranche at any time thereafter will, direct master trust II to sell credit card receivables, in an amount up to the nominal liquidation amount of the affected series, class or tranche of notes plus any accrued, past due and additional interest on the affected series, class or tranche, as described in "*Sources of Funds to Pay the Notes—Sale of Credit Card Receivables,*" but only if at least one of the following conditions is met:

- the noteholders of 90% of the aggregate outstanding dollar principal amount of the accelerated series, class or tranche of notes consent; or
- the net proceeds of such sale (*plus* amounts on deposit in the applicable subaccounts and payments to be received from any applicable derivative agreement) would be sufficient to pay all outstanding amounts due on the accelerated series, class or tranche of notes; or
- if the indenture trustee determines that the funds to be allocated to the accelerated series, class or tranche of notes may not be sufficient on an ongoing basis to make all payments on such notes as such payments would have become due if such obligations had not been declared due and payable, and the holders of not less than 66 2/3% of the aggregate outstanding principal dollar amount of notes of the accelerated series, class or tranche, as applicable, consent to the sale.

In addition, a sale of receivables following an event of default and acceleration of a subordinated tranche of notes of a multiple tranche series may be delayed as described under "*Source of Funds to Pay the Notes—Sale of Credit Card Receivables*" if the payment is not permitted by the subordination provisions of the senior notes of the same series.

If an event of default occurs relating to the failure to pay principal of or interest on a series, class or tranche of notes in full on the legal maturity date, the issuer will automatically direct master trust II to sell credit card receivables on the date, as described in "*Sources of Funds to Pay the Notes—Sale of Credit Card Receivables.*"

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Any money or other property collected by the indenture trustee with respect to a series, class or tranche of notes in connection with a sale of credit card receivables following an event of default will be applied in the following priority, at the dates fixed by the indenture trustee:

- first, to pay all compensation owed to the indenture trustee for services rendered in connection with the indenture, reimbursements to the indenture trustee for all reasonable expenses, disbursements and advances incurred or made in accordance with the indenture, or indemnification of the indenture trustee for any and all losses, liabilities or expenses incurred without negligence or bad faith on its part, arising out of or in connection with its administration of the issuer;
- second, to pay the amounts of interest and principal then due and unpaid on the notes of that series, class or tranche; and
- third, any remaining amounts will be paid to the issuer.

If a sale of credit card receivables does not take place following an acceleration of a series, class or tranche of notes, then:

- The issuer will continue to hold the collateral certificate, and distributions on the collateral certificate will continue to be applied in accordance with the distribution provisions of the indenture and the indenture supplement.
- Principal will be paid on the accelerated series, class or tranche of notes to the extent funds are received from master trust II and available to the accelerated series, class or tranche after giving effect to all allocations and reallocations and payment is permitted by the subordination provisions of the senior notes of the same series.
- If the accelerated notes are a subordinated tranche of notes of a multiple tranche series, and the subordination provisions prevent the payment of the accelerated subordinated tranche, prefunding of the senior classes of that series will begin, as provided in the applicable indenture supplement. Thereafter, payment will be made to the extent provided in the applicable indenture supplement.
- On the legal maturity date of the accelerated notes, if the notes have not been paid in full, the indenture trustee will direct master trust II to sell credit card receivables as provided in the applicable indenture supplement.

The holders of a majority in aggregate outstanding dollar principal amount of any accelerated series, class or tranche of notes have the right to direct the time, method and place of conducting any proceeding for any remedy available to the indenture trustee, or exercising any trust or power conferred on the indenture trustee. However, this right may be exercised only if the direction provided by the noteholders does not conflict with applicable law or the indenture or the related indenture supplement or have a substantial likelihood of involving the indenture trustee in personal liability. The holder of any note will have the right to institute suit for the enforcement of payment of principal of and interest on such note on the legal maturity date expressed in such note.

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Generally, if an event of default occurs and any notes are accelerated, the indenture trustee is not obligated to exercise any of its rights or powers under the indenture unless the holders of affected notes offer the indenture trustee reasonable indemnity. Upon acceleration of the maturity of a series, class or tranche of notes following an event of default, the indenture trustee will have a lien on the collateral for those notes ranking senior to the lien of those notes for its unpaid fees and expenses.

The indenture trustee has agreed, and the noteholders will agree, that they will not at any time institute against the issuer, MBNA or master trust II any bankruptcy, reorganization or other proceeding under any federal or state bankruptcy or similar law.

Meetings

The indenture trustee may call a meeting of the holders of notes of a series, class or tranche at any time. The indenture trustee will call a meeting upon request of the issuer or the holders of at least 10% in aggregate outstanding dollar principal amount of the outstanding notes of the series, class or tranche. In any case, a meeting will be called after notice is given to holders of notes in accordance with the indenture.

The quorum for a meeting is a majority of the holders of the outstanding dollar principal amount of the related series, class or tranche of notes, as the case may be, unless a higher percentage is specified for approving action taken at the meeting, in which case the quorum is the higher percentage.

Voting

Any action or vote to be taken by the holders of a majority, or other specified percentage, of any series, class or tranche of notes may be adopted by the affirmative vote of the holders of a majority, or the applicable other specified percentage, of the aggregate outstanding dollar principal amount of the outstanding notes of that series, class or tranche, as the case may be.

Any action or vote taken at any meeting of holders of notes duly held in accordance with the indenture will be binding on all holders of the affected notes or the affected series, class or tranche of notes, as the case may be.

Notes held by the issuer, MBNA or their affiliates will not be deemed outstanding for purposes of voting or calculating a quorum at any meeting of noteholders.

Amendments to the Indenture and Indenture Supplements

The issuer and the indenture trustee may amend, supplement or otherwise modify the indenture or any indenture supplement without the consent of any noteholders to provide for the issuance of any series, class or tranche of notes (as described under *"The Notes—Issuances of New Series, Classes and Tranches of Notes"*) and to set forth the terms thereof.

In addition, upon delivery of a master trust II tax opinion and issuer tax opinion, as described under *"—Tax Opinions for Amendments"* below, and upon delivery by the issuer to

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the indenture trustee of an officer's certificate to the effect that the issuer reasonably believes that such amendment will not and is not reasonably expected to (i) result in the occurrence of an early redemption event or event of default, (ii) adversely affect the amount of funds available to be distributed to the noteholders of any series, class or tranche of notes or the timing of such distributions, or (iii) adversely affect the security interest of the indenture trustee in the collateral securing the notes, the indenture or any indenture supplement may be amended, supplemented or otherwise modified without the consent of any noteholders to:

- evidence the succession of another entity to the issuer, and the assumption by such successor of the covenants of the issuer in the indenture and the notes;
- add to the covenants of the issuer, or have the issuer surrender any of its rights or powers under the indenture, for the benefit of the noteholders of any or all series, classes or tranches;
- cure any ambiguity, correct or supplement any provision in the indenture which may be inconsistent with any other provision in the indenture, or make any other provisions with respect to matters or questions arising under the indenture;
- add to the indenture certain provisions expressly permitted by the Trust Indenture Act of 1939, as amended;
- establish any form of note, or to add to the rights of the holders of the notes of any series, class or tranche;
- provide for the acceptance of a successor indenture trustee under the indenture with respect to one or more series, classes or tranches of notes and add to or change any of the provisions of the indenture as will be necessary to provide for or facilitate the administration of the trusts under the indenture by more than one indenture trustee;
- add any additional early redemption events or events of default with respect to the notes of any or all series, classes or tranches;
- provide for the consolidation of master trust II and the issuer or the transfer of assets in master trust II to the issuer after the termination of all series of master trust II investor certificates (other than the collateral certificate);
- if one or more sellers are added to, or replaced under, the master trust II agreement, or one or more beneficiaries are added to, or replaced under, the trust agreement, make any necessary changes to the indenture or any other related document;
- provide for the addition of collateral securing the notes and the issuance of notes backed by any such additional collateral;
- provide for additional or alternative credit enhancement for any tranche of notes; or
- qualify for sale treatment under generally accepted accounting principles.

The indenture or any indenture supplement may also be amended without the consent of the indenture trustee or any noteholders upon delivery of a master trust II tax opinion and issuer tax opinion, as described under *"—Tax Opinions for Amendments"* below, for the purpose of adding provisions to, or changing in any manner or eliminating any of the

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provisions of, the indenture or any indenture supplement or of modifying in any manner the rights of the holders of the notes under the indenture or any indenture supplement, *provided, however,* that the issuer shall (i) deliver to the indenture trustee and the owner trustee an officer's certificate to the effect that the issuer reasonably believes that such amendment will not and is not reasonably expected to (a) result in the occurrence of an early redemption event or event of default, (b) adversely affect the amount of funds available to be distributed to the noteholders or any series, class or tranche of notes or the timing of such distributions, or (c) adversely affect the security interest of the indenture trustee in the collateral securing the notes and (ii) receive written confirmation from each rating agency that such amendment will not result in the reduction, qualification or withdrawal of the ratings of any outstanding notes which it has rated.

The issuer and the indenture trustee, upon delivery of a master trust II tax opinion and issuer tax opinion, as described under *"—Tax Opinions for Amendments,"* may modify and amend the indenture or any indenture supplement, for reasons other than those stated in the prior paragraphs, with prior notice to each rating agency and the consent of the holders of not less than 66 $^{2}/_{3}$% of the outstanding dollar principal amount of each class or tranche of notes affected by that modification or amendment. However, if the modification or amendment would result in any of the following events occurring, it may be made only with the consent of the holders of 100% of each outstanding series, class or tranche of notes affected by the modification or amendment:

- a change in any date scheduled for the payment of interest on any note, or the expected principal payment date or legal maturity date of any note;
- a reduction of the stated principal amount of, or interest rate on, any note, or a change in the method of computing the outstanding dollar principal amount, the Adjusted Outstanding Dollar Principal Amount, or the nominal liquidation amount in a manner that is adverse to any noteholder;
- a reduction of the amount of a discount note payable upon the occurrence of an early redemption event or other optional or mandatory redemption or upon the acceleration of its maturity;
- an impairment of the right to institute suit for the enforcement of any payment on any note;
- a reduction of the percentage in outstanding dollar principal amount of the notes of any outstanding series, class or tranche, the consent of whose holders is required for modification or amendment of any indenture supplement or for waiver of compliance with provisions of the indenture or for waiver of defaults and their consequences provided for in the indenture;
- a modification of any of the provisions governing the amendment of the indenture, any indenture supplement or the issuer's agreements not to claim rights under any law which would affect the covenants or the performance of the indenture or any indenture supplement, except to increase any percentage of noteholders required to consent to any such amendment or to provide that certain other provisions of the indenture cannot

be modified or waived without the consent of the holder of each outstanding note affected by such modification;

- permission being given to create any lien or other encumbrance on the collateral securing any notes ranking senior to the lien of the indenture;
- a change in the city or political subdivision so designated with respect to any series, class or tranche of notes where any principal of, or interest on, any note is payable;
- a change in the method of computing the amount of principal of, or interest on, any note on any date; or
- any other amendment other than those explicitly permitted by the indenture without the consent of noteholders.

The holders of a majority in aggregate outstanding dollar principal amount of the notes of a series, class or tranche, may waive, on behalf of the holders of all the notes of that series, class or tranche, compliance by the issuer with specified restrictive provisions of the indenture or the related indenture supplement.

The holders of a majority in aggregate outstanding dollar principal amount of the notes of an affected series, class or tranche may, on behalf of all holders of notes of that series, class or tranche, waive any past default under the indenture or the indenture supplement with respect to notes of that series, class or tranche. However, the consent of the holders of all outstanding notes of a series, class or tranche is required to waive any past default in the payment of principal of, or interest on, any note of that series, class or tranche or in respect of a covenant or provision of the indenture that cannot be modified or amended without the consent of the holders of each outstanding note of that series, class or tranche.

Tax Opinions for Amendments

No amendment to the indenture, any indenture supplement or the trust agreement will be effective unless the issuer has delivered to the indenture trustee, the owner trustee and the rating agencies an opinion of counsel that:

- for federal income tax purposes (1) the amendment will not adversely affect the tax characterization as debt of any outstanding series or class of investor certificates issued by master trust II that were characterized as debt at the time of their issuance, (2) the amendment will not cause or constitute an event in which gain or loss would be recognized by any holder of investor certificates issued by master trust II, and (3) following the amendment, master trust II will not be an association, or publicly traded partnership, taxable as a corporation; and
- for federal income tax purposes (1) the amendment will not adversely affect the tax characterization as debt of any outstanding series, class or tranche of notes that were characterized as debt at the time of their issuance, (2) following the amendment, the issuer will not be treated as an association, or publicly traded partnership, taxable as a corporation and (3) the amendment will not cause or constitute an event in which gain or loss would be recognized by any holder of any such note.

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Addresses for Notices

Notices to holders of notes will be given by mail sent to the addresses of the holders as they appear in the note register.

Issuer's Annual Compliance Statement

The issuer will be required to furnish annually to the indenture trustee a statement concerning its performance or fulfillment of covenants, agreements or conditions in the indenture as well as the presence or absence of defaults under the indenture.

Indenture Trustee's Annual Report

To the extent required by the Trust Indenture Act of 1939, as amended, the indenture trustee will mail each year to all registered noteholders a report concerning:

- its eligibility and qualifications to continue as trustee under the indenture,
- any amounts advanced by it under the indenture,
- the amount, interest rate and maturity date or indebtedness owing by the issuer to it in the indenture trustee's individual capacity,
- the property and funds physically held by it as indenture trustee,
- any release or release and substitution of collateral subject to the lien of the indenture that has not previously been reported, and
- any action taken by it that materially affects the notes and that has not previously been reported.

List of Noteholders

Three or more holders of notes of any series, each of whom has owned a note for at least six months, may, upon written request to the indenture trustee, obtain access to the current list of noteholders of the issuer for purposes of communicating with other noteholders concerning their rights under the indenture or the notes. The indenture trustee may elect not to give the requesting noteholders access to the list if it agrees to mail the desired communication or proxy to all applicable noteholders.

Reports

Monthly reports containing information on the notes and the collateral securing the notes will be filed with the Securities and Exchange Commission. These reports will not be sent to noteholders. See *"Where You Can Find More Information"* in this prospectus for information as to how these reports may be accessed.

On or before January 31 of each calendar year, the paying agent, on behalf of the indenture trustee, will furnish to each person who at any time during the prior calendar year was a noteholder of record a statement containing the information required to be provided by an issuer of indebtedness under the Internal Revenue Code. See *"Federal Income Tax Consequences"* in this prospectus.

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MBNA's Credit Card Activities

General

The receivables conveyed or to be conveyed to master trust II by MBNA pursuant to the master trust II agreement have been or will be generated from transactions made by holders of selected MasterCard, Visa and American Express credit card accounts from the portfolio of MasterCard, Visa and American Express accounts owned by MBNA called the Bank Portfolio. MBNA currently services the Bank Portfolio in the manner described below. Certain data processing and administrative functions associated with the servicing of the Bank Portfolio are performed on behalf of MBNA by MBNA Technology, Inc. See "*—MBNA Technology, Inc.*" below. MBNA Technology, Inc. is a wholly-owned subsidiary of MBNA.

Acquisition and Use of Credit Card Accounts

MBNA markets its credit card products primarily through endorsements from membership associations, financial institutions, commercial firms and others. MBNA directs its marketing efforts primarily to members and customers of these endorsing organizations, and to targeted lists of people with a strong common interest. MBNA is the recognized leader in endorsed marketing, with endorsements from thousands of organizations and businesses, including professional associations, financial institutions, colleges and universities, sports teams and major retailers.

MBNA primarily uses direct mail, person-to-person marketing (such as event marketing), telesales and Internet marketing to market its credit card products. Each year, MBNA develops numerous marketing campaigns, customized for MBNA's endorsing organizations, generating direct mail pieces designed to add accounts and promote account usage. MBNA conducts Internet marketing through a combination of banner, e-mail, search engine and other advertisements.

The credit risk of lending to each applicant is evaluated through the combination of human judgment and the application of various credit scoring models and other statistical techniques. For credit card credit determinations, MBNA considers an applicant's capacity and willingness to repay, stability and other factors. Important information in performing this credit assessment includes an applicant's income, debt-to-income levels, residence and employment stability, the rate at which new credit is being acquired, and the manner in which the applicant has handled the repayment of previously granted credit. An applicant who has favorable credit capacity and credit history characteristics is more likely to be approved and to receive a relatively higher credit line assignment. Favorable characteristics include appropriate debt-to-income levels, a long history of steady employment and little to no history of delinquent payments on other debt. MBNA develops credit scoring models to evaluate common applicant characteristics and their correlation to credit risk and utilizes models in making credit assessments. The scoring models use the information available about the applicant on his or her application and in his or her credit report to provide a general indication of the applicant's credit risk. Models for credit scoring are developed and modified

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using statistics to evaluate common applicant characteristics and their correlation to credit risk. Periodically, the scoring models are validated and, if necessary, realigned to maintain their accuracy and reliability.

Generally, a credit analyst decides whether or not to approve an account, although a significant percentage of high risk applications are declined through an automated decisioning process. A limited number of applications from cardholders who already have an account with MBNA are approved through an automated system based on the cardholder's favorable credit history with MBNA. In 2004, less than half of the credit applications received by MBNA were approved. Most decisions to approve a credit application are made by credit analysts who consider the credit factors described above and assign credit lines based upon this assessment. Credit analysts are encouraged to call applicants when they believe additional information, such as an explanation of delinquencies or debt levels, may assist the analyst in making the appropriate credit decision. Credit analysts undergo a comprehensive education program that focuses on evaluating an applicant's creditworthiness.

Credit lines for existing cardholders are regularly reviewed for credit line increases, and when appropriate, credit line decreases. MBNA Corporation's portfolio risk management division independently reviews selected applications and credit line increase requests to ensure quality and consistency.

Once the credit analyst makes a decision, further levels of review are automatically triggered based on an analysis of the risk of each decision. This analysis is derived from previous experiential data and makes use of credit scores and other statistical techniques. Credit analysts also review applications obtained through pre-approved offers to ensure adherence to credit standards and assign an appropriate credit limit as an additional approach to managing credit risk. Some credit applications that present low risk are approved through an automated decisioning process.

MBNA and its affiliates have made portfolio acquisitions in the past and may make additional acquisitions in the future. Prior to acquiring a portfolio, MBNA reviews the historical performance and seasoning of the portfolio (including the portfolio's delinquency and loss characteristics, average balances, attrition rates, yields and collection performance) and reviews the account management and underwriting policies and procedures of the entity selling the portfolio. Credit card accounts that have been purchased by MBNA were originally opened using criteria established by institutions other than MBNA and may not have been subject to the same credit review as accounts originated by MBNA. Once these accounts have been purchased and transferred to MBNA for servicing, they are generally managed in accordance with the same policies and procedures as accounts originated by MBNA. It is expected that portfolios of credit card accounts purchased by MBNA from other credit card issuers will be added to master trust II from time to time.

Each cardholder is subject to an agreement with MBNA setting forth the terms and conditions of the related MasterCard, Visa or American Express account. MBNA reserves the right to add or to change any terms, conditions, services or features of its MasterCard, Visa or American Express accounts at any time by giving notice to the cardholder, including

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increasing or decreasing periodic finance charges, other charges and payment terms. The agreement with each cardholder provides that MBNA may apply such changes, when applicable, to current outstanding balances as well as to future transactions. The cardholder can reject certain changes in terms by giving timely written notification to MBNA and then no longer using the account.

MBNA Technology, Inc.

Credit card processing services performed by MBNA Technology, Inc., a wholly-owned subsidiary of MBNA, include information and data processing, payment processing, statement rendering, card production, fulfillment operations and network services. MBNA Technology, Inc.'s data network provides an interface to MasterCard, Visa and American Express for performing authorizations and settlement funds transfers. Most data processing and network functions are performed at MBNA Technology, Inc.'s facilities in Dallas, Texas and Newark, Delaware.

Interchange

Member banks participating in the Visa, MasterCard and American Express associations receive certain fees called interchange from Visa, MasterCard and American Express as partial compensation for taking credit risk, absorbing fraud losses and funding receivables for a limited period prior to initial billing. Under the Visa, MasterCard and American Express systems, a portion of this interchange in connection with cardholder charges for goods and services is passed from banks which clear the transactions for merchants to credit card issuing banks. Interchange fees are set annually by Visa, MasterCard and American Express and are based on the number of credit card transactions and the amount charged per transaction. MBNA will be required to transfer to master trust II a percentage of the interchange attributed to cardholder charges for goods and services in the related accounts. Interchange arising under the related accounts will be allocated to the collateral certificate and will be treated as collections of finance charge receivables and will be used to pay required monthly payments to the issuer and to pay a portion of the servicing fee paid to the servicer.

Master Trust II

The following discussion summarizes the material terms of the pooling and servicing agreement—dated August 4, 1994, between MBNA, as seller and servicer, and The Bank of New York, as master trust II trustee, which has been and may be amended from time to time, and is referred to in this prospectus as the master trust II agreement—and the series supplements to the master trust II agreement. The summary does not purport to be complete and is qualified in its entirety by reference to the provisions of the master trust II agreement and the series supplements.

General

Master trust II has been formed in accordance with the laws of the State of Delaware. Master trust II is governed by the master trust II agreement. Master trust II will only engage in the following business activities:

- acquiring and holding master trust II assets;

- issuing series of certificates and other interests in master trust II;
- receiving collections and making payments on the collateral certificate and other interests; and
- engaging in related activities (including, with respect to any series, obtaining any enhancement and entering into an enhancement agreement relating thereto).

As a consequence, master trust II is not expected to have any need for additional capital resources other than the assets of master trust II.

Master Trust II Trustee

The Bank of New York is the master trust II trustee under the master trust II agreement. MBNA, the servicer and their respective affiliates may from time to time enter into normal banking and trustee relationships with the master trust II trustee and its affiliates. The master trust II trustee, MBNA, the servicer and any of their respective affiliates may hold certificates in their own names. For purposes of meeting the legal requirements of certain local jurisdictions, the master trust II trustee will have the power to appoint a co-master trust II trustee or separate master trust II trustees of all or any part of master trust II. In the event of such appointment, all rights, powers, duties and obligations conferred or imposed upon the master trust II trustee by the master trust II agreement will be conferred or imposed upon the master trust II trustee and such separate trustee or co-trustee jointly, or, in any jurisdiction in which the master trust II trustee shall be incompetent or unqualified to perform certain acts, singly upon such separate trustee or co-trustee who shall exercise and perform such rights, powers, duties and obligations solely at the direction of the master trust II trustee.

Under the terms of the master trust II agreement, the servicer agrees to pay to the master trust II trustee reasonable compensation for performance of its duties under the master trust II agreement. The master trust II trustee has agreed to perform only those duties specifically set forth in the master trust II agreement. Many of the duties of the master trust II trustee are described in *"Master Trust II"* and throughout this prospectus and the related prospectus supplement. Under the terms of the master trust II agreement, the master trust II trustee's limited responsibilities include the following:

- to deliver to certificateholders of record certain notices, reports and other documents received by the master trust II trustee, as required under the master trust II agreement;
- to authenticate, deliver, cancel and otherwise administer the investor certificates;
- to remove and reassign ineligible receivables and accounts from master trust II;
- to establish and maintain necessary master trust II accounts and to maintain accurate records of activity in those accounts;
- to serve as the initial transfer agent, paying agent and registrar, and, if it resigns these duties, to appoint a successor transfer agent, paying agent and registrar;
- to invest funds in the master trust II accounts at the direction of the servicer;

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- to represent the certificateholders in interactions with clearing agencies and other similar organizations;
- to distribute and transfer funds at the direction of the servicer, as applicable, in accordance with the terms of the master trust II agreement;
- to file with the appropriate party all documents necessary to protect the rights and interests of the certificateholders;
- to enforce the rights of the certificateholders against the servicer, if necessary;
- to notify the certificateholders and other parties, to sell the receivables, and to allocate the proceeds of such sale, in the event of the termination of master trust II;
- to cause a sale of receivables on the legal maturity date of any accelerated tranche of notes; and
- to perform certain other administrative functions identified in the master trust II agreement.

In addition to the responsibilities described above, the master trust II trustee has the discretion to require MBNA to cure a potential pay out event and to declare a pay out event. See *"Master Trust II—Pay Out Events."*

In the event that the seller becomes insolvent, if any series of investor certificates issued on or prior to April 25, 2001 is outstanding, the master trust II trustee shall: (1) notify the certificateholders of the insolvency, (2) dispose of the receivables in a commercially reasonable manner, and (3) allocate the proceeds of such sale. See *"Master Trust II—Pay Out Events."*

If a servicer default occurs, in addition to the responsibilities described above, the master trust II trustee may be required to appoint a successor servicer or to take over servicing responsibilities under the master trust II agreement. See *"Master Trust II—Servicer Default."* In addition, if a servicer default occurs, the master trust II trustee, in its discretion, may proceed to protect its rights or the rights of the investor certificateholders under the master trust II agreement by a suit, action or other judicial proceeding.

The master trust II trustee is not liable for any errors of judgment as long as the errors are made in good faith and the master trust II trustee was not negligent. The master trust II trustee may resign at any time, and it may be forced to resign if the master trust II trustee fails to meet the eligibility requirements specified in the master trust II agreement.

The holders of a majority of investor certificates have the right to direct the time, method or place of conducting any proceeding for any remedy available to the trustee under the master trust II agreement.

The master trust II trustee may resign at any time, in which event MBNA will be obligated to appoint a successor master trust II trustee. MBNA may also remove the master trust II trustee if the master trust II trustee ceases to be eligible to continue as such under the master trust II agreement or if the master trust II trustee becomes insolvent. In such

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circumstances, MBNA will be obligated to appoint a successor master trust II trustee. Any resignation or removal of the master trust II trustee and appointment of a successor master trust II trustee does not become effective until acceptance of the appointment by the successor master trust II trustee.

The Receivables

The Master Trust II Portfolio consists of receivables which arise in credit card accounts selected from the Bank Portfolio on the basis of criteria set forth in the master trust II agreement as applied on the Cut-Off Date and, with respect to additional accounts, as of the date of their designation. MBNA will have the right (subject to certain limitations and conditions set forth therein), and in some circumstances will be obligated, to designate from time to time additional eligible revolving credit card accounts to be included as accounts and to transfer to master trust II all receivables of such additional accounts, whether such receivables are then existing or thereafter created, or to transfer to master trust II participations in receivables instead.

MBNA, as seller, will be required to designate additional credit card accounts, to the extent available:

(a) to maintain the Seller Interest so that, during any period of 30 consecutive days, the Seller Interest averaged over that period equals or exceeds the Minimum Seller Interest for the same period; and

(b) to maintain, for so long as master trust II investor certificates of any series (including the collateral certificate) remain outstanding, an aggregate amount of principal receivables equal to or greater than the minimum aggregate principal receivables. Any additional credit card accounts designated by MBNA must meet certain eligibility requirements on the date of designation.

MBNA also has the right (subject to certain limitations and conditions) to require the master trust II trustee to reconvey all receivables in credit card accounts designated by MBNA for removal, whether such receivables are then existing or thereafter created. Once a credit card account is removed, receivables existing under that credit card account are not transferred to master trust II.

Throughout the term of master trust II, the credit card accounts from which the receivables arise will be the credit card accounts designated by MBNA on the Cut-Off Date *plus* any additional credit card accounts *minus* any removed credit card accounts. With respect to each series of certificates issued by master trust II, MBNA will represent and warrant to master trust II that, as of the date of issuance of the related series and the date receivables are conveyed to master trust II, such receivables meet certain eligibility requirements. See *"—Representations and Warranties"* below.

The prospectus supplement relating to each series, class or tranche of notes will provide certain information about the Master Trust II Portfolio as of the date specified. Such information will include, but not be limited to, the amount of principal receivables, the amount

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of finance charge receivables, the range of principal balances of the credit card accounts and the average thereof, the range of credit limits of the credit card accounts and the average thereof, the range of ages of the credit card accounts and the average thereof, the geographic distribution of the credit card accounts, the types of credit card accounts and delinquency statistics relating to the credit card accounts.

Investor Certificates

Each series of master trust II certificates will represent interests in certain assets of master trust II, including the right to the applicable investor percentage of all cardholder payments on the receivables in master trust II. For the collateral certificate, the Investor Interest on any date will be equal to the sum of the nominal liquidation amounts of all notes secured by the collateral certificate.

MBNA initially will own the Seller Interest which represents the interest in master trust II not represented by the investor certificates issued and outstanding under master trust II or the rights, if any, of any credit enhancement providers to receive payments from master trust II. The holder of the Seller Interest, subject to certain limitations, will have the right to the Seller Percentage of all cardholder payments from the receivables in master trust II. The Seller Interest may be transferred in whole or in part subject to certain limitations and conditions set forth in the master trust II agreement. At the discretion of MBNA, the Seller Interest may be held either in an uncertificated form or in the form of a certificate representing the Seller Interest, called a seller certificate. See *"—Certain Matters Regarding MBNA as Seller and as Servicer"* below.

The amount of principal receivables in master trust II will vary each day as new principal receivables are created and others are paid or charged-off as uncollectible. The amount of the Seller Interest will fluctuate each day, therefore, to reflect the changes in the amount of the principal receivables in master trust II. As a result, the Seller Interest will generally increase to reflect reductions in the Investor Interest for such series and will also change to reflect the variations in the amount of principal receivables in master trust II. The Seller Interest will generally decrease as a result of the issuance of a new series of investor certificates by master trust II or as a result of an increase in the collateral certificate due to the issuance of a new series, class or tranche of notes or otherwise. See *"—New Issuances"* below and *"The Notes—Issuances of New Series, Classes and Tranches of Notes"* in this prospectus.

Transfer and Assignment of Receivables

MBNA has transferred and assigned all of its right, title and interest in and to the receivables in the credit card accounts and all receivables thereafter created in the accounts.

In connection with each previous transfer of the receivables to master trust II, MBNA indicated, and in connection with each subsequent transfer of receivables to master trust II, MBNA will indicate, in its computer files that the receivables have been conveyed to master trust II. In addition, MBNA has provided to the master trust II trustee computer files or microfiche lists, containing a true and complete list showing each credit card account,

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identified by account number and by total outstanding balance on the date of transfer. MBNA will not deliver to the master trust II trustee any other records or agreements relating to the credit card accounts or the receivables, except in connection with additions or removals of credit card accounts. Except as stated above, the records and agreements relating to the credit card accounts and the receivables in master trust II maintained by MBNA or the servicer are not and will not be segregated by MBNA or the servicer from other documents and agreements relating to other credit card accounts and receivables and are not and will not be stamped or marked to reflect the transfer of the receivables to master trust II, but the computer records of MBNA are and will be required to be marked to evidence such transfer. MBNA has filed Uniform Commercial Code financing statements with respect to the receivables in master trust II meeting the requirements of Delaware state law. See *"Risk Factors"* and *"Material Legal Aspects of the Receivables"* in this prospectus.

Addition of Master Trust II Assets

As described above under *"—The Receivables,"* MBNA has the right to designate to master trust II, from time to time, additional credit card accounts for the related receivables to be included as receivables transferred to master trust II. MBNA will convey to master trust II its interest in all receivables of such additional credit card accounts, whether such receivables are then existing or thereafter created.

Each additional account, including each such account acquired by MBNA, must be an Eligible Account at the time of its designation. However, additional credit card accounts may not be of the same credit quality as the initial credit card accounts transferred to master trust II. Additional credit card accounts may have been originated by MBNA using credit criteria different from those which were applied by MBNA to the initial credit card accounts transferred to master trust II or may have been acquired by MBNA from an institution which may have had different credit criteria.

In addition to or in lieu of additional credit card accounts, MBNA is permitted to add to master trust II participations representing interests in a pool of assets primarily consisting of receivables arising under consumer revolving credit card accounts owned by MBNA and collections thereon. Participations may be evidenced by one or more certificates of ownership issued under a separate pooling and servicing agreement or similar agreement entered into by MBNA which entitles the certificateholder to receive percentages of collections generated by the pool of assets subject to such participation agreement from time to time and to certain other rights and remedies specified therein. Participations may have their own credit enhancement, pay out events, servicing obligations and servicer defaults, all of which are likely to be enforceable by a separate trustee under the participation agreement and may be different from those specified in this prospectus. The rights and remedies of master trust II as the holder of a participation (and therefore the certificateholders) will be subject to all the terms and provisions of the related participation agreement. The master trust II agreement may be amended to permit the addition of a participation in master trust II without the consent of the related certificateholders if:

- MBNA delivers to the master trust II trustee a certificate of an authorized officer to the effect that, in the reasonable belief of MBNA, such amendment will not as of the date

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of such amendment adversely affect in any material respect the interest of such certificateholders; and

- such amendment will not result in a withdrawal or reduction of the rating of any outstanding series under master trust II by any rating agency.

A conveyance by MBNA to master trust II of receivables in additional credit card accounts or participations is subject to the following conditions, among others:

- MBNA shall give the master trust II trustee, each rating agency and the servicer written notice that such additional accounts or participations will be included, which notice shall specify the approximate aggregate amount of the receivables or interests therein to be transferred;
- MBNA shall have delivered to the master trust II trustee a written assignment (including an acceptance by the master trust II trustee on behalf of master trust II for the benefit of the certificateholders) as provided in the assignment agreement relating to such additional accounts or participations, and MBNA shall have delivered to the master trust II trustee a computer file or microfiche list, dated as of the Addition Date, containing a true and complete list of such additional accounts or participations transferred to master trust II;
- MBNA shall represent and warrant that:

  —each additional credit card account is, as of the Addition Date, an Eligible Account, and each receivable in such additional credit card account is, as of the Addition Date, an Eligible Receivable;

  —no selection procedures believed by the seller to be materially adverse to the interests of the certificateholders were utilized in selecting the additional credit card accounts from the available Eligible Accounts from the Bank Portfolio; and

  —as of the Addition Date, MBNA is not insolvent;
- MBNA shall deliver certain opinions of counsel with respect to the transfer of the receivables in the additional credit card accounts or the participations to master trust II; and
- each rating agency then rating any series of certificates outstanding under master trust II shall have previously, or, in certain limited circumstances, within a three-month period, consented to the addition of such additional credit card accounts or participations.

In addition to the periodic reports otherwise required to be filed by the servicer with the SEC pursuant to the Securities Exchange Act of 1934, as amended, the servicer intends to file, on behalf of master trust II, a report on Form 8-K with respect to any addition to master trust II of receivables in additional credit card accounts or participations that would have a material effect on the composition of the assets of master trust II.

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Removal of Accounts

MBNA may, but shall not be obligated to, designate from time to time certain credit card accounts to be removed accounts, all receivables in which shall be subject to removal from master trust II. MBNA, however, may not make more than one such designation in any month. MBNA will be permitted to designate and require reassignment to it of the receivables from removed accounts only upon satisfaction of the following conditions, among others:

- the removal of any receivables of any removed accounts shall not, in the reasonable belief of MBNA, cause a Pay Out Event to occur;
- MBNA shall have delivered to master trust II for execution a written assignment and a computer file or microfiche list, dated as of the Removal Date, containing a true and complete list of all removed accounts identified by account number and the aggregate amount of the receivables in such removed accounts;
- MBNA shall represent and warrant that no selection procedures believed by MBNA to be materially adverse to the interests of the holders of any series of certificates outstanding under master trust II were utilized in selecting the removed accounts to be removed from master trust II;
- each rating agency then rating each series of investor certificates outstanding under master trust II shall have received notice of such proposed removal of accounts and MBNA shall have received notice from each such rating agency that such proposed removal will not result in a downgrade or withdrawal of its then-current rating for any such series;
- the aggregate amount of principal receivables of the accounts then existing in master trust II less the aggregate amount of principal receivables of the removed accounts shall not be less than the amount specified, if any, for any period specified;
- the principal receivables of the removed accounts shall not equal or exceed 5% of the aggregate amount of the principal receivables in master trust II at such time; except, that if any series of master trust II investor certificates or tranche of notes has been paid in full, the principal receivables in such removed accounts may not equal or exceed the sum of:
  - — the initial Investor Interest or the aggregate principal amount of the certificates of such series or tranche, as applicable, of such series; *plus*
  - — 5% of the aggregate amount of the principal receivables in master trust II at such time after giving effect to the removal of accounts in an amount approximately equal to the initial Investor Interest of such series; and
- MBNA shall have delivered to the master trust II trustee an officer's certificate confirming the items set forth above.

In addition, MBNA's designation of any account as a removed account shall be random, unless MBNA's designation of any such account is in response to a third-party action or decision not to act and not the unilateral action of the seller.

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MBNA will be permitted to designate as a removed account without the consent of the master trust II trustee, certificateholders, noteholders or rating agencies, and without having to satisfy the conditions described above, any account that has a zero balance and which MBNA will remove from its computer file.

Collection and Other Servicing Procedures

The servicer will be responsible for servicing and administering the receivables in accordance with the servicer's policies and procedures for servicing credit card receivables comparable to the receivables. The servicer will be required to maintain fidelity bond coverage insuring against losses through wrongdoing of its officers and employees who are involved in the servicing of credit card receivables covering such actions and in such amounts as the servicer believes to be reasonable from time to time.

The servicer may not resign from its obligations and duties under the master trust II agreement, except upon determination that performance of its duties is no longer permissible under applicable law. No such resignation will become effective until the master trust II trustee or a successor to the servicer has assumed the servicer's responsibilities and obligations under the master trust II agreement. MBNA, as initial servicer, intends to delegate some of its servicing duties to MBNA Technology, Inc.; however, such delegation will not relieve it of its obligation to perform such duties in accordance with the master trust II agreement.

Master Trust II Accounts

The servicer will establish and maintain, in the name of master trust II, for the benefit of certificateholders of all series, an account established for the purpose of holding collections of receivables, called a master trust II collection account, which will be a non-interest bearing segregated account established and maintained with the servicer or with a Qualified Institution. A Qualified Institution may also be a depository institution, which may include the master trust II trustee, which is acceptable to each rating agency.

In addition, for the benefit of the investor certificateholders of certificates issued by master trust II, the master trust II trustee will establish and maintain in the name of master trust II two separate accounts, called a finance charge account and a principal account, in segregated master trust II accounts (which need not be deposit accounts). Funds in the principal account and the finance charge account for master trust II will be invested, at the direction of the servicer, in Permitted Investments.

Any earnings (net of losses and investment expenses) on funds in the finance charge account or the principal account allocable to the collateral certificate will be included in collections of finance charge receivables allocable to the collateral certificate. The servicer will have the revocable power to withdraw funds from the master trust II collection account and to instruct the master trust II trustee to make withdrawals and payments from the finance charge account and the principal account for the purpose of carrying out the servicer's duties.

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Investor Percentage

The servicer will allocate between the Investor Interest of each series issued and outstanding and the Seller Interest, all amounts collected on finance charge receivables, all amounts collected on principal receivables and all receivables in Defaulted Accounts, based on a varying percentage called the investor percentage. The servicer will make each allocation by reference to the applicable investor percentage of each series and the Seller Percentage, and, in certain circumstances, the percentage interest of certain credit enhancement providers, with respect to such series. For a description of how allocations will be made to the collateral certificate by master trust II, see *"Sources of Funds to Pay the Notes—The Collateral Certificate."*

Application of Collections

Except as otherwise provided below, the servicer will deposit into the master trust II collection account, no later than the second Business Day following the date of processing, any payment collected by the servicer on the receivables in master trust II. On the same day as any such deposit is made, the servicer will make the deposits and payments to the accounts and parties as indicated below. MBNA, as servicer, may make such deposits and payments on a monthly or other periodic basis on each Transfer Date in an amount equal to the net amount of such deposits and payments which would have been made on a daily basis if:

- (i) the servicer provides to the master trust II trustee a letter of credit covering collection risk of the servicer acceptable to the specified rating agency, and
  (ii) MBNA shall not have received a notice from such rating agency that such letter of credit would result in the lowering of such rating agency's then-existing rating of any series of certificates previously issued by master trust II and then-outstanding; or
- the servicer has and maintains a certificate of deposit rating of P-1 by Moody's and of A-1 by Standard & Poor's and deposit insurance.

Whether the servicer is required to make monthly or daily deposits from the master trust II collection account into the finance charge account or the principal account, with respect to any month:

- the servicer will only be required to deposit collections from the master trust II collection account into the finance charge account, the principal account or any series account established by a related series supplement up to the required amount to be deposited into any such deposit account or, without duplication, distributed or deposited on or prior to the related Distribution Date to certificateholders; and
- if at any time prior to such Distribution Date the amount of collections deposited in the master trust II collection account, finance charge account or principal account exceeds the amount required to be deposited pursuant to this section, the servicer, subject to certain limitations, will be permitted to withdraw the excess from the master trust II collection account, finance charge account or principal account, as applicable.

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The servicer will withdraw the following amounts from the master trust II collection account for application as indicated:

(a) An amount equal to the Seller Percentage of the aggregate amount of such deposits in respect of principal receivables will be:

—paid to the holder of the Seller Interest if, and only to the extent that, the Seller Interest is greater than the Minimum Seller Interest; or

—deposited in the principal account and treated as Unallocated Principal Collections.

(b) An amount equal to the Seller Percentage of the aggregate amount of such deposits in respect of finance charge receivables will be:

—deposited in the finance charge account (in an amount equal to the amount of such deposits *times* the aggregate prefunded amount, if any, on deposit in the principal funding subaccount for any tranche of notes *divided by* the Seller Interest) and paid to the issuer on the following Transfer Date (in amount not to exceed the positive difference, if any, between (i) the amount of interest payable to noteholders and derivative counterparties, if any, on such prefunded amount and (ii) the net investment earnings on such prefunded amounts for such month); or

—otherwise paid to the holder of the Seller Interest.

(c) For master trust II certificates other than the collateral certificate, an amount equal to the applicable investor percentage of the aggregate amount of such deposits with respect to the finance charge receivables will be deposited into the finance charge account and the aggregate amount of such deposits with respect to principal receivables will be deposited into the principal account, in each case, for application and distribution in accordance with the related series supplement. However, so long as certain conditions are satisfied, including that no Pay Out Event has occurred or is continuing, collections of principal receivables allocable to subordinated classes of investor certificates will be deposited in the principal account only up to an amount (not less than zero) equal to:

—1.5 *times* the total monthly interest to be deposited during the current month for all classes of investor certificates described in the related series supplement, *plus*

—if MBNA or The Bank of New York is not the servicer, the monthly servicing fee, *minus*

—the preceding month's finance charge collections allocated to the related investor certificates (unless the servicer has knowledge that the current month's finance charge collections will be materially less than the finance charge collections for the prior month, in which case, the lesser amount will be used).

Any collections of principal receivables allocable to subordinated classes of investor certificates in excess of such amount will be commingled with MBNA's other funds until the following Transfer Date.

(d) For the collateral certificate, deposits in respect of finance charge receivables and principal receivables will be allocated to the collateral certificate as described in *"Sources*

of Funds to Pay the Notes—The Collateral Certificate" in this prospectus. However, so long as certain conditions are satisfied, including that no Pay Out Event with respect to the collateral certificate has occurred or is continuing, and that neither an early redemption event nor an event of default with respect to the notes has occurred or is continuing, collections of principal receivables allocable to subordinated classes of notes will be deposited in the principal account only up to an amount (not less than zero) equal to:

—1.5 *times* the aggregate amount targeted to be deposited in the interest funding account during the current month and, following any issuance of notes during such month, the aggregate amount targeted to be deposited in the interest funding account for such newly issued notes during the following month, *plus*

—if MBNA or The Bank of New York is not the servicer, the monthly servicing fee, *minus*

—the preceding month's finance charge collections allocated to the collateral certificate (unless the servicer has knowledge that the current month's finance charge collections will be materially less than the finance charge collections for the prior month, in which case, the lesser amount will be used).

Any collections of principal receivables allocable to subordinated classes of notes in excess of such amount will be commingled with MBNA's other funds until the following Transfer Date.

The amount of collections of principal receivables to be deposited in the principal account with respect to subordinated classes of investor certificates described in clause (c) above, or subordinated classes of notes as described in clause (d) above, is subject to amendment with rating agency approval.

Any Unallocated Principal Collections will be held in the principal account and paid to the holder of the Seller Interest if, and only to the extent that, the Seller Interest is greater than the Minimum Seller Interest. Unallocated Principal Collections will be held for or distributed to investor certificateholders of the series of certificates issued by master trust II (including the collateral certificate) in accordance with related series supplements.

Defaulted Receivables; Rebates and Fraudulent Charges

On each Determination Date, the servicer will calculate the Aggregate Investor Default Amount for the preceding month, which will be equal to the aggregate amount of the investor percentage of principal receivables in Defaulted Accounts; that is, credit card accounts which in such month were written off as uncollectible in accordance with the servicer's policies and procedures for servicing credit card receivables comparable to the receivables in master trust II. Recoveries on receivables in Defaulted Accounts will be included as finance charge collections payable to master trust II, provided that if any of such recoveries relates to both receivables in Defaulted Accounts and other receivables, and it cannot be determined with objective certainty whether such recoveries relate to receivables in Defaulted Accounts or other receivables, the amount of recoveries included as finance charge collections payable to

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master trust II will be the servicer's reasonable estimate of the amount recovered in respect of receivables in Defaulted Accounts.

If the servicer adjusts the amount of any principal receivable because of transactions occurring in respect of a rebate or refund to a cardholder, or because such principal receivable was created in respect of merchandise which was refused or returned by a cardholder, then the Seller Interest will be reduced by the amount of the adjustment. In addition, the Seller Interest will be reduced as a result of transactions in respect of any principal receivable which was discovered as having been created through a fraudulent or counterfeit charge.

Master Trust II Termination

Master trust II will terminate on the Master Trust II Termination Date. Upon the termination of master trust II and the surrender of the Seller Interest, the master trust II trustee shall convey to the holder of the Seller Interest all right, title and interest of master trust II in and to the receivables and other funds of master trust II.

Pay Out Events

A Pay Out Event will cause the early redemption of the notes. A Pay Out Event refers to any of the following events:

(a) failure on the part of MBNA (i) to make any payment or deposit on the date required under the master trust II agreement or the Series 2001-D supplement (or within the applicable grace period which shall not exceed 5 days) or (ii) to observe or perform in any material respect any other covenants or agreements of MBNA set forth in the master trust II agreement or the Series 2001-D supplement, which failure has a material adverse effect on the certificateholders and which continues unremedied for a period of 60 days after written notice of such failure, requiring the same to be remedied, and continues to materially and adversely affect the interests of the certificateholders for such period;

(b) any representation or warranty made by MBNA in the master trust II agreement or the Series 2001-D supplement, or any information required to be given by MBNA to the master trust II trustee to identify the credit card accounts, proves to have been incorrect in any material respect when made or delivered and which continues to be incorrect in any material respect for a period of 60 days after written notice of such failure, requiring the same to be remedied, and as a result of which the interests of the certificateholders are materially and adversely affected and continue to be materially and adversely affected for such period, except that a Pay Out Event described in this clause (b) will not occur if MBNA has accepted reassignment of the related receivable or all such receivables, if applicable, during such period (or such longer period as the master trust II trustee may specify) in accordance with the provisions of the master trust II agreement;

(c) a failure by MBNA to convey receivables arising under additional credit card accounts, or participations, to master trust II when required by the master trust II agreement;

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(d) any Servicer Default occurs which would have a material adverse effect on the certificateholders;

(e) certain events of insolvency, conservatorship or receivership relating to MBNA;

(f) MBNA becomes unable for any reason to transfer receivables to master trust II in accordance with the provisions of the master trust II agreement; or

(g) master trust II becomes an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

In the case of any event described in clause (a), (b) or (d) above, a Pay Out Event will occur only if, after any applicable grace period, either the master trust II trustee or the noteholders evidencing interests aggregating not less than 50% of the Adjusted Outstanding Dollar Principal Amount of the outstanding notes, by written notice to MBNA and the servicer (and to the master trust II trustee if given by the certificateholders) declare that a Pay Out Event has occurred as of the date of such notice.

In the case of any event described in clause (c), (e), (f) or (g), a Pay Out Event will occur without any notice or other action on the part of the master trust II trustee or the noteholders immediately upon the occurrence of such event.

In addition to the consequences of a Pay Out Event discussed above and solely to the extent the investor certificates of any series issued on or prior to April 25, 2001 are outstanding, if pursuant to certain provisions of federal law, MBNA voluntarily enters liquidation or a receiver is appointed for MBNA, on the day of such event MBNA will immediately cease to transfer principal receivables to master trust II and promptly give notice to the master trust II trustee of such event. Within 15 days, the master trust II trustee will publish a notice of the liquidation or the appointment stating that the master trust II trustee intends to sell, dispose of, or otherwise liquidate the receivables in master trust II. Unless otherwise instructed within a specified period by certificateholders representing interests aggregating more than 50% of the Investor Interest of each series issued and outstanding, the master trust II trustee will use its best efforts to sell, dispose of, or otherwise liquidate the receivables in master trust II through the solicitation of competitive bids and on terms equivalent to the best purchase offer, as determined by the master trust II trustee. The noteholders will be deemed to have disapproved of such sale, liquidation or disposition. However, neither MBNA, nor any affiliate or agent of MBNA, may purchase the receivables of master trust II in the event of such sale, liquidation or disposition. The proceeds from the sale, disposition or liquidation of such receivables will be treated as collections of the receivables and applied as specified above in *"—Application of Collections."*

If the only Pay Out Event to occur is either the insolvency of MBNA or the appointment of a conservator or receiver for MBNA, the conservator or receiver may have the power to prevent the early sale, liquidation or disposition of the receivables in master trust II and the commencement of a Rapid Amortization Period. In addition, a conservator or receiver may have the power to cause the early sale of the receivables in master trust II and the early retirement of the certificates. See *"Risk Factors"* in this prospectus and the accompanying prospectus supplement.

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On the date on which a Pay Out Event occurs, the Rapid Amortization Period will commence. A Pay Out Event for the collateral certificate is also an early redemption event for the notes. See *"The Indenture—Early Redemption Events."*

Servicing Compensation and Payment of Expenses

The share of the master trust II servicing fee allocable to the collateral certificate for any Transfer Date, called the Investor Servicing Fee, will equal one-twelfth of the product of (i) 2.0% and (ii) the Weighted Average Floating Allocation Investor Interest for the collateral certificate for the month preceding such Transfer Date. On each Transfer Date, if MBNA or The Bank of New York is the servicer, servicer interchange for the related month that is on deposit in the finance charge account will be withdrawn from the finance charge account and paid to the servicer in payment of a portion of the Investor Servicing Fee for such month.

The servicer interchange for any month for which MBNA or The Bank of New York is the servicer will be an amount equal to the portion of collections of finance charge receivables allocated to the Investor Interest for the collateral certificate for such month that is attributable to interchange. However, servicer interchange for a month will not exceed one-twelfth of the product of (i) the Weighted Average Floating Allocation Investor Interest for the collateral certificate for such month and (ii) 0.75%. In the case of any insufficiency of servicer interchange on deposit in the finance charge account, a portion of the Investor Servicing Fee allocable to the collateral certificate with respect to such month will not be paid to the extent of such insufficiency and in no event shall master trust II, the master trust II trustee or the collateral certificateholder be liable for the share of the servicing fee to be paid out of servicer interchange.

The share of the Investor Servicing Fee allocable to the collateral certificate for any Transfer Date, called the Net Servicing Fee, is equal to one-twelfth of the product of (i) the Weighted Average Floating Allocation Investor Interest for the collateral certificate and (ii) 1.25%, or if MBNA or The Bank of New York is not the servicer, 2.0%.

The Investor Servicing Fee allocable to the collateral certificate will be funded from collections of finance charge receivables allocated to the collateral certificate. The remainder of the servicing fee for master trust II will be allocable to the Seller Interest, the Investor Interests of any other series of investor certificates issued by master trust II and any other interests in master trust II, if any, with respect to such series. Neither master trust II, the master trust II trustee nor the certificateholders of any series of investor certificates issued by master trust II (including the collateral certificate) will have any obligation to pay the portion of the servicing fee allocable to the Seller Interest.

The servicer will pay from its servicing compensation certain expenses incurred in connection with servicing the receivables including, without limitation, payment of the fees and disbursements of the master trust II trustee, the owner trustee, the indenture trustee and independent certified public accountants and other fees which are not expressly stated in the master trust II agreement, the trust agreement or the indenture to be payable by master trust II

or the investor certificateholders other than federal, state and local income and franchise taxes, if any, of master trust II.

New Issuances

The master trust II agreement provides that the holder of the Seller Interest may cause the master trust II trustee to issue one or more new series of certificates and may define all principal terms of such series. Each series issued may have different terms and enhancements than any other series. None of MBNA, the servicer, the master trust II trustee or master trust II is required or intends to obtain the consent of any certificateholder of any other series previously issued by master trust II or any noteholder of a series previously issued by the issuer prior to the issuance of a new series of master trust II investor certificates. However, as a condition of a new issuance, the holder of the Seller Interest will deliver to the master trust II trustee written confirmation that the new issuance will not result in the reduction or withdrawal by any rating agency of its rating of any outstanding series.

Under the master trust II agreement, the holder of the Seller Interest may cause a new issuance by notifying the master trust II trustee at least three days in advance of the date upon which the new issuance is to occur. The notice will state the designation of any series to be issued and:

- its initial principal amount (or method for calculating such amount) which amount may not be greater than the current principal amount of the Seller Interest;
- its certificate rate (or method of calculating such rate); and
- the provider of any credit enhancement.

The master trust II trustee will authenticate a new series only if it receives the following, among others:

- a series supplement specifying the principal terms of such series;
- an opinion of counsel to the effect that, unless otherwise stated in the related series supplement, the certificates of such series will be characterized as indebtedness for federal income tax purposes;
- a master trust II tax opinion;
- if required by the related series supplement, the form of credit enhancement;
- if credit enhancement is required by the series supplement, an appropriate credit enhancement agreement executed by MBNA and the credit enhancer;
- written confirmation from each rating agency that the new issuance will not result in such rating agency's reducing or withdrawing its rating on any then outstanding series rated by it; and
- an officer's certificate of MBNA to the effect that after giving effect to the new issuance MBNA would not be required to add additional accounts pursuant to the master trust II agreement and the Seller Interest would be at least equal to the Minimum Seller Interest.

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Representations and Warranties

MBNA has made in the master trust II agreement certain representations and warranties to master trust II to the effect that, among other things:

- as of the issuance date, MBNA is duly incorporated and in good standing and that it has the authority to consummate the transactions contemplated by the master trust II agreement; and
- as of the Cut-Off Date (or as of the date of the designation of additional accounts), each account is an Eligible Account (as defined in the glossary).

If,

- any of these representations and warranties proves to have been incorrect in any material respect when made, and continues to be incorrect for 60 days after notice to MBNA by the master trust II trustee or to the seller and the master trust II trustee by the certificateholders holding more than 50% of the Investor Interest of the related series; and
- as a result the interests of the certificateholders are materially and adversely affected, and continue to be materially and adversely affected during such period;

then the master trust II trustee or certificateholders holding more than 50% of the Investor Interest may give notice to MBNA (and to the master trust II trustee in the latter instance) declaring that a Pay Out Event has occurred, thereby causing an early redemption event to occur with respect to the notes.

MBNA has also made representations and warranties to master trust II relating to the receivables in master trust II to the effect that, among other things:

- as of the issuance date of the initial series of certificates issued by master trust II, each of the receivables then existing in master trust II is an Eligible Receivable; and
- as of the date of creation of any new receivable, such receivable is an Eligible Receivable and the representation and warranty that the transfer was a sale or the grant of a perfected security interest, as described below, is true and correct with respect to such receivable.

In the event of a breach of any representation and warranty set forth in the preceding paragraph, within 60 days, or such longer period (not to exceed 120 days) as may be agreed to by the master trust II trustee, of the earlier to occur of the discovery of such breach by MBNA, as seller or as servicer, or receipt by MBNA of written notice of such breach given by the master trust II trustee, or, with respect to certain breaches relating to prior liens, immediately upon the earlier to occur of such discovery or notice and as a result of such breach, the receivables in the accounts of master trust II are charged-off as uncollectible, master trust II's rights in, to or under the receivables or their proceeds are impaired or the proceeds of such receivables are not available for any reason to master trust II free and clear of any lien (except for certain tax, governmental and other nonconsensual liens), then MBNA

will be obligated to accept reassignment of each related principal receivable as an ineligible receivable. Such reassignment will not be required to be made, however, if, on any day within the applicable period, or such longer period, the representations and warranties shall then be true and correct in all material respects.

MBNA will accept reassignment of each ineligible receivable by directing the servicer to deduct the amount of each such ineligible receivable from the aggregate amount of principal receivables used to calculate the Seller Interest. In the event that the exclusion of an ineligible receivable from the calculation of the Seller Interest would cause the Seller Interest to be a negative number, on the date of reassignment of such ineligible receivable MBNA shall make a deposit in the collection account in immediately available funds in an amount equal to the amount by which the Seller Interest would be reduced below zero. Any such deduction or deposit shall be considered a repayment in full of the ineligible receivable. The obligation of MBNA to accept reassignment of any ineligible receivable is the sole remedy respecting any breach of the representations and warranties set forth in this paragraph with respect to such receivable available to the certificateholders or the master trust II trustee on behalf of certificateholders.

MBNA has also represented and warranted to master trust II to the effect that, among other things, as of the issuance date of the initial series of certificates issued by master trust II:

- the master trust II agreement will constitute a legal, valid and binding obligation of MBNA; and
- the transfer of receivables by it to master trust II under the master trust II agreement will constitute either:
  - — a valid transfer and assignment to master trust II of all right, title and interest of MBNA in and to the receivables in master trust II (other than receivables in additional accounts), whether then existing or thereafter created and the proceeds thereof (including amounts in any of the accounts established for the benefit of certificateholders); or
  - — the grant of a first priority perfected security interest in such receivables (except for certain tax, governmental and other nonconsensual liens) and the proceeds thereof (including amounts in any of the accounts established for the benefit of certificateholders), which is effective as to each such receivable upon the creation thereof.

In the event of a breach of any of the representations and warranties described in the preceding paragraph, either the master trust II trustee or the holders of certificates evidencing interests in master trust II aggregating more than 50% of the aggregate Investor Interest of all series outstanding under master trust II may direct MBNA to accept reassignment of Master Trust II Portfolio within 60 days of such notice, or within such longer period specified in such notice. MBNA will be obligated to accept reassignment of such receivables in master trust II on a Distribution Date occurring within such applicable period. Such reassignment will not be required to be made, however, if at any time during such applicable period, or such longer

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period, the representations and warranties shall then be true and correct in all material respects. The deposit amount for such reassignment will be equal to:

- the Investor Interest for each series outstanding under master trust II on the last day of the month preceding the Distribution Date on which the reassignment is scheduled to be made; *minus*
- the amount, if any, previously allocated for payment of principal to such certificateholders (or other interest holders) on such Distribution Date; *plus*
- an amount equal to all accrued and unpaid interest less the amount, if any, previously allocated for payment of such interest on such Distribution Date.

The payment of this reassignment deposit amount and the transfer of all other amounts deposited for the preceding month in the distribution account will be considered a payment in full of the Investor Interest for each such series required to be repurchased and will be distributed upon presentation and surrender of the certificates for each such series. If the master trust II trustee or certificateholders give a notice as provided above, the obligation of MBNA to make any such deposit will constitute the sole remedy respecting a breach of the representations and warranties available to the master trust II trustee or such certificateholders.

It is not required or anticipated that the master trust II trustee will make any initial or periodic general examination of the receivables or any records relating to the receivables for the purpose of establishing the presence or absence of defects, compliance with MBNA's representations and warranties or for any other purpose. The servicer, however, will deliver to the master trust II trustee on or before March 31 of each year (or such other date specified in the accompanying prospectus supplement), an opinion of counsel with respect to the validity of the security interest of master trust II in and to the receivables and certain other components of master trust II.

Certain Matters Regarding MBNA as Seller and as Servicer

The master trust II agreement provides that the servicer will indemnify master trust II and the master trust II trustee from and against any loss, liability, expense, damage or injury suffered or sustained by reason of any acts or omissions or alleged acts or omissions of the servicer with respect to the activities of master trust II or the master trust II trustee. The servicer, however, will not indemnify:

- the master trust II trustee for liabilities imposed by reason of fraud, negligence, or willful misconduct by the master trust II trustee in the performance of its duties under the master trust II agreement;
- master trust II, the certificateholders or the certificate owners for liabilities arising from actions taken by the master trust II trustee at the request of certificateholders;
- master trust II, the certificateholders or the certificate owners for any losses, claims, damages or liabilities incurred by any of them in their capacities as investors, including without limitation, losses incurred as a result of defaulted receivables or receivables which are written off as uncollectible; or

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- master trust II, the certificateholders or the certificate owners for any liabilities, costs or expenses of master trust II, the certificateholders or the certificate owners arising under any tax law, including without limitation, any federal, state or local income or franchise tax or any other tax imposed on or measured by income (or any interest or penalties with respect thereto or arising from a failure to comply therewith) required to be paid by master trust II, the certificateholders or the certificate owners in connection with the master trust II agreement to any taxing authority.

In addition, the master trust II agreement provides that, subject to certain exceptions, MBNA will indemnify an injured party for any losses, claims, damages or liabilities (other than those incurred by a certificateholder as an investor in the certificates or those which arise from any action of a certificateholder) arising out of or based upon the arrangement created by the master trust II agreement as though the master trust II agreement created a partnership under the Delaware Uniform Partnership Law in which MBNA is a general partner.

Neither MBNA, the servicer nor any of their respective directors, officers, employees or agents will be under any liability to master trust II, the master trust II trustee, the investor certificateholders of any certificates issued by master trust II or any other person for any action taken, or for refraining from taking any action, in good faith pursuant to the master trust II agreement. Neither MBNA, the servicer nor any of their respective directors, officers, employees or agents will be protected against any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or gross negligence of MBNA, the servicer or any such person in the performance of its duties or by reason of reckless disregard of obligations and duties thereunder. In addition, the master trust II agreement provides that the servicer is not under any obligation to appear in, prosecute or defend any legal action which is not incidental to its servicing responsibilities under the master trust II agreement and which in its opinion may expose it to any expense or liability.

MBNA may transfer its interest in all or a portion of the Seller Interest, provided that prior to any such transfer:

- the master trust II trustee receives written notification from each rating agency that such transfer will not result in a lowering or withdrawal of its then-existing rating of the certificates of each outstanding series rated by it; and
- the master trust II trustee receives a written opinion of counsel confirming that such transfer would not adversely affect the treatment of the certificates of each outstanding series issued by master trust II as debt for federal income tax purposes.

Any person into which, in accordance with the master trust II agreement, MBNA or the servicer may be merged or consolidated or any person resulting from any merger or consolidation to which MBNA or the servicer is a party, or any person succeeding to the business of MBNA or the servicer, upon execution of a supplement to the master trust II agreement and delivery of an opinion of counsel with respect to the compliance of the transaction with the applicable provisions of the master trust II agreement, will be the successor to MBNA or the servicer, as the case may be, under the master trust II agreement.

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Servicer Default

In the event of any Servicer Default, either the master trust II trustee or certificateholders representing interests aggregating more than 50% of the Investor Interests for all series of certificates of master trust II, by written notice to the servicer (and to the master trust II trustee if given by the certificateholders), may terminate all of the rights and obligations of the servicer under the master trust II agreement and the master trust II trustee may appoint a new servicer. Any such termination and appointment is called a service transfer. The rights and interest of MBNA under the master trust II agreement and in the Seller Interest will not be affected by such termination. The master trust II trustee shall as promptly as possible appoint a successor servicer. Because MBNA, as servicer, has significant responsibilities with respect to the servicing of the receivables, the master trust II trustee may have difficulty finding a suitable successor servicer. Potential successor servicers may not have the capacity to adequately perform the duties required of a successor servicer or may not be willing to perform such duties for the amount of the servicing fee currently payable under the master trust II agreement. If no such servicer has been appointed and has accepted such appointment by the time the servicer ceases to act as servicer, all authority, power and obligations of the servicer under the master trust II agreement will pass to the master trust II trustee. The Bank of New York, the master trust II trustee, does not have credit card operations. If The Bank of New York is automatically appointed as successor servicer it may not have the capacity to perform the duties required of a successor servicer and current servicing compensation under the master trust II agreement may not be sufficient to cover its actual costs and expenses of servicing the accounts. Except when the Servicer Default is caused by certain events of bankruptcy, insolvency, conservatorship or receivership of the servicer, if the master trust II trustee is unable to obtain any bids from eligible servicers and the servicer delivers an officer's certificate to the effect that it cannot in good faith cure the Servicer Default which gave rise to a transfer of servicing, and if the master trust II trustee is legally unable to act as successor servicer, then the master trust II trustee shall give MBNA the right of first refusal to purchase the receivables on terms equivalent to the best purchase offer as determined by the master trust II trustee.

Upon the occurrence of any Servicer Default, the servicer shall not be relieved from using its best efforts to perform its obligations in a timely manner in accordance with the terms of the master trust II agreement. The servicer is required to provide the master trust II trustee, any provider of enhancement and/or any issuer of any third-party credit enhancement, MBNA and the holders of certificates of each series issued and outstanding under master trust II prompt notice of such failure or delay by it, together with a description of the cause of such failure or delay and its efforts to perform its obligations.

In the event of a Servicer Default, if a conservator or receiver is appointed for the servicer and no Servicer Default other than such conservatorship or receivership or the insolvency of the servicer exists, the conservator or receiver may have the power to prevent either the master trust II trustee or the majority of the certificateholders from effecting a service transfer. See "*Risk Factors—Regulatory action could cause delays or reductions in payment of your notes*" in this prospectus.

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Evidence as to Compliance

On or before August 31 of each calendar year, the servicer is required to cause a firm of independent certified public accountants to furnish to the master trust II trustee a report, based upon established criteria that meets the standards applicable to accountants' reports intended for general distribution, attesting to the fairness of the assertion of the servicer's management that its internal controls over the functions performed as servicer of master trust II are effective, in all material respects, in providing reasonable assurance that master trust II assets are safeguarded against loss from unauthorized use or disposition, on the date of such report, and that such servicing was conducted in compliance with the sections of the master trust II agreement during the period covered by such report (which shall be the period from July 1 (or for the initial period, the relevant issuance date) of the preceding calendar year to and including June 30 of such calendar year), except for such exceptions or errors as such firm believes to be immaterial and such other exceptions as shall be set forth in such statement.

The servicer is also required to provide an annual statement signed by an officer of the servicer to the effect that the servicer has fully performed its obligations under the master trust II agreement throughout the preceding year, or, if there has been a default in the performance of any such obligation, specifying the nature and status of the default.

Amendments to the Master Trust II Agreement

By accepting a note, a noteholder will be deemed to acknowledge that MBNA and the master trust II trustee may amend the master trust II agreement and any series supplement without the consent of any investor certificateholder (including the issuer) or any noteholder, so long as the amendment will not, as evidenced by an opinion of counsel to the master trust II trustee, materially adversely affect the interest of any investor certificateholder (including the holder of the collateral certificate).

For purposes of any provision of the master trust II agreement or the Series 2001-D supplement requiring or permitting actions with the consent of, or at the direction of, certificateholders holding a specified percentage of the aggregate unpaid principal amount of investor certificates:

- each noteholder will be deemed to be an investor certificateholder;
- each noteholder will be deemed to be the holder of an aggregate unpaid principal amount of the collateral certificate equal to the Adjusted Outstanding Dollar Principal Amount of such noteholder's notes;
- each series of notes under the indenture will be deemed to be a separate series of master trust II certificates and the holder of a note of such series will be deemed to be the holder of an aggregate unpaid principal amount of such series of master trust II certificates equal to the Adjusted Outstanding Dollar Principal Amount of such noteholder's notes of such series;
- each tranche of notes under the indenture will be deemed to be a separate class of master trust II certificates and the holder of a note of such tranche will be deemed to be the holder of an aggregate unpaid principal amount of such class of master trust II

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certificates equal to the Adjusted Outstanding Dollar Principal Amount of such noteholder's notes of such tranche; and

- any notes owned by the issuer, the seller, the servicer, any other holder of the Seller Interest or any affiliate thereof will be deemed not to be outstanding, except that, in determining whether the master trust II trustee shall be protected in relying upon any such consent or direction, only notes which the trustee knows to be so owned shall be so disregarded.

However, a noteholder will not have any right to consent to any amendment to the master trust II agreement or the Series 2001-D supplement providing for (i) the replacement of MBNA as seller under the master trust II agreement with a bankruptcy-remote special purpose entity, or (ii) so long as the only series of master trust II investor certificates outstanding is Series 2001-D, the consolidation of master trust II and the issuer or the transfer of assets in master trust II to the issuer.

No amendment to the master trust II agreement will be effective unless the issuer delivers the opinions of counsel described under "*The Indenture—Tax Opinions for Amendments.*"

The master trust II agreement and any series supplement may be amended by MBNA, the servicer and the master trust II trustee, without the consent of certificateholders of any series then outstanding, for any purpose, *so long as*:

- MBNA delivers an opinion of counsel acceptable to the master trust II trustee to the effect that such amendment will not adversely affect in any material respect the interest of such certificateholders;
- such amendment will not result in a withdrawal or reduction of the rating of any outstanding series under master trust II; and
- such amendment will not cause a significant change in the permitted activities of master trust II, as set forth in the master trust II agreement.

The master trust II agreement and any related series supplement may be amended by MBNA, the servicer and the master trust II trustee, without the consent of the certificateholders of any series then outstanding, to provide for additional enhancement or substitute enhancement with respect to a series, to change the definition of Eligible Account or to provide for the addition to master trust II of a participation, *so long as*:

- MBNA delivers to the master trust II trustee a certificate of an authorized officer to the effect that, in the reasonable belief of MBNA, such amendment will not as of the date of such amendment adversely affect in any material respect the interest of such certificateholders; and
- such amendment will not result in a withdrawal or reduction of the rating of any outstanding series under master trust II.

The master trust II agreement and the related series supplement may be amended by MBNA, the servicer and the master trust II trustee (a) with the consent of holders of

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certificates evidencing interests aggregating not less than 50% (or such other percentage specified in the related prospectus supplement) of the Investor Interests for all series of master trust II, for the purpose of effectuating a significant change in the permitted activities of master trust II which is not materially adverse to the certificateholders, and (b) in all other cases, with the consent of the holders of certificates evidencing interests aggregating not less than 66 2/3% (or such other percentage specified in the accompanying prospectus supplement) of the Investor Interests for all series of master trust II, for the purpose of adding any provisions to, changing in any manner or eliminating any of the provisions of the master trust II agreement or the related series supplement or of modifying in any manner the rights of certificateholders of any outstanding series of master trust II. No such amendment, however, may:

- reduce in any manner the amount of, or delay the timing of, distributions required to be made on the related series or any series;
- change the definition of or the manner of calculating the interest of any certificateholder of such series or any certificateholder of any other series issued by master trust II; or
- reduce the aforesaid percentage of interests the holders of which are required to consent to any such amendment,

in each case without the consent of all certificateholders of the related series and certificateholders of all series adversely affected.

In addition, subject to any other applicable conditions described above, the Series 2001-D supplement may be amended by MBNA without the consent of the servicer, the master trust II trustee, the collateral certificateholder or any noteholder if MBNA provides the master trust II trustee with (a) an opinion of counsel to the effect that such amendment or modification would reduce the risk that master trust II would be treated as taxable as a publicly traded partnership pursuant to Section 7704 of the Internal Revenue Code of 1986, as amended and (b) a certificate that such amendment or modification would not materially and adversely affect any certificateholder, except that no such amendment (i) shall be deemed effective without the master trust II trustee's consent, if the master trust II trustee's rights, duties and obligations under the Series 2001-D supplement are thereby modified or (ii) shall cause a significant change in the permitted activities of master trust II, as set forth in the master trust II agreement. Promptly after the effectiveness of any such amendment, MBNA shall deliver a copy of such amendment to each of the servicer, the master trust II trustee and each rating agency described in the Series 2001-D supplement.

Promptly following the execution of any amendment to the master trust II agreement, the master trust II trustee will furnish written notice of the substance of such amendment to each certificateholder. Any series supplement and any amendments regarding the addition or removal of receivables from master trust II will not be considered an amendment requiring certificateholder consent under the provisions of the master trust II agreement and any series supplement.

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Certificateholders Have Limited Control of Actions

Certificateholders of any series or class within a series may need the consent or approval of a specified percentage of the Investor Interest of other series or a class of such other series to take or direct certain actions, including to require the appointment of a successor servicer after a Servicer Default, to amend the master trust II agreement in some cases, and to direct a repurchase of all outstanding series after certain violations of MBNA's representations and warranties. The interests of the certificateholders of any such series may not coincide with yours, making it more difficult for any particular certificateholder to achieve the desired results from such vote.

Material Legal Aspects of the Receivables

Transfer of the Receivables and the Collateral Certificate

MBNA will represent and warrant that its transfer of receivables to master trust II is either (1) an absolute sale of those receivables or (2) the grant of a security interest in those receivables. For a description of master trust II's rights if these representations and warranties are not true, see "*Master Trust II—Representations and Warranties*" in this prospectus. In addition, MBNA will represent and warrant that its transfer of the collateral certificate to the issuer is either (1) an absolute sale of the collateral certificate or (2) the grant of a security interest in the collateral certificate.

MBNA will take steps under the UCC to perfect master trust II's interest in the receivables and the issuer's and the indenture trustee's interest in the collateral certificate. Nevertheless, if the UCC does not govern these transfers and if some other action is required under applicable law and has not been taken, payments to you could be delayed or reduced.

MBNA will represent, warrant, and covenant that both its transfer of receivables to master trust II and its transfer of the collateral certificate to the issuer is perfected and free and clear of the lien or interest of any other entity. If this is not true, master trust II's interest in the receivables and the issuer's and the indenture trustee's interest in the collateral certificate could be impaired, and payments to you could be delayed or reduced. For instance,

- a prior or subsequent transferee of receivables could have an interest in the receivables superior to the interest of master trust II, or a prior or subsequent transferee of the collateral certificate could have an interest in the collateral certificate superior to the interest of the issuer and the indenture trustee;
- a tax, governmental, or other nonconsensual lien that attaches to the property of MBNA could have priority over the interest of master trust II in the receivables and the interest of the issuer and the indenture trustee in the collateral certificate; and
- the administrative expenses of a conservator or receiver for MBNA could be paid from collections on the receivables or distributions on the collateral certificate before master trust II, the issuer or the indenture trustee receives any payments.

Certain Matters Relating to Conservatorship or Receivership

MBNA is chartered as a national banking association and is regulated and supervised by the Office of the Comptroller of the Currency, which is authorized to appoint the Federal

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Deposit Insurance Corporation as conservator or receiver for MBNA if certain events occur relating to MBNA's financial condition or the propriety of its actions. In addition, the FDIC could appoint itself as conservator or receiver for MBNA.

Although MBNA will treat both its transfer of the receivables to master trust II and its transfer of the collateral certificate to the issuer as sales for accounting purposes, each of these transfers may constitute the grant of a security interest under general applicable law. Nevertheless, the FDIC has issued regulations surrendering certain rights under the Federal Deposit Insurance Act, as amended by the Financial Institutions Reform, Recovery and Enforcement Act of 1989, to reclaim, recover, or recharacterize a financial institution's transfer of financial assets such as the receivables and the collateral certificate if (i) the transfer involved a securitization of the financial assets and meets specified conditions for treatment as a sale under relevant accounting principles, (ii) the financial institution received adequate consideration for the transfer, (iii) the parties intended that the transfer constitute a sale for accounting purposes, and (iv) the financial assets were not transferred fraudulently, in contemplation of the financial institution's insolvency, or with the intent to hinder, delay, or defraud the financial institution or its creditors. The master trust II agreement and MBNA's transfer of the receivables, as well as the trust agreement and MBNA's transfer of the collateral certificate, are intended to satisfy all of these conditions.

If a condition required under the FDIC's regulations were found not to have been met, however, the FDIC could reclaim, recover, or recharacterize MBNA's transfer of the receivables or the collateral certificate. The FDIA would limit master trust II's, the issuer's or the indenture trustee's damages in this event to its "actual direct compensatory damages" determined as of the date that the FDIC was appointed as conservator or receiver for MBNA. The FDIC, moreover, could delay its decision whether to reclaim, recover, or recharacterize MBNA's transfer of the receivables or the collateral certificate for a reasonable period following its appointment as conservator or receiver for MBNA. Therefore, if the FDIC were to reclaim, recover, or recharacterize MBNA's transfer of the receivables or the collateral certificate, payments to you could be delayed or reduced.

Even if the conditions set forth in the regulations were satisfied and the FDIC did not reclaim, recover, or recharacterize MBNA's transfer of the receivables or the collateral certificate, you could suffer a loss on your investment if (i) the master trust II agreement, the trust agreement, or MBNA's transfer of the receivables or the collateral certificate were found to violate the regulatory requirements of the FDIA, (ii) master trust II, the master trust II trustee, the issuer, or the indenture trustee were required to comply with the claims process established under the FDIA in order to collect payments on the receivables or the collateral certificate, (iii) the FDIC were to request a stay of any action by master trust II, the master trust II trustee, the issuer, or the indenture trustee to enforce the master trust II agreement, the trust agreement, the indenture, the collateral certificate, or the notes, or (iv) the FDIC were to repudiate other parts of the master trust II agreement or the trust agreement, such as any obligation to collect payments on or otherwise service the receivables or to manage the issuer.

In addition, regardless of the terms of the master trust II agreement, the trust agreement, or the indenture, and regardless of the instructions of those authorized to direct the master trust

II trustee's, the issuer's or the indenture trustee's actions, the FDIC as conservator or receiver for MBNA may have the power (i) to prevent or require the commencement of a Rapid Amortization Period, (ii) to prevent, limit, or require the early liquidation of receivables or the collateral certificate and termination of master trust II or the issuer, or (iii) to require, prohibit, or limit the continued transfer of receivables or payments on the collateral certificate. Furthermore, regardless of the terms of the master trust II agreement or the trust agreement, the FDIC (i) could prevent the appointment of a successor servicer or another manager for the issuer, (ii) could authorize MBNA to stop servicing the receivables or managing the issuer, or (iii) could increase the amount or the priority of the servicing fee due to MBNA or otherwise alter the terms under which MBNA services the receivables or manages the issuer. If any of these events were to occur, payments to you could be delayed or reduced.

In addition, if insolvency proceedings were commenced by or against MBNA, or if certain time periods were to pass, master trust II, the issuer and the indenture trustee may lose any perfected security interest in collections held by MBNA and commingled with its other funds. See *"Sources of Funds to Pay the Notes—The Collateral Certificate"* and *"Master Trust II—Application of Collections."*

Certain Regulatory Matters

The operations and financial condition of MBNA are subject to extensive regulation and supervision under federal and state law. The appropriate banking regulatory authorities, including the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation, have broad enforcement powers over MBNA. These enforcement powers may adversely affect the operation and financial condition of master trust II and the issuer, and your rights under the master trust II agreement, the trust agreement and the indenture prior to the appointment of a receiver or conservator.

Federal regulators have become more active in monitoring the specific business practices of financial institutions, including the credit card industry. For example, in September 2004, the Office of the Comptroller of the Currency issued an advisory letter describing several credit card marketing and management practices that could expose banks to potential compliance and reputation risks, regulatory enforcement and litigation. In the letter, the OCC alerted banks to fully and prominently disclose in promotional materials and credit agreements certain credit card terms, such as the applicability and duration of promotional rates and the ability of banks to alter credit card terms and to change pricing. In addition, in January 2003 under the auspices of the Federal Financial Institutions Examination Council, the OCC, the Federal Reserve System and the Federal Deposit Insurance Corporation issued guidance governing account management practices for credit card lending, including with respect to credit line management, overlimit practices, minimum payment requirements and workout and forbearance practices. In issuing the guidance, the bank regulators were focused on addressing potential safety and soundness issues arising from the account management practices. In response to this guidance, MBNA implemented strategies in 2004 to decrease the number of accounts that have been overlimit for consecutive periods. Additionally, MBNA will increase the required monthly minimum payments for credit card accounts during 2005. See *"MBNA's*

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Credit Card Portfolio—Billing and Payments" in the related prospectus supplement for a discussion of the increases in the required monthly minimum payments.

If federal bank regulatory authorities supervising any bank were to find that any obligation of such bank or an affiliate under a securitization or other agreement, or any activity of such bank or affiliate, constituted an unsafe or unsound practice or violated any law, rule, regulation or written condition or agreement applicable to the related bank, such federal bank regulatory authorities have the power under the Federal Deposit Insurance Act to order such bank or affiliate, among other things, to rescind such agreement or contract, refuse to perform that obligation, terminate the activity, amend the terms of such obligation or take such other action as such regulatory authorities determine to be appropriate. In such an event, MBNA may not be liable to you for contractual damages for complying with such an order and you may have no recourse against the relevant regulatory authority.

Recently, after the OCC found that a national bank was, contrary to safe and sound banking practices, receiving inadequate servicing compensation under its securitization agreements, that bank agreed to a consent order with the OCC. Such consent order requires that bank, among other things, to resign as servicer and to cease performing its duties as servicer within approximately 120 days, to immediately withhold and segregate funds from collections for payment of its servicing fee (notwithstanding the priority of payments in the securitization agreements and the perfected security interest of the relevant trust in those funds) and to increase its servicing fee percentage above that which was originally agreed upon in its securitization agreements.

While MBNA has no reason to believe that any appropriate banking regulatory authority, including the OCC, would consider provisions relating to MBNA acting as servicer or the payment or amount of a servicing fee to MBNA, or any other obligation of MBNA under its securitization agreements, to be unsafe or unsound or violative of any law, rule or regulation applicable to it, there can be no assurance that any such regulatory authority would not conclude otherwise in the future. If such a regulatory authority did reach such a conclusion, and ordered MBNA to rescind or amend its securitization agreements, payments to you could be delayed or reduced.

Consumer Protection Laws

The relationships of the cardholder and credit card issuer and the lender are extensively regulated by federal and state consumer protection laws. With respect to credit cards issued by MBNA, the most significant laws include the federal Truth-in-Lending, Equal Credit Opportunity, Fair Credit Reporting, Fair Debt Collection Practice, Graham-Leach-Bliley and Electronic Funds Transfer Acts, and with respect to members of the military on active duty, the Servicemembers Civil Relief Act. These statutes impose disclosure requirements when a credit card account is advertised, when it is opened, at the end of monthly billing cycles, and at year end. In addition, these statutes limit customer liability for unauthorized use, prohibit certain discriminatory practices in extending credit, impose certain limitations on the type of account-related charges that may be assessed, and regulate the use of cardholder information.

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Cardholders are entitled under these laws to have payments and credits applied to the credit card accounts promptly, to receive prescribed notices and to require billing errors to be resolved promptly.

Master trust II may be liable for certain violations of consumer protection laws that apply to the receivables, either as assignee from MBNA with respect to obligations arising before transfer of the receivables to master trust II or as a party directly responsible for obligations arising after the transfer. In addition, a cardholder may be entitled to assert such violations by way of set-off against his obligation to pay the amount of receivables owing. MBNA has represented and warranted in the master trust II agreement that all of the receivables have been and will be created in compliance with the requirements of such laws. The servicer also agrees in the master trust II agreement to indemnify master trust II, among other things, for any liability arising from such violations caused by the servicer. For a discussion of master trust II's rights arising from the breach of these warranties, see "*Master Trust II—Representations and Warranties*" in this prospectus.

Certain jurisdictions may attempt to require out-of-state credit card issuers to comply with such jurisdiction's consumer protection laws (including laws limiting the charges imposed by such credit card issuers) in connection with their operations in such jurisdictions. A successful challenge by such a jurisdiction could have an adverse impact on MBNA's credit card operations or the yield on the receivables in master trust II.

If a cardholder sought protection under federal or state bankruptcy or debtor relief laws, a court could reduce or discharge completely the cardholder's obligations to repay amounts due on its account and, as a result, the related receivables would be written off as uncollectible. The certificateholders could suffer a loss if no funds are available from credit enhancement or other sources. See "*Master Trust II—Defaulted Receivables; Rebates and Fraudulent Charges*" in this prospectus.

Federal Income Tax Consequences

General

The following summary describes the material United States federal income tax consequences of the purchase, ownership and disposition of the notes. Additional federal income tax considerations relevant to a particular tranche may be set forth in the accompanying prospectus supplement. The following summary has been prepared and reviewed by Orrick, Herrington & Sutcliffe LLP as special tax counsel to the issuer ("Special Tax Counsel"). The summary is based on the Internal Revenue Code of 1986, as amended as of the date hereof, and existing final, temporary and proposed Treasury regulations, revenue rulings and judicial decisions, all of which are subject to prospective and retroactive changes. The summary is addressed only to original purchasers of the notes, deals only with notes held as capital assets within the meaning of Section 1221 of the Internal Revenue Code and, except as specifically set forth below, does not address tax consequences of holding notes that may be relevant to investors in light of their own investment circumstances or their special tax

situations, such as certain financial institutions, tax-exempt organizations, life insurance companies, dealers in securities, non-U.S. persons, or investors holding the notes as part of a conversion transaction, as part of a hedge or hedging transaction, or as a position in a straddle for tax purposes. Further, this discussion does not address alternative minimum tax consequences or any tax consequences to holders of interests in a noteholder. Special Tax Counsel is of the opinion that the following summary of federal income tax consequences is correct in all material respects. Noteholders should be aware that this summary and the opinions contained herein may not be able to be relied upon to avoid any income tax penalties that may be imposed with respect to the notes. An opinion of Special Tax Counsel, however, is not binding on the Internal Revenue Service or the courts, and no ruling on any of the issues discussed below will be sought from the Internal Revenue Service. Moreover, there are no authorities on similar transactions involving interests issued by an entity with terms similar to those of the notes described in this prospectus. Accordingly, it is suggested that persons considering the purchase of notes should consult their own tax advisors with regard to the United States federal income tax consequences of an investment in the notes and the application of United States federal income tax laws, as well as the laws of any state, local or foreign taxing jurisdictions, to their particular situations.

Tax Characterization of the Issuer and the Notes

Treatment of the Issuer and Master Trust II as Entities Not Subject to Tax

Special Tax Counsel is of the opinion that, although no transaction closely comparable to that contemplated herein has been the subject of any Treasury regulation, revenue ruling or judicial decision, each of the issuer and master trust II will not be classified as an association or as a publicly traded partnership taxable as a corporation for federal income tax purposes. As a result, Special Tax Counsel is of the opinion that each of the issuer and master trust II will not be subject to federal income tax. However, as discussed above, this opinion is not binding on the Internal Revenue Service and no assurance can be given that this characterization will prevail.

The precise tax characterization of the issuer and master trust II for federal income tax purposes is not certain. They might be viewed as merely holding assets on behalf of the beneficiary as collateral for notes issued by the beneficiary. On the other hand, they could be viewed as one or more separate entities for tax purposes issuing the notes. This distinction, however, should not have a significant tax effect on noteholders except as stated below under "—*Possible Alternative Characterizations*."

Treatment of the Notes as Debt

Special Tax Counsel is of the opinion that, although no transaction closely comparable to that contemplated herein has been the subject of any Treasury regulation, revenue ruling or judicial decision, the notes will be characterized as debt for United States federal income tax purposes. Additionally, the issuer will agree by entering into the indenture, and the noteholders will agree by their purchase and holding of notes, to treat the notes as debt secured by the collateral certificate and other assets of the issuer for United States federal income tax purposes.

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Possible Alternative Characterizations

If, contrary to the opinion of Special Tax Counsel, the Internal Revenue Service successfully asserted that a series or class of notes did not represent debt for United States federal income tax purposes, those notes might be treated as equity interests in the issuer, master trust II or some other entity for such purposes. If so treated, investors could be treated either as partners in a partnership or, alternatively, as shareholders in a taxable corporation for such purposes. If an investor were treated as a partner in a partnership, it would be taxed individually on its respective share of the partnership's income, gain, loss, deductions and credits attributable to the partnership's ownership of the collateral certificate and any other assets and liabilities of the partnership without regard to whether there were actual distributions of that income. As a result, the amount, timing, character and source of items of income and deductions of an investor could differ if its notes were held to constitute partnership interests rather than debt. Treatment of a noteholder as a partner could have adverse tax consequences to certain holders; for example, absent an applicable exemption, income to foreign persons would be subject to United States tax and United States tax return filing and withholding requirements, and individual holders might be subject to certain limitations on their ability to deduct their share of partnership expenses. Alternatively, the Internal Revenue Service could contend that some or all of the notes, or separately some of the other securities that the issuer and master trust II are permitted to issue (and which are permitted to constitute debt or equity for federal income tax purposes), constitute equity in a partnership that should be classified as a publicly traded partnership taxable as a corporation for federal income tax purposes. Any such partnership would be classified as a publicly traded partnership and could be taxable as a corporation if its equity interests were traded on an "established securities market," or are "readily tradable" on a "secondary market" or its "substantial equivalent." The beneficiary intends to take measures designed to reduce the risk that either of the issuer or master trust II could be classified as a publicly traded partnership; although the beneficiary expects that such measures will ultimately be successful, certain of the actions that may be necessary for avoiding the treatment of such other securities as "readily tradable" on a "secondary market" or its "substantial equivalent" are not fully within the control of the beneficiary. As a result, there can be no assurance that the measures the beneficiary intends to take will in all circumstances be sufficient to prevent the issuer and master trust II from being classified as publicly traded partnerships. If the issuer or master trust II were treated in whole or in part as one or more publicly traded partnerships taxable as a corporation, corporate tax imposed with respect to such corporation could materially reduce cash available to make payments on the notes, and foreign investors could be subject to withholding taxes. Additionally, no distributions from the corporation would be deductible in computing the taxable income of the corporation, except to the extent that any notes or other securities were treated as debt of the corporation and distributions to the related noteholders or other security holders were treated as payments of interest thereon. Further, distributions to noteholders not treated as holding debt would be dividend income to the extent of the current and accumulated earnings and profits of the corporation (possibly without the benefit of any dividends received deduction). Prospective investors should consult their own tax advisors with regard to the consequences of possible alternative characterizations to them in their particular circumstances; the following discussion assumes that the characterization of the

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notes as debt and the issuer and master trust II as entities not subject to federal income tax is correct.

Consequences to Holders of the Offered Notes

Interest and Original Issue Discount

Stated interest on a note will be includible in gross income as it accrues or is received in accordance with a noteholder's usual method of tax accounting. If a class of notes is issued with original issue discount, the provisions of Sections 1271 through 1273 and 1275 of the Internal Revenue Code will apply to those notes. Under those provisions, a holder of such a note (including a cash basis holder) would be required to include the original issue discount on a note in income for federal income tax purposes on a constant yield basis, resulting in the inclusion of original issue discount in income in advance of the receipt of cash attributable to that income. Subject to the discussion below, a note will be treated as having original issue discount to the extent that its "stated redemption price" exceeds its "issue price," if such excess equals or exceeds 0.25 percent multiplied by the weighted average life of the note (determined by taking into account the number of complete years following issuance until payment is made for each partial principal payment). Under Section 1272(a)(6) of the Internal Revenue Code, special provisions apply to debt instruments on which payments may be accelerated due to prepayments of other obligations securing those debt instruments. However, no regulations have been issued interpreting those provisions, and the manner in which those provisions would apply to the notes is unclear, but the application of Section 1272(a)(6) could affect the rate of accrual of original issue discount and could have other consequences to holders of the notes. Additionally, the Internal Revenue Service could take the position based on Treasury regulations that none of the interest payable on a note is "unconditionally payable" and hence that all of such interest should be included in the note's stated redemption price at maturity. If sustained, such treatment should not significantly affect tax liabilities for most holders of the notes, but prospective noteholders should consult their own tax advisors concerning the impact to them in their particular circumstances. The issuer intends to take the position that interest on the notes constitutes "qualified stated interest" and that the above consequences do not apply.

Market Discount

A holder of a note who purchases an interest in a note at a discount that exceeds any original issue discount not previously includible in income may be subject to the "market discount" rules of Sections 1276 through 1278 of the Internal Revenue Code. These rules provide, in part, that gain on the sale or other disposition of a note and partial principal payments on a note are treated as ordinary income to the extent of accrued market discount. The market discount rules also provide for deferral of interest deductions with respect to debt incurred to purchase or carry a note that has market discount.

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Market Premium

A holder of a note who purchases an interest in a note at a premium may elect to amortize the premium against interest income over the remaining term of the note in accordance with the provisions of Section 171 of the Internal Revenue Code.

Disposition of the Notes

Subject to exceptions such as in the case of "wash sales," upon the sale, exchange or retirement of a note, the holder of the note will recognize taxable gain or loss in an amount equal to the difference between the amount realized on the disposition (other than amounts attributable to accrued interest) and the holder's adjusted tax basis in the note. The holder's adjusted tax basis in the note generally will equal the cost of the note to such holder, increased by any market or original issue discount previously included in income by such holder with respect to the note, and decreased by the amount of any bond premium previously amortized and any payments of principal or original issue discount previously received by such holder with respect to such note. Except to the extent of any accrued market discount not previously included in income, any such gain treated as capital gain will be long-term capital gain if the note has been held for more than one year, and any such loss will be a capital loss, subject to limitations on deductibility.

Foreign Holders

Under United States federal income tax law now in effect, subject to exceptions applicable to certain types of interest, payments of interest by the issuer to a holder of a note who, as to the United States, is a nonresident alien individual or a foreign corporation (a "foreign person") will be considered "portfolio interest" and will not be subject to United States federal income tax and withholding tax provided the interest is not effectively connected with the conduct of a trade or business within the United States by the foreign person and the foreign person (i) is not for United States federal income tax purposes (a) actually or constructively a "10 percent shareholder" of the beneficiary, the issuer or master trust II, (b) a "controlled foreign corporation" with respect to which the beneficiary, the issuer or master trust II is a "related person" within the meaning of the Internal Revenue Code, or (c) a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business, and (ii) provides the person who is otherwise required to withhold United States tax with respect to the notes with an appropriate statement (on IRS Form W-8BEN or a substitute form), signed under penalties of perjury, certifying that the beneficial owner of the note is a foreign person and providing the foreign person's name, address and certain additional information. If a note is held through a securities clearing organization or certain other financial institutions (as is expected to be the case unless Definitive Notes are issued), the organization or institution may provide the relevant signed statement to the withholding agent; in that case, however, the signed statement must be accompanied by an IRS Form W-8BEN or substitute form provided by the foreign person that owns the note. Special rules apply to partnerships, estates and trusts, and in certain circumstances certifications as to foreign status and other matters may be required to be provided by partners and beneficiaries thereof. If such interest is not portfolio interest, then it will be subject to United States federal income and withholding tax at a rate of 30%, unless

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reduced or eliminated pursuant to an applicable tax treaty or such interest is effectively connected with the conduct of a trade or business within the United States and, in either case, the appropriate statement has been provided.

Any capital gain realized on the sale, redemption, retirement or other taxable disposition of a note by a foreign person will be exempt from United States federal income tax and withholding tax, provided that (i) such gain is not effectively connected with the conduct of a trade or business in the United States by the foreign person, and (ii) in the case of an individual foreign person, such individual is not present in the United States for 183 days or more in the taxable year.

The U.S. Treasury Department has recently issued final Treasury regulations which revise various procedural matters relating to withholding taxes. Holders of notes should consult their tax advisors regarding the procedures whereby they may establish an exemption from withholding.

Backup Withholding and Information Reporting

Payments of principal and interest, as well as payments of proceeds from the sale, retirement or disposition of a note, may be subject to "backup withholding" tax under Section 3406 of the Internal Revenue Code if a recipient of such payments fails to furnish to the payor certain identifying information. Any amounts deducted and withheld would be allowed as a credit against such recipient's United States federal income tax, provided appropriate proof is provided under rules established by the Internal Revenue Service. Furthermore, certain penalties may be imposed by the Internal Revenue Service on a recipient of payments that is required to supply information but that does not do so in the proper manner. Backup withholding will not apply with respect to payments made to certain exempt recipients, such as corporations and financial institutions. Information may also be required to be provided to the Internal Revenue Service concerning payments, unless an exemption applies. Holders of the notes should consult their tax advisors regarding their qualification for exemption from backup withholding and information reporting and the procedure for obtaining such an exemption.

The United States federal income tax discussion set forth above may not be applicable depending upon a holder's particular tax situation, and does not purport to address the issues described with the degree of specificity that would be provided by a taxpayer's own tax advisor. Accordingly, it is suggested that prospective investors should consult their own tax advisors with respect to the tax consequences to them of the purchase, ownership and disposition of the notes and the possible effects of changes in federal tax laws.

State and Local Tax Consequences

The discussion above does not address the taxation of the issuer or the tax consequences of the purchase, ownership or disposition of an interest in the notes under any state or local tax law. It is suggested that each investor should consult its own tax advisor regarding state and local tax consequences.

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Benefit Plan Investors

Benefit plans are required to comply with restrictions under the Employee Retirement Income Security Act of 1974, known as ERISA, and/or section 4975 of the Internal Revenue Code, if they are subject to either or both sets of restrictions. The ERISA restrictions include rules concerning prudence and diversification of the investment of assets of a benefit plan—referred to as "plan assets." A benefit plan fiduciary should consider whether an investment by the benefit plan in notes complies with these requirements.

In general, a benefit plan for these purposes includes:

- a plan or arrangement which provides deferred compensation or certain health or other welfare benefits to employees;
- an employee benefit plan that is tax-qualified under the Internal Revenue Code and provides deferred compensation to employees—such as a pension, profit-sharing, section 401(k) or Keogh plan; and
- a collective investment fund or other entity if (a) the fund or entity has one or more benefit plan investors and (b) certain "look-through" rules apply and treat the assets of the fund or entity as constituting plan assets of the benefit plan investor.

However, a plan maintained by a governmental employer is not a benefit plan for these purposes. Most plans maintained by religious organizations and plans maintained by foreign employers for the benefit of employees employed outside the United States are also not benefit plans for these purposes. A fund or other entity—including an insurance company general account—considering an investment in notes should consult its tax advisors concerning whether its assets might be considered plan assets of benefit plan investors under these rules.

Prohibited Transactions

ERISA and Section 4975 of the Internal Revenue Code also prohibit transactions of a specified type between a benefit plan and a party in interest who is related in a specified manner to the benefit plan. Individual retirement accounts and tax-qualified plans that provide deferred compensation to employees are also subject to these prohibited transaction rules unless they are maintained by a governmental employer or (in most cases) a religious organization. Violation of these prohibited transaction rules may result in significant penalties. There are statutory exemptions from the prohibited transaction rules, and the U.S. Department of Labor has granted administrative exemptions for specified transactions.

Potential Prohibited Transactions from Investment in Notes

There are two categories of prohibited transactions that might arise from a benefit plan's investment in notes. Fiduciaries of benefit plans contemplating an investment in notes should carefully consider whether the investment would violate these rules.

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Prohibited Transactions between the Benefit Plan and a Party in Interest

The first category of prohibited transaction could arise on the grounds that the benefit plan, by purchasing notes, was engaged in a prohibited transaction with a party in interest. A prohibited transaction could arise, for example, if the notes were viewed as debt of MBNA and MBNA is a party in interest as to the benefit plan. A prohibited transaction could also arise if MBNA, the master trust II trustee, the indenture trustee, the servicer or another party with an economic relationship to the issuer or master trust II either:

- is involved in the investment decision for the benefit plan to purchase notes or
- is otherwise a party in interest as to the benefit plan.

If a prohibited transaction might result from the benefit plan's purchase of notes, an administrative exemption from the prohibited transaction rules might be available to permit an investment in notes. The exemptions that are potentially available include the following prohibited transaction class exemptions:

- 96-23, available to "in-house asset managers";
- 95-60, available to insurance company general accounts;
- 91-38, available to bank collective investment funds;
- 90-1, available to insurance company pooled separate accounts; and
- 84-14, available to "qualified professional asset managers."

However, even if the benefit plan is eligible for one of these exemptions, the exemption may not cover every aspect of the investment by the benefit plan that might be a prohibited transaction.

Prohibited Transactions between the Issuer or Master Trust II and a Party in Interest

The second category of prohibited transactions could arise if:

- a benefit plan acquires notes, and
- under the "look-through" rules of the U.S. Department of Labor plan asset regulation, assets of the issuer are treated as if they were plan assets of the benefit plan.

In this case, every transaction by the issuer would be treated as a transaction by the benefit plan using its plan assets.

If assets of the issuer are treated as plan assets of a benefit plan investor, a prohibited transaction could result if the issuer itself engages in a transaction with a party in interest as to the benefit plan. For example, if the issuer's assets are treated as assets of the benefit plan and master trust II holds a credit card receivable that is an obligation of a participant in that same benefit plan, then there would be a prohibited extension of credit between the benefit plan and a party in interest, the plan participant.

As a result, if assets of the issuer are treated as plan assets, there would be a significant risk of a prohibited transaction. Moreover, the prohibited transaction class exemptions referred

to above could not be relied on to exempt all the transactions of the issuer or master trust II from the prohibited transaction rules. In addition, because all the assets of the issuer or master trust II would be treated as plan assets, managers of those assets might be required to comply with the fiduciary responsibility rules of ERISA.

Under an exemption in the plan asset regulation, assets of the issuer would not be considered plan assets, and so this risk of prohibited transactions should not arise, if a benefit plan purchases a note that:

- is treated as indebtedness under local law, and
- has no "substantial equity features."

The issuer expects that all notes offered by this prospectus will be indebtedness under local law. Likewise, although there is no authority directly on point, the issuer believes that the notes should not be considered to have substantial equity features. As a result, the plan asset regulation should not apply to cause assets of the issuer to be treated as plan assets.

Investment by Benefit Plan Investors

For the reasons described in the preceding sections, and subject to the limitations referred to therein, benefit plans can purchase notes. However, the benefit plan fiduciary must ultimately determine whether the requirements of the plan asset regulation are satisfied. More generally, the fiduciary must determine whether the benefit plan's investment in notes will result in one or more nonexempt prohibited transactions or otherwise violate the provisions of ERISA or the Internal Revenue Code.

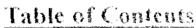
Tax Consequences to Benefit Plans

In general, assuming the notes are debt for federal income tax purposes, interest income on notes would not be taxable to benefit plans that are tax-exempt under the Internal Revenue Code, unless the notes were "debt-financed property" because of borrowings by the benefit plan itself. However, if, contrary to the opinion of Special Tax Counsel, for federal income tax purposes, the notes are equity interests in a partnership and the partnership or master trust II is viewed as having other outstanding debt, then all or part of the interest income on the notes would be taxable to the benefit plan as "debt-financed income." Benefit plans should consult their tax advisors concerning the tax consequences of purchasing notes.

Plan of Distribution

The issuer may offer and sell the notes of a series in one or more of the following ways:

- directly to one or more purchasers;
- through agents; or
- through underwriters.



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Any underwriter or agent that offers the notes may be an affiliate of the issuer, and offers and sales of notes may include secondary market transactions by affiliates of the issuer. These affiliates may act as principal or agent in secondary market transactions. Secondary market transactions will be made at prices related to prevailing market prices at the time of sale.

The issuer will specify in a prospectus supplement the terms of each offering, which may include:

- the name or names of any underwriters or agents,
- the managing underwriters of any underwriting syndicate,
- the public offering or purchase price,
- the net proceeds to the issuer from the sale,
- any underwriting discounts and other items constituting underwriters' compensation,
- any discounts and commissions allowed or paid to dealers,
- any commissions allowed or paid to agents, and
- the securities exchanges, if any, on which the notes will be listed.

Dealer trading may take place in some of the notes, including notes not listed on any securities exchange. Direct sales may be made on a national securities exchange or otherwise. If the issuer, directly or through agents, solicits offers to purchase notes, the issuer reserves the sole right to accept and, together with its agents, to reject in whole or in part any proposed purchase of notes.

The issuer may change any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers. If indicated in a prospectus supplement, the issuer will authorize underwriters or agents to solicit offers by certain institutions to purchase securities from the issuer pursuant to delayed delivery contracts providing for payment and delivery at a future date.

Any underwriter or agent participating in a distribution of securities, including notes offered by the issuer, may be deemed to be an "underwriter" of those securities under the Securities Act of 1933 and any discounts or commissions received by it and any profit realized by it on the sale or resale of the securities may be deemed to be underwriting discounts and commissions.

MBNA and the issuer may agree to indemnify underwriters, agents and their controlling persons against certain civil liabilities, including liabilities under the Securities Act of 1933 in connection with their participation in the distribution of the issuer's notes.

Underwriters and agents participating in the distribution of the issuer's notes, and their controlling persons, may engage in transactions with and perform services for MBNA, the issuer or their respective affiliates in the ordinary course of business.

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Legal Matters

Certain legal matters relating to the issuance of the notes and the collateral certificate will be passed upon for MBNA by Louis J. Freeh, Vice Chairman and General Counsel of MBNA, and by Orrick, Herrington & Sutcliffe LLP, Washington, D.C., special counsel to MBNA. Certain legal matters relating to the issuance of the notes under the laws of the State of Delaware will be passed upon for MBNA by Richards, Layton & Finger, P.A., Wilmington, Delaware. Certain legal matters relating to the federal tax consequences of the issuance of the notes will be passed upon for MBNA by Orrick, Herrington & Sutcliffe LLP. Certain legal matters relating to the issuance of the notes will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York. Mr. Freeh owns beneficially in excess of 1,000,000 shares of common stock of MBNA Corporation, including options exercisable within sixty days under MBNA Corporation's 1997 Long Term Incentive Plan.

Where You Can Find More Information

We filed a registration statement relating to the notes with the Securities and Exchange Commission. This prospectus is part of the registration statement, but the registration statement includes additional information.

The servicer will file with the SEC all required annual, monthly and special SEC reports and other information about master trust II and the issuer.

You may read and copy any reports, statements or other information we file at the SEC's public reference room in Washington, D.C. You can request copies of these documents, upon payment of a duplicating fee, by writing to the SEC. Please call the SEC at (800) SEC-0330 for further information on the operation of the public reference rooms. Our SEC filings are also available to the public on the SEC Internet site (http://www.sec.gov).

We "incorporate by reference" information we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus. Information that we file later with the SEC will automatically update the information in this prospectus. In all cases, you should rely on the later information over different information included in this prospectus or the accompanying prospectus supplement. We incorporate by reference any future annual, monthly and special SEC reports and proxy materials filed by or on behalf of master trust II or the issuer until we terminate our offering of the notes.

As a recipient of this prospectus, you may request a copy of any document we incorporate by reference, except exhibits to the documents (unless the exhibits are specifically incorporated by reference), at no cost, by writing or calling us at: Investor Relations; MBNA America Bank, National Association; Wilmington, Delaware 19884-0313; (800) 362-6255.

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Glossary of Defined Terms

"Addition Date" means the date of any assignment of receivables in additional accounts to the Master Trust II Portfolio.

"Adjusted Outstanding Dollar Principal Amount" means, for any series, class or tranche of notes, the outstanding dollar principal amount of such series, class or tranche, *less* any funds on deposit in the principal funding account or the related subaccount, as applicable, for such series, class or tranche.

"Aggregate Investor Default Amount" means, for any month, the sum of the Investor Default Amounts for such month.

"Available Funds" means (a) with respect to all series of notes, the collections of finance charge receivables (and certain amounts to be treated as finance charge receivables) payable to the issuer, as holder of the collateral certificate, *plus* the collateral certificate's allocable portion of investment earnings (net of losses and expenses) on amounts on deposit in the master trust II finance charge account, *minus*, if MBNA or The Bank of New York is the servicer, any servicer interchange attributable to the collateral certificate as described in "*Master Trust II—Servicing Compensation and Payment of Expenses*" and (b) with respect to any series, class or tranche of notes, the amount of collections in clause (a) allocated to such series, class or tranche, as applicable, *plus* any other amounts, or allocable portion thereof, to be treated as Available Funds with respect to such series, class or tranche as described in the applicable supplement to this prospectus.

"Available Funds Allocation Amount" means, on any date during any month for any tranche, class or series of notes (exclusive of (a) any notes within such tranche, class or series which will be paid in full during such month and (b) any notes which will have a nominal liquidation amount of zero during such month), an amount equal to the sum of (i) the nominal liquidation amount for such tranche, class or series, as applicable, as of the last day of the preceding month, *plus* (ii) the aggregate amount of any increases in the nominal liquidation amount of such tranche, class or series, as applicable, as a result of (x) the issuance of a new tranche of notes or the issuance of additional notes in an outstanding tranche of notes, (y) the accretion of principal on discount notes of such tranche, class or series, as applicable or (z) the release of prefunded amounts (other than prefunded amounts deposited during such month) for such tranche, class or series, as applicable, from a principal funding subaccount, in each case during such month.

"Available Principal Amounts" means, (a) with respect to all series of notes, the collections of principal receivables allocated and paid to the issuer, as holder of the collateral certificate, and (b) with respect to any series, class or tranche of notes, the amount of collections in clause (a) allocated to such series, class or tranche, as applicable, *plus* any other amounts, or allocable portion thereof, to be treated as Available Principal Amounts with respect to such series, class or tranche as described in the applicable supplement to this prospectus.

"Bank Portfolio" means the portfolio of MasterCard, Visa and American Express accounts owned by MBNA.

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"Business Day" is, unless otherwise indicated, any day other than a Saturday, a Sunday or a day on which banking institutions in New York, New York or Newark, Delaware are authorized or obligated by law, executive order or governmental decree to be closed.

"Cut-Off Date" means June 22, 1994.

"Daily Available Funds Amount" means, for any day during any month, an amount equal to the product of (a) the amount of collections of finance charge receivables (together with certain amounts to be treated as finance charge receivables) processed for any series, class or tranche of notes, *minus*, if MBNA or The Bank of New York is the servicer, the amount of interchange paid to the servicer for each month, and (b) the percentage equivalent of a fraction, the numerator of which is the Available Funds Allocation Amount for the related series, class or tranche of notes for such day and the denominator of which is the Available Funds Allocation Amount for all series of notes for such day.

"Daily Principal Amount" means, for any day during any month on which collections of principal receivables are processed for any series, class or tranche of notes, an amount equal to the product of (a) the aggregate amount of collections of principal receivables allocated to the issuer on such day and (b) the percentage equivalent of a fraction, the numerator of which is the Principal Allocation Amount for the related series, class or tranche of notes for such day and the denominator of which is the Principal Allocation Amount for all series of notes for such day.

"Default Amount" means the aggregate amount of principal receivables (other than ineligible receivables) in a Defaulted Account on the day such account became a Defaulted Account.

"Defaulted Accounts" means certain accounts in the Master Trust II Portfolio, the receivables of which have been written off as uncollectible by the servicer.

"Definitive Notes" means notes in definitive, fully registered form.

"Determination Date" means the fourth Business Day preceding each Transfer Date.

"Distribution Date" means the 15th day of each month (or, if such 15th day is not a Business Day, the next succeeding Business Day).

"Eligible Account" means, as of the Cut-Off Date (or, with respect to additional accounts, as of their date of designation for inclusion in master trust II), each account owned by MBNA:

- which was in existence and maintained with MBNA;
- which is payable in United States dollars;
- the obligor of which has provided, as his most recent billing address, an address located in the United States or its territories or possessions;
- which has not been classified by MBNA as cancelled, counterfeit, deleted, fraudulent, stolen or lost; and

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- which has not been charged-off by MBNA in its customary and usual manner for charging-off accounts as of the Cut-Off Date and, with respect to additional accounts, as of their date of designation for inclusion in master trust II;

provided, however, the definition of Eligible Account may be changed by amendment to the master trust II agreement without the consent of the certificateholders if:

- MBNA delivers to the trustee a certificate of an authorized officer to the effect that, in the reasonable belief of MBNA, such amendment will not as of the date of such amendment adversely affect in any material respect the interest of such certificateholders; and
- such amendment will not result in a withdrawal or reduction of the rating of any outstanding series under master trust II by any rating agency.

"Eligible Receivable" means each receivable:

- which has arisen under an Eligible Account;
- which was created in compliance, in all material respects, with all requirements of law applicable to MBNA, and pursuant to a credit card agreement which complies in all material respects with all requirements of law applicable to MBNA;
- with respect to which all consents, licenses or authorizations of, or registrations with, any governmental authority required to be obtained or given by MBNA in connection with the creation of such receivable or the execution, delivery, creation and performance by MBNA of the related credit card agreement have been duly obtained, effected or given and are in full force and effect as of the date of the creation of such receivable;
- as to which, at the time of and all times after its creation, MBNA or master trust II had good and marketable title free and clear of all liens and security interests arising under or through MBNA or any of its affiliates (other than certain tax liens for taxes not then due or which MBNA is contesting);
- which is the legal, valid and binding payment obligation of the obligor thereon, legally enforceable against such obligor in accordance with its terms (with certain bankruptcy-related exceptions); and
- which constitutes an "account" under Article 9 of the UCC.

"Excess Available Funds" means, with respect to any series of notes, the amount by which Available Funds allocable to such series exceed the sum of (1) the aggregate amount targeted to be deposited in the interest funding account with respect to such series, (2) the portion of the master trust II servicing fee allocable to such series, (3) the defaults on receivables in master trust II allocable to such series and (4) the aggregate amount of any nominal liquidation amount deficits with respect to such series.

"Floating Investor Percentage" means, for any date of determination, a percentage based on a fraction, the numerator of which is the aggregate Available Funds Allocation Amounts for all series of notes for such date and the denominator of which is the greater of (a) the

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aggregate amount of principal receivables in master trust II at the end of the prior month and (b) the sum of the Investor Interests for all outstanding master trust II series of investor certificates on such date of determination. However, with respect to any month in which there is a new issuance of notes, an accretion of principal on discount notes, a release of prefunded amounts from a principal funding subaccount, an addition of accounts, or a removal of accounts where the receivables in such removed accounts approximately equal the initial Investor Interest of a series of master trust II investor certificates that has been paid in full, the denominator described in clause (a) of the previous sentence will be, on and after such date, the aggregate amount of principal receivables in master trust II as of the beginning of the day on the most recently occurring event described above (after adjusting for the aggregate amount of principal receivables, if any, added to or removed from master trust II on such date).

"Investor Default Amount" means, for any receivable, the product of:

- the Floating Investor Percentage on the day the applicable account became a Defaulted Account; and
- the Default Amount.

"Investor Interest" means, for any date of determination:

- with respect to the collateral certificate, the sum of the nominal liquidation amounts for each series of notes outstanding as of such date; and
- with respect to all other series of master trust II investor certificates, the initial outstanding principal amount of the investor certificates of that series, less the amount of principal paid to the related investor certificateholders and the amount of unreimbursed charge-offs for uncovered defaults and reallocations of principal collections.

"Investor Servicing Fee" has the meaning described in *"Master Trust II—Servicing Compensation and Payment of Expenses"* in this prospectus.

"Master Trust II Portfolio" means the credit card accounts selected from the Bank Portfolio and included in master trust II as of the Cut-Off Date and, with respect to additional accounts, as of the related date of their designation, based on the eligibility criteria set forth in the master trust II agreement and which accounts have not been removed from master trust II.

"Master Trust II Termination Date" means, unless the servicer and the holder of the Seller Interest instruct otherwise, the earliest of:

- the first Business Day after the Distribution Date on which the outstanding amount of the interests in master trust II (excluding the Seller Interest), if any, with respect to each series outstanding is zero;
- December 31, 2024 or such later date as the servicer and the seller may determine (which will not be later than August 31, 2034); or
- if the receivables are sold, disposed of or liquidated following the occurrence of an event of insolvency or receivership of MBNA, immediately following such sale, disposition or liquidation.

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"Minimum Seller Interest" for any period means 4% of the average principal receivables for such period. MBNA may reduce the Minimum Seller Interest to not less than 2% of the average principal receivables for such period upon notification that such reduction will not cause a reduction or withdrawal of the rating of any outstanding investor certificates issued by master trust II that are rated by the rating agencies rating those investor certificates and certain other conditions to be set forth in the master trust II agreement.

"Net Servicing Fee" has the meaning described in "*Master Trust II—Servicing Compensation and Payment of Expenses*" in this prospectus.

"Pay Out Events" with respect to a series of investor certificates (including the collateral certificate) are the events described in "*Master Trust II—Pay Out Events*" in this prospectus and any other events described in the related prospectus supplement.

"Permitted Investments" means:

- obligations of, or fully guaranteed by, the United States of America;
- time deposits or certificates of deposit of depositary institutions or trust companies, the certificates of deposit of which have the highest rating from Moody's, Standard & Poor's and, if rated by Fitch, Fitch;
- commercial paper having, at the time of master trust II's or the issuer's investment, a rating in the highest rating category from Moody's, Standard & Poor's and, if rated by Fitch, Fitch;
- bankers' acceptances issued by any depository institution or trust company described in the second clause above;
- money market funds which have the highest rating from, or have otherwise been approved in writing by, each rating agency;
- certain open end diversified investment companies; and
- any other investment if each rating agency confirms in writing that such investment will not adversely affect its then-current rating or ratings of the certificates.

"Principal Allocation Amount" shall mean, on any date during any month for any tranche, class or series of notes (exclusive of (x) any notes within such tranche, class or
series which will be paid in full during such month and (y) any notes which will have a nominal liquidation amount of zero during such month), an amount equal to the sum of (a) for any notes within such tranche, class or series of notes in a note accumulation period, the sum of the nominal liquidation amounts for such notes as of the close of business on the day prior to the commencement of the most recent note accumulation period for such notes, and (b) for all other notes outstanding within such tranche, class or series of notes, (i) the sum of the nominal liquidation amounts for such notes, each as of the close of business on the last day of the immediately preceding month (or, with respect to the first month for any such tranche of notes, the initial dollar principal amount of such notes), *plus* (ii) the aggregate amount of any increases in the nominal liquidation amount of such notes as a result of (x) the issuance of

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additional notes in an outstanding series, class or tranche of notes, (y) the accretion of principal on discount notes of such series, class or tranche, as applicable, or (z) the release of prefunded amounts (other than prefunded amounts deposited during such month) for such series, class or tranche, as applicable, from a principal funding subaccount, in each case during such month on or prior to such date.

"Principal Investor Percentage" means, for any date of determination, a percentage based on a fraction, the numerator of which is the aggregate Principal Allocation Amounts for such date and the denominator of which is the greater of (a) the total principal receivables in master trust II at the end of the prior month and (b) the sum of the Investor Interests at the end of the prior month for all outstanding master trust II series of investor certificates on such date of determination. However, this Principal Investor Percentage will be adjusted for certain Investor Interest increases, as well as additions and certain removals of accounts, during the related month. In calculating the Principal Investor Percentage, the Investor Interest is the sum of (i) for each tranche of notes which is not accumulating or paying principal, the Investor Interest at the end of the prior month and (ii) for each tranche of notes which is accumulating or paying principal, the Investor Interest prior to any reductions for accumulations or payments of principal.

"Qualified Institution" means either:

- a depository institution, which may include the indenture trustee or the owner trustee (so long as it is a paying agent), organized under the laws of the United States of America or any one of the states thereof or the District of Columbia, the deposits of which are insured by the FDIC and which at all times has a short-term unsecured debt rating in the applicable investment category of each rating agency; or
- a depository institution acceptable to each rating agency.

"Rapid Amortization Period" means for Series 2001-D the period beginning on and including the pay out commencement date and ending on the earlier of the Series 2001-D termination date and the Master Trust II Termination Date.

"Removal Date" means the date of any removal of receivables in accounts removed from the Master Trust II Portfolio.

"Seller Interest" means the interest in master trust II not represented by the investor certificates issued and outstanding under master trust II or the rights, if any, of any credit enhancement providers to receive payments from master trust II.

"Seller Percentage" means a percentage equal to 100% *minus* the aggregate investor percentages and, if applicable, the percentage interest of credit enhancement providers, for all series issued by master trust II that are then outstanding.

"Servicer Default" means any of the following events:

(a) failure by the servicer to make any payment, transfer or deposit, or to give instructions to the master trust II trustee to make certain payments, transfers or deposits,

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on the date the servicer is required to do so under the master trust II agreement or any series supplement (or within the applicable grace period, which will not exceed 10 Business Days);

(b) failure on the part of the servicer duly to observe or perform in any respect any other covenants or agreements of the servicer which has a material adverse effect on the certificateholders of any series issued and outstanding under master trust II and which continues unremedied for a period of 60 days after written notice and continues to have a material adverse effect on such certificateholders; or the delegation by the servicer of its duties under the master trust II agreement, except as specifically permitted thereunder;

(c) any representation, warranty or certification made by the servicer in the master trust II agreement, or in any certificate delivered pursuant to the master trust II agreement, proves to have been incorrect when made which has a material adverse effect on the certificateholders of any series issued and outstanding under master trust II, and which continues to be incorrect in any material respect for a period of 60 days after written notice and continues to have a material adverse effect on such certificateholders;

(d) the occurrence of certain events of bankruptcy, insolvency, conservatorship or receivership of the servicer; or

(e) such other event specified in the accompanying prospectus supplement.

Notwithstanding the foregoing, a delay in or failure of performance referred to in clause (a) above for a period of 10 Business Days, or referred to under clause (b) or (c) for a period of 60 Business Days, will not constitute a Servicer Default if such delay or failure could not be prevented by the exercise of reasonable diligence by the servicer and such delay or failure was caused by an act of God or other similar occurrence.

"Transfer Date" means the Business Day immediately prior to the Distribution Date in each month.

"Unallocated Principal Collections" means any amounts collected in respect of principal receivables that are allocable to, but not paid to, MBNA because the Seller Interest is less than the Minimum Seller Interest.

"Weighted Average Available Funds Allocation Amount" shall mean, with respect to any month for any tranche, class or series of notes, the sum of the Available Funds
Allocation Amount for such tranche, class or series, as applicable, as of the close of business on each day during such month divided by the actual number of days in such month.

"Weighted Average Floating Allocation Investor Interest" means, for any month, the sum of the aggregate Available Funds Allocation Amounts for all series of notes as of the close of business on each day during such month divided by the actual number of days in such month.

"Weighted Average Principal Allocation Amount" shall mean, with respect to any period for any tranche, class or series of notes, the sum of the Principal Allocation Amount for such series, class or tranche, as applicable, as of the close of business on each day during such period divided by the actual number of days in such period.

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MBNA Credit Card Master Note Trust

Issuer

MBNA America Bank, National Association

Originator of the Issuer

MBNAseries

$250,000,000

Class C(2005-3) Notes

PROSPECTUS SUPPLEMENT

Underwriters

Deutsche Bank Securities **RBS Greenwich Capital**

Banc of America Securities LLC

Merrill Lynch & Co.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information.

We are not offering the notes in any state where the offer is not permitted.

We do not claim the accuracy of the information in this prospectus supplement and the accompanying prospectus as of any date other than the dates stated on their respective covers.

Dealers will deliver a prospectus supplement and prospectus when acting as underwriters of the notes and with respect to their unsold allotments or subscriptions. In addition, until the date which is 90 days after the date of this prospectus supplement, all dealers selling the notes will deliver a prospectus supplement and prospectus.

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EXHIBIT 2

EXECUTION COPY

BA CREDIT CARD FUNDING, LLC

as Transferor

FIA CARD SERVICES, NATIONAL ASSOCIATION
(formerly known as MBNA America Bank, National Association)

as Servicer

and

THE BANK OF NEW YORK

as the Trustee

on behalf of the Certificateholders

of the BA Master Credit Card Trust II

SECOND AMENDED AND RESTATED

POOLING AND SERVICING AGREEMENT

Dated as of October 20, 2006

OHS East:160030227.11

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[Schedule 2 List of Series Supplements to the Pooling and Servicing Agreement]

THIS SECOND AMENDED AND RESTATED POOLING AND SERVICING AGREEMENT (this "Agreement") by and among BA CREDIT CARD FUNDING, LLC, a Delaware limited liability company ("Funding"), as Transferor, FIA CARD SERVICES, NATIONAL ASSOCIATION (formerly known as MBNA America Bank, National Association), a national banking association ("FIA"), as Servicer, and THE BANK OF NEW YORK, a banking corporation organized and existing under the laws of the State of New York, as Trustee, is made and entered into as of October 20, 2006.

WHEREAS, the Trustee and FIA have heretofore executed and delivered an Amended and Restated Pooling and Servicing Agreement, dated as of June 10, 2006, which amended and restated the Pooling and Servicing Agreement, dated as of August 4, 1994 (as amended and restated, amended, supplemented or otherwise modified prior to the date hereof, the "Prior Pooling and Servicing Agreement"); and

WHEREAS, FIA, as Seller under the Prior Pooling and Servicing Agreement, has determined to substitute Funding as the Transferor under this Agreement in the place of FIA as the Seller under the Prior Pooling and Servicing Agreement, and the parties hereto desire to amend and restate in its entirety the Prior Pooling and Servicing Agreement, among other things, to provide for the substitution of Funding for FIA, in such capacity.

NOW, THEREFORE, in consideration of the mutual agreements contained herein, the Prior Pooling and Servicing Agreement is hereby amended and restated in its entirety as follows and each party agrees as follows for the benefit of the other parties and the Certificateholders:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Whenever used in this Agreement, the following words and phrases shall have the following meanings:

"Account" shall mean each Initial Account, each Additional Account, and each Transferred Account. This term includes an Additional Account only from and after the related Addition Date. This term does not include any Removed Accounts. This term does not include any Account from and after the date on which all of its Receivables have been reassigned to the Transferor pursuant to subsection 2.04(d) or (e).

"Account Information" shall have the meaning specified in subsection 2.02(b).

"Account Owner" shall mean FIA, and its successors and assigns, as the issuer of the credit card relating to an Account pursuant to a Credit Card Agreement.

"Account Schedule" shall mean a complete schedule of all Accounts that is attached to this Agreement and marked as Schedule 1. The Account Schedule may take the form of a computer file, a microfiche list, or another tangible medium that is commercially reasonable. The Account Schedule must identify each Account by account number and by the balance of the Receivables existing in that Account on the Amendment Closing Date (for each Initial Account)

or the related Addition Date (for each Additional Account).

"Accumulation Period" shall mean, with respect to any Series, or any Class within a Series, a period following the Revolving Period, which shall be the accumulation or other period in which Collections of Principal Receivables are accumulated in an account for the benefit of the Investor Certificateholders of such Series, or a Class within such Series, in each case as defined with respect to such Series in the related Supplement.

"Addition Date" shall have the meaning, for an Additional Account, set forth in the related Assignment.

"Additional Account" shall mean each VISA,® MasterCard,® or American Express® credit card account* that is designated as an Account under Section 2.06 and the related Assignment after the Amendment Closing Date and that is identified on the Account Schedule from and after the related Addition Date.

"Affiliate" shall mean, for any identified Person, any other Person that (a) is an affiliate or insider of that identified Person, (b) controls that identified Person, (c) is controlled by that identified Person, or (d) is under common control with that identified Person.

"Aggregate Investor Default Amount" shall have, with respect to any Series of Certificates, the meaning stated in the related Supplement.

"Aggregate Investor Interest" shall mean, as of any date of determination, the sum of the Investor Interests of all Series of Certificates issued and outstanding on such date of determination.

"Aggregate Investor Percentage" with respect to Principal Receivables, Finance Charge Receivables and Receivables in Defaulted Accounts, as the case may be, shall mean, as of any date of determination, the sum of such Investor Percentages of all Series of Certificates issued and outstanding on such date of determination; provided, however, that the Aggregate Investor Percentage shall not exceed 100%.

"Agreement" shall have the meaning set forth in the first paragraph of this document.

"Amendment Closing Date" shall mean October 20, 2006.

"Amortization Period" shall mean, with respect to any Series, or any Class within a Series, a period following the Revolving Period during which principal is distributed to Investor Certificateholders, which shall be the controlled amortization period, the principal amortization period, the rapid amortization period, or other amortization period, in each case as defined with respect to such Series in the related Supplement.

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* VISA, MasterCard, and American Express are registered trademarks of VISA USA, Inc., MasterCard International Incorporated, and American Express Company, respectively.

"Annual Membership Fee" shall mean an annual membership fee or similar fee that is charged to an Account under the related Credit Card Agreement.

"Applicants" shall have the meaning specified in Section 6.07.

"Appointment Day" shall have the meaning specified in subsection 9.02(a).

"Assignment" shall have the meaning specified in subsection 2.06(c)(ii).

"Authorized Newspaper" shall mean a newspaper of general circulation in the Borough of Manhattan, The City of New York printed in the English language and customarily published on each Business Day, whether or not published on Saturdays, Sundays and holidays.

"Average Principal Receivables" shall mean, for any period, an amount equal to (a) the sum of the aggregate amount of Principal Receivables at the end of each day during such period divided by (b) the number of days in such period.

"BACCS" shall mean Banc of America Consumer Card Services, LLC, a North Carolina limited liability company, and its permitted successors and assigns.

"Bank Portfolio" shall mean the MasterCard,® VISA,® and American Express® credit card accounts owned by the Account Owner.

"Bearer Certificates" shall have the meaning specified in Section 6.01.

"Bearer Rules" shall mean the provisions of the Internal Revenue Code, in effect from time to time, governing the treatment of bearer obligations, including sections 163(f), 871, 881, 1441, 1442 and 4701, and any regulations thereunder including, to the extent applicable to any Series, Proposed or Temporary Regulations.

"Book-Entry Certificates" shall mean certificates evidencing a beneficial interest in the Investor Certificates, ownership and transfers of which shall be made through book entries by a Clearing Agency as described in Section 6.10; provided, that after the occurrence of a condition whereupon book-entry registration and transfer are no longer authorized and Definitive Certificates are to be issued to the Certificate Owners, such certificates shall no longer be "Book-Entry Certificates."

"Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in New York, New York, or Newark, Delaware (or, with respect to any Series, any additional city specified in the related Supplement) are authorized or obligated by law or executive order to be closed.

"Cash Advance Fee" shall mean a cash advance fee or similar fee that is charged to an Account under the related Credit Card Agreement.

"Certificate" shall mean any one of the Investor Certificates of any Series or the Transferor Certificate.

"Certificateholder" or "Holder" shall mean the Person in whose name a Certificate is registered in the Certificate Register; if applicable, the holder of any Bearer Certificate or Coupon, as the case may be or such other Person deemed to be a "Certificateholder" or "Holder" in any Series Supplement; and, if used with respect to the Transferor Interest, a Person in whose name the Transferor Certificate is registered in the Certificate Register or a Person in whose name ownership of the uncertificated interest in the Transferor Interest is recorded in the books and records of the Trustee.

"Certificate Interest" shall mean interest payable in respect of the Investor Certificates of any Series pursuant to Article IV of the Supplement for such Series.

"Certificate Owner" shall mean, with respect to a Book-Entry Certificate, the Person who is the beneficial owner of such Book-Entry Certificate, as may be reflected on the books of the Clearing Agency, or on the books of a Person maintaining an account with such Clearing Agency (directly or as an indirect participant, in accordance with the rules of such Clearing Agency).

"Certificate Principal" shall mean principal payable in respect of the Investor Certificates of any Series pursuant to Article IV of this Agreement.

"Certificate Rate" shall mean, with respect to any Series of Certificates (or, for any Series with more than one Class, for each Class of such Series), the percentage (or formula on the basis of which such rate shall be determined) stated in the related Supplement.

"Certificate Register" shall mean the register maintained pursuant to Section 6.03, providing for the registration of the Certificates and transfers and exchanges thereof.

"Class" shall mean, with respect to any Series, any one of the classes of Certificates of that Series as specified in the related Supplement.

"Clearing Agency" shall mean an organization registered as a "clearing agency" pursuant to Section 17A of the Securities Exchange Act of 1934, as amended.

"Clearing Agency Participant" shall mean a broker, dealer, bank, other financial institution or other Person for whom from time to time a Clearing Agency or Foreign Clearing Agency effects book-entry transfers and pledges of securities deposited with the Clearing Agency or Foreign Clearing Agency.

"Clearstream" shall mean Clearstream Banking, societé anonyme and its successors and assigns.

"Closing Date" shall mean, with respect to any Series, the date of issuance of such Series of Certificates, as specified in the related Supplement.

"Collateral Interest" shall have the meaning, with respect to any Series, specified in the related Supplement.

"Collection Account" shall have the meaning specified in subsection 4.02(a).

"Collections" shall mean all payments on Receivables in the form of cash, checks, wire transfers, electronic transfers, ATM transfers, or any other form of payment. This term includes Recoveries and Insurance Proceeds. This term also includes the amount of Interchange (if any) allocable to any Series of Certificates pursuant to any Supplement with respect to the related Monthly Period (to the extent received by the Trust and deposited into the Finance Charge Account or any Series Account, as the case may be, on the Transfer Date following the related Monthly Period), to be applied as if such amount were Collections of Finance Charge Receivables for all purposes. This term also includes the amount deposited by the Transferor into the Finance Charge Account (or Series Account if provided in any Supplement) pursuant to Section 2.08.

"Commission" shall mean the Securities and Exchange Commission.

"Companion Series" shall mean (i) each Series which has been paired with another Series (which Series may be prefunded or partially prefunded), such that the reduction of the Investor Interest of such Series results in the increase of the Investor Interest of such other Series, as described in the related Supplements, and (ii) such other Series.

"Corporate Trust Office" shall mean the principal office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date of the execution of this Agreement is located at 101 Barclay Street, 8 West, New York, New York 10286.

"Coupon" shall have the meaning specified in Section 6.01.

"Credit Adjustment" shall have the meaning specified in subsection 4.03(c).

"Credit Card Agreement" shall mean, for any VISA,® MasterCard,® or American Express® credit card account, the agreement (including any related statement under the Truth in Lending Act) between the Account Owner and the related Obligor governing that account.

"Credit Card Guidelines" shall mean the Account Owner's policies and procedures (a) relating to the operation of its credit card business, including the policies and procedures for determining the creditworthiness of credit card customers and the extension of credit to credit card customers, and (b) relating to the maintenance of credit card accounts and the collection of credit card receivables.

"Credit Enhancement" shall mean, with respect to any Series, the subordination, the cash collateral guaranty or account, collateral interest, letter of credit, surety bond, insurance policy, spread account, reserve account, cross-support feature or any other contract or agreement for the benefit of the Certificateholders of such Series (or Certificateholders of a Class within such Series) as designated in the applicable Supplement.

"Credit Enhancement Provider" shall mean, with respect to any Series, the Person, if any, designated as such in the related Supplement.

"Date of Processing" shall mean, with respect to any transaction, the date on which such transaction is first recorded on the Servicer's computer master file of MasterCard,®

VISA® and American Express® credit card accounts (without regard to the effective date of such recordation).

"Debtor Relief Laws" shall mean (a) the United States Bankruptcy Code, (b) the Federal Deposit Insurance Act, and (c) all other insolvency, bankruptcy, conservatorship, receivership, liquidation, reorganization, or other debtor relief laws affecting the rights of creditors generally.

"Default Amount" shall mean, with respect to any Defaulted Account, the amount of Principal Receivables (other than Ineligible Receivables) in such Defaulted Account on the day such Account became a Defaulted Account.

"Defaulted Account" shall mean any Account containing only Receivables that have been charged off as uncollectible under the Credit Card Guidelines and the Servicer's customary and usual procedures for servicing credit card accounts. An Account becomes a Defaulted Account on the date on which all of its Receivables are recorded as charged-off on the Servicer's master computer file of credit card accounts.

"Definitive Certificate" shall have the meaning specified in Section 6.10.

"Depository" shall have the meaning specified in Section 6.10.

"Depository Agreement" shall mean, with respect to each Series, the agreement among the Transferor, the Trustee and the Clearing Agency, or as otherwise provided in the related Supplement.

"Determination Date" shall mean, unless otherwise specified in the related Series Supplement, the fourth Business Day prior to each Transfer Date.

"Discount Option Receivables" shall mean, with respect to any Series, Principal Receivables designated by the Transferor that are transferred to the Trustee at a specified discount, which discount is applied such that the discounted portion of Collections of such Principal Receivables are treated as Collections of Finance Charge Receivables, as specified with respect to such Series in the related Supplement.

"Discount Option Receivable Collections" shall have the meaning specified in Section 2.08.

"Discounted Percentage" shall have the meaning specified in Section 2.08.

"Distribution Account" shall have the meaning specified in subsection 4.02(c).

"Distribution Date" shall mean, with respect to each Series, the dates specified in the related Supplement.

"Dollars", "$" or "U.S. $" shall mean United States dollars.

"Draft Fee" shall mean a draft fee or similar fee that is charged to an Account under the related Credit Card Agreement.

"Eligible Account" shall mean any VISA,® MasterCard,® or American Express® credit card account for which each of the following requirements is satisfied as of the date of its designation under the Prior Pooling and Servicing Agreement, in the case of any Initial Account, or as of the related Addition Date, in the case of any Additional Account:

(a) it exists and is maintained by the Account Owner;

(b) its Receivables are payable in Dollars;

(c) the related Obligor's most recent billing address is located in the United States or its territories or possessions;

(d) it is not classified on the Account Owner's electronic records as counterfeit, cancelled, fraudulent, stolen, or lost; and

(e) all of its Receivables have not been charged off as uncollectible under the Account Owner's customary and usual procedures for servicing credit card accounts.

"Eligible Receivable" shall mean any Receivable for which each of the following requirements is satisfied as of the applicable time:

(a) it arises in an Eligible Account;

(b) it is created, in all material respects, in compliance with all Requirements of Law applicable to the Account Owner, and it is created under a Credit Card Agreement that complies, in all material respects, with all Requirements of Law applicable to the Account Owner;

(c) all consents, licenses, approvals, or authorizations of, or registrations or declarations with, any Governmental Authority that are required for its creation or the execution, delivery, or performance of the related Credit Card Agreement have been obtained or made by the Account Owner and are fully effective;

(d) immediately prior to it being transferred to the Trustee, the Transferor has good and marketable title to it free and clear of all Liens arising through or under the Transferor or any of its Affiliates, except for any Lien for municipal or other local taxes if those taxes are currently not due or if the Account Owner, BACCS, or the Transferor is currently in good faith contesting those taxes in appropriate proceedings and has set aside adequate reserves for those contested taxes;

(e) it is the legal, valid, and binding payment obligation of the related Obligor and is enforceable against that Obligor in accordance with its terms, except as enforceability may be limited by Debtor Relief Laws or general principles of equity; and

(f) it is an account under Article 9 of the Delaware UCC.

"Eligible Servicer" shall mean the Trustee, a wholly-owned subsidiary of the Trustee, or an entity which, at the time of its appointment as Servicer, (a) is servicing a portfolio

of consumer revolving credit card accounts or other consumer revolving credit accounts, (b) is legally qualified and has the capacity to service the Receivables, (c) is qualified (or licensed) to use the software that the Servicer is then currently using to service the Receivables or obtains the right to use, or has its own, software which is adequate to perform its duties under this Agreement, (d) has, in the reasonable judgment of the Trustee, demonstrated the ability to professionally and competently service a portfolio of similar accounts in accordance with customary standards of skill and care and (e) has a net worth of at least $50,000,000 as of the end of its most recent fiscal quarter.

"Enhancement Invested Amount" shall have the meaning, with respect to any Series, specified in the related Supplement.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Euroclear Operator" shall mean Euroclear Bank S.A./N.V., as operator of the Euroclear System, and its successors and assigns.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Extended Trust Termination Date" shall have the meaning specified in subsection 12.01(a).

"FDIC" shall mean the Federal Deposit Insurance Corporation.

"FIA" shall have the meaning set forth in the first paragraph of this Agreement.

"Finance Charge Account" shall have the meaning specified in subsection 4.02(b).

"Finance Charge Receivable" shall mean any Receivable that is a Periodic Finance Charge, a Cash Advance Fee, a Late Fee, an Annual Membership Fee, a Draft Fee, a Service Transaction Fee, or a similar fee or charge, including a charge for credit insurance. Finance Charge Receivables with respect to any Monthly Period shall include the amount of Interchange (if any) and Discount Option Receivables (if any) and other amounts allocable to any Series of Certificates pursuant to any Supplement with respect to such Monthly Period (to the extent received by the Trustee and deposited into the Finance Charge Account or any Series Account, as the case may be, on the Transfer Date following such Monthly Period).

"Floating Principal Allocation" shall have the meaning specified in the related Supplement.

"Foreign Clearing Agency" shall mean Clearstream and the Euroclear Operator.

"Funding" shall have the meaning set forth in the first paragraph of this Agreement.

"Global Certificate" shall have the meaning specified in Section 6.13.

"Governmental Authority" shall mean the United States of America or any individual State, any political subdivision of the United States of America or any individual State, or any other entity exercising executive, legislative, judicial, regulatory, or administrative functions of or pertaining to government.

"Group" shall mean, with respect to any Series, the group of Series in which the related Supplement specifies that such Series shall be included.

"Holder of the Transferor Certificate" or "holder of the Transferor Certificate" shall mean the Holder of the Transferor Certificate or the Holder of any uncertificated interest in the Transferor Interest.

"Ineligible Receivable" shall have the meaning specified in subsection 2.04(d)(iii).

"Initial Account" shall mean each VISA®, MasterCard®, or American Express® credit card account that was designated as an Account under the Prior Pooling and Servicing Agreement and that is identified on the Account Schedule from and after the Amendment Closing Date.

"Initial Investor Interest" shall mean, with respect to any Series of Certificates, the amount stated in the related Supplement.

"Insolvency Event" shall have the meaning specified in subsection 9.01(c).

"Insurance Proceeds" shall mean all Insurance Proceeds (as defined in the Receivables Purchase Agreement) that are allocable to the Receivables transferred by the Transferor to the Trustee.

"Interchange" shall mean all Interchange (as defined in the Receivables Purchase Agreement) that is allocable to the Receivables transferred by the Transferor to the Trustee.

"Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Investment Company Act" shall mean the Investment Company Act of 1940, as amended from time to time.

"Investor Account" shall mean each of the Finance Charge Account, the Principal Account and the Distribution Account.

"Investor Certificate" shall mean any one of the certificates (including, without limitation, the Bearer Certificates, the Registered Certificates or the Global Certificates) issued by the Trust, executed by the Transferor (or, prior to the Amendment Closing Date, executed by FIA as Seller under the Prior Pooling and Servicing Agreement) and authenticated by the Trustee substantially in the form (or forms in the case of a Series with multiple classes) of the investor certificate attached to the related Supplement or such other interest in the Trust deemed to be an "Investor Certificate" in any related Supplement.

"Investor Certificateholder" shall mean the holder of record of an Investor Certificate.

"Investor Charge-Off" shall have, with respect to each Series, the meaning specified in the applicable Supplement.

"Investor Default Amount" shall have, with respect to any Series of Certificates, the meaning stated in the related Supplement.

"Investor Interest" shall have, with respect to any Series of Certificates, the meaning stated in the related Supplement.

"Investor Percentage" shall have, with respect to Principal Receivables, Finance Charge Receivables and Receivables in Defaulted Accounts, and any Series of Certificates, the meaning stated in the related Supplement.

"Investor Servicing Fee" shall have, with respect to each Series, the meaning specified in Section 3.02.

"Late Fee" shall mean a late fee or similar fee that is charged to an Account under the related Credit Card Agreement.

"Lien" shall mean any security interest, lien, mortgage, deed of trust, pledge, hypothecation, encumbrance, assignment, participation interest, equity interest, deposit arrangement, preference, priority, or other security or preferential arrangement of any kind or nature. This term includes any conditional sale or other title retention arrangement and any financing lease having substantially the same economic effect as any security or preferential arrangement. This term does not include any security interest or other lien created in favor of the Trustee under the Prior Pooling and Servicing Agreement or any other document and does not include any assignment pursuant to Section 7.02.

"Maximum Addition Amount" shall mean, unless otherwise provided in a Supplement, with respect to any Addition Date, the number of Accounts originated by the Account Owner and designated as Additional Accounts pursuant to Section 2.06 without prior Rating Agency confirmation of its then existing rating of any Series of Investor Certificates then issued and outstanding described under subsection 2.06(c)(vii) which would either (a) with respect to any of the three consecutive Monthly Periods be equal to the product of (i) 15% and (ii) the number of Accounts as of the first day of the calendar year during which such Monthly Periods commence or (b), with respect to any twelve-month period, equal the product of (i) 20% and (ii) the number of Accounts as of the first day of such twelve-month period; provided, however, that if the aggregate principal balance in the Additional Accounts specified in clause (a) or (b) above, as the case may be, shall exceed either (y) the product of (i) 15% and (ii) the aggregate amount of Principal Receivables determined as of the first day of the third preceding Monthly Period minus the aggregate amount of Principal Receivables as of the date each such Additional Account was added to the Trust in all of the Accounts owned by the Account Owner that have been designated as Additional Accounts since the first day of the third preceding Monthly Period or (z) the product of (i) 20% and (ii) the aggregate amount of Principal Receivables determined as of the first day of the calendar year in which such Addition Date occurs minus the aggregate amount of Principal Receivables as of the date each such Additional

Account was added to the Trust in all of the Accounts owned by the Account Owner that have been designated as Additional Accounts since the first day of such calendar year, the Maximum Addition Amount shall be an amount equal to the lesser of the aggregate amount of Principal Receivables specified in either clause (y) or clause (z) of this proviso.

"Minimum Aggregate Principal Receivables" shall mean, unless otherwise provided in a Supplement relating to any Series, as of any date of determination, an amount equal to the sum of the numerators used in the calculation of the Investor Percentages with respect to Principal Receivables for all outstanding Series on such date; provided, that with respect to any Series in its Accumulation Period or such other period as designated in the related Supplement with an Investor Interest as of such date of determination equal to the Principal Funding Account Balance relating to such Series taking into account any deposit to be made to the Principal Funding Account on the Transfer Date following such date of determination, the numerator used in the calculation of the Investor Percentage with respect to Principal Receivables relating to such Series shall, solely for the purpose of the definition of Minimum Aggregate Principal Receivables, be deemed to equal zero.

"Minimum Transferor Interest" shall mean 4% (or such other percentage as specified in the related Supplement) of the Average Principal Receivables; provided, however, that the Transferor may reduce the Minimum Transferor Interest upon (w) delivery to the Trustee of a Tax Opinion with respect to such reduction, (x) 30 day's prior notice to the Trustee, each Rating Agency and any Credit Enhancement Provider entitled to receive such notice pursuant to the relevant Supplement, (y) written confirmation from the Rating Agency that such reduction will not result in the reduction or withdrawal of the respective ratings of each Rating Agency for any Series outstanding and (z) delivery to the Trustee and each such Credit Enhancement Provider of an Officer's Certificate stating that the Transferor reasonably believes that such reduction will not, based on the facts known to such officer at the time of such certification, then or thereafter cause a Pay Out Event to occur with respect to any Series; provided further that the Minimum Transferor Interest shall not at any time be less than 2%.

"Monthly Period" shall mean, unless otherwise defined in any Supplement, the period from and including the first day of a calendar month to and including the last day of a calendar month.

"Monthly Servicer Report" shall mean, a report substantially in the form attached as Exhibit C to this Agreement, with such changes as the Transferor or the Servicer may determine to be necessary or desirable; provided, however, that no such change shall serve to exclude information required by the Agreement or any Supplement.

"Moody's" shall mean Moody's Investors Service, Inc.

"New Issuance" shall have the meaning specified in subsection 6.09(b).

"New Issuance Date" shall have the meaning specified in subsection 6.09(b).

"New Issuance Notice" shall have the meaning specified in subsection 6.09(b).

"Notice Date" shall have the meaning specified in subsection 2.06(c)(i).

"Obligor" shall mean, for any VISA,® MasterCard,® or American Express® credit card account, any Person obligated to make payments on receivables in that account. This term includes any guarantor but excludes any merchant.

"Officer's Certificate" shall mean a certificate signed by any Vice President or more senior officer of the Transferor or the Servicer, as applicable, and delivered to the Trustee.

"Opinion of Counsel" shall mean a written opinion of counsel, who may be counsel for or an employee of the Person providing the opinion, and who shall be reasonably acceptable to the Trustee; provided, however, that any Tax Opinion or other opinion relating to federal income tax matters shall be an opinion of nationally recognized tax counsel.

"Participations" shall have the meaning specified in subsection 2.06(a)(ii).

"Pay Out Commencement Date" shall mean, (a) with respect to each Series, the date on which a Trust Pay Out Event is deemed to occur pursuant to Section 9.01 or (b) with respect to any Series, the date on which a Series Pay Out Event is deemed to occur pursuant to the Supplement for such Series.

"Pay Out Event" shall mean, with respect to each Series, a Trust Pay Out Event or a Series Pay Out Event.

"Paying Agent" shall mean any paying agent appointed pursuant to Section 6.06 and shall initially be the Trustee.

"Periodic Finance Charge" shall mean a finance charge determined by periodic rate or similar charge that is charged to an Account under the related Credit Card Agreement.

"Permitted Activities" shall mean the primary activities of the Trust, which are: (a) holding Receivables transferred under this Agreement (including under the Prior Pooling and Servicing Agreement) and the other assets of the Trust, which assets can not be contrary to the status of the Trust as a qualified special purpose entity under existing accounting literature; (b) issuing Certificates and other interests in the Trust assets; (c) receiving Collections and making payments on such Certificates and interests in accordance with the terms of this Agreement and any Series Supplement; and (d) engaging in other activities that are necessary or incidental to accomplish these limited purposes, which activities can not be contrary to the status of the Trust as a qualified special purpose entity under existing accounting literature.

"Permitted Investments" shall mean, unless otherwise provided in the Supplement with respect to any Series (a) instruments, investment property or other property consisting of (i) obligations of or fully guaranteed by the United States of America; (ii) time deposits or certificates of deposit of any depositary institution or trust company incorporated under the laws of the United States of America or any state thereof (or domestic branches of foreign depository institutions or trust companies) and subject to supervision and examination by federal or state banking or depositary institution authorities; provided, however, that at the time of the Trust's investment or contractual commitment to invest therein, the certificates of deposit or short-term deposits of such depositary institution or trust company shall have a credit rating from Moody's, Standard & Poor's and Fitch of P-1, A-1+ and F1+, respectively; (iii) commercial paper having, at the time of the Trust's investment or contractual commitment to invest therein, a rating from

Moody's, Standard & Poor's and Fitch of P-1, A-1+ and F1+, respectively; (iv) bankers' acceptances issued by any depository institution or trust company described in clause (a)(ii) above; and (v) investments in money market funds rated AAA-m or AAA-mg by Standard & Poor's, Aaa by Moody's, and AAA or V1+ by Fitch, or otherwise approved in writing by each Rating Agency; (b) demand deposits in the name of the Trust or the Trustee in any depositary institution or trust company referred to in clause (a)(ii) above; (c) uncertificated securities that are registered in the name of the Trustee by the issuer thereof and identified by the Trustee as held for the benefit of the Certificateholders, and consisting of shares of an open end diversified investment company which is registered under the Investment Company Act and which (i) invests its assets exclusively in obligations of or guaranteed by the United States of America or any instrumentality or agency thereof having in each instance a final maturity date of less than one year from their date of purchase or other Permitted Investments, (ii) seeks to maintain a constant net asset value per share, (iii) has aggregate net assets of not less than $100,000,000 on the date of purchase of such shares and (iv) which each Rating Agency designates in writing will not result in a withdrawal or downgrading of its then current rating of any Series rated by it; and (d) any other investment if each Rating Agency confirms in writing that such investment will not adversely affect its then current rating of the Investor Certificates. This term does not include any investment in the Account Owner or BACCS or any obligation or liability of the Account Owner or BACCS.

"Person" shall mean any person or entity of any nature. This term includes any individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or Governmental Authority.

"Pool Index File" shall mean the file on the Account Owner's computer system that identifies the Accounts.

"Principal Account" shall have the meaning specified in subsection 4.02(b).

"Principal Funding Account" shall have the meaning specified in the related Supplement.

"Principal Funding Account Balance" shall have the meaning specified in the related Supplement.

"Principal Receivable" shall mean any Receivable other than (i) a Finance Charge Receivable or (ii) a Receivable in a Defaulted Account. In calculating the aggregate amount of Principal Receivables in an Account on any date, the gross amount of Principal Receivables in the Account on that date must be reduced by the aggregate amount of credit balances in the Account on that date.. Any Receivables which the Transferor is unable to transfer as provided in subsection 2.05(d) shall not be included in calculating the aggregate amount of Principal Receivables, except as otherwise provided in such subsection.

"Principal Shortfalls" shall mean, with respect to a Transfer Date, the aggregate amount for all outstanding Series that the related Supplements specify are "Principal Shortfalls" for such Transfer Date.

"Principal Terms" shall have the meaning, with respect to any Series issued pursuant to a New Issuance, specified in subsection 6.09(c).

"Prior Pooling and Servicing Agreement" shall have the meaning specified in the recitals of this Agreement.

"Private Holder" shall mean each holder of a right to receive interest or principal in respect of any direct or indirect interest in the Trust including any financial instrument or contract the value of which is determined in whole or in part by reference to the Trust (including the Trust's assets, income of the Trust or distributions made by the Trust), excluding any interest in the Trust represented by any Series or Class of Investor Certificates or any other interest as to which the Transferor has provided to the Trustee an Opinion of Counsel to the effect that such Series, Class or other interest will be treated as debt or otherwise not as an equity interest in either the Trust or the Receivables for federal income tax purposes, in each case, provided such interest is not convertible or exchangeable into an interest in the Trust or the Trust's income or equivalent value. Notwithstanding the immediately preceding sentence, (i) "Private Holder" shall also include any other Person that the Transferor determines is (or may be) a "partner" within the meaning of Treasury Regulation section 1.7704-1(h)(1)(ii) (including by reason of section 1.7704-1(h)(3)) and (ii) unless the Transferor otherwise determines, "Private Holder" shall not include any holder that would otherwise be considered a Private Holder solely by reason of having acquired a direct or indirect interest in the Trust issued prior to December 4, 1995. Initially, the Private Holders include the holders of the Transferor Certificate or any interest therein, of any Collateral Interest, of any Enhancement Invested Amount, and of any similar interests in the Trust represented by any other Class of any Series of Certificates issued on or after December 4, 1995, and the Servicer. Any Person holding more than one interest in the Trust each of which separately would cause such Person to be a Private Holder shall be treated as a single Private Holder. Each holder of an interest in a Private Holder which is a partnership, S corporation or grantor trust under the Internal Revenue Code shall be treated as a Private Holder unless excepted with the consent of the Transferor (which consent shall be based on an Opinion of Counsel generally to the effect that the action taken pursuant to the consent will not cause the Trust to become a publicly traded partnership treated as a corporation for federal income tax purposes).

"Qualified Institution" shall mean (i) a depositary institution, which may include the Trustee, organized under the laws of the United States or any one of the States thereof including the District of Columbia, the deposits in which are insured by the FDIC and which at all times has a short-term unsecured debt rating of at least A-1+ by Standard & Poor's, P-1 by Moody's and F1 by Fitch or (ii) a depositary institution acceptable to the Rating Agency; provided, however, that an institution which shall have corporate trust powers and which maintains the Collection Account, the Principal Account, the Finance Charge Account, any Series Account or any other account maintained for the benefit of Certificateholders as a fully segregated trust account with the trust department of such institution shall not be required to meet the foregoing rating requirements, and need only at all times have a long-term unsecured debt rating of at least Baa3 by Moody's so long as Moody's is a Rating Agency and of at least BBB by Fitch so long as Fitch is a Rating Agency.

"Rating Agency" shall mean, with respect to each Series, the rating agency or agencies, if any, selected by the Transferor to rate the Certificates, as specified in the related Supplement.

"Reassignment" shall have the meaning specified in subsection 2.07(b)(ii).

"Reassignment Date" shall have the meaning specified in subsection 2.04(e).

"Receivable" shall mean any amount payable on an Account by the related Obligors. This term includes Principal Receivables and Finance Charge Receivables.

"Receivables Purchase Agreement" shall mean the Receivables Purchase Agreement dated as of October 20, 2006 by and between BACCS and Funding, and acknowledged and accepted by The Bank of New York, as Trustee, and FIA, as Servicer, as amended, supplemented or otherwise modified from time to time.

"Record Date" shall mean, with respect to any Distribution Date, the last Business Day of the preceding Monthly Period.

"Recoveries" shall mean all Recoveries (as defined in the Receivables Purchase Agreement) that are allocable to the Receivables transferred by the Transferor to the Trustee.

"Registered Certificates" shall have the meaning specified in Section 6.01.

"Regulation AB" shall mean Subpart 229.1100 – Asset Backed Securities (Regulation AB), 17 C.F.R. §§229.1100-229.1123, as such may be amended from time to time, and subject to such clarification and interpretation as have been provided by the Commission in the adopting release (Asset-Backed Securities, Securities Act Release No. 33-8518, 70 Fed. Reg. 1,506, 1,531 (January 7, 2005)) or by the staff of the Commission, or as may be provided by the Commission or its staff from time to time.

"Removal Date" shall have the meaning, for a Removed Account, set forth in the related Reassignment.

"Removal Notice Date" shall have the meaning specified in subsection 2.07(a).

"Removed Accounts" shall have the meaning specified in subsection 2.07(a). For the avoidance of doubt, Zero Balance Accounts designated by the Transferor pursuant to subsection 2.07(c) shall be Removed Accounts.

"Requirements of Law" for any Person shall mean (a) any certificate of incorporation, certificate of formation, articles of association, bylaws, limited liability company agreement, or other organizational or governing documents of that Person and (b) any law, treaty, statute, regulation, or rule, or any determination by a Governmental Authority or arbitrator, that is applicable to or binding on that Person or to which that Person is subject. This term includes usury laws, the Truth in Lending Act, and Regulation Z and Regulation B of the Board of Governors of the Federal Reserve System.

"Responsible Officer" shall mean any officer within the Corporate Trust Office (or any successor group of the Trustee), including any Vice President, any Assistant Secretary or any other officer of the Trustee customarily performing functions similar to those performed by any person who at the time shall be an above-designated officer and also, with respect to a particular officer to whom any corporate trust matter is referred because of such officer's knowledge of and familiarity with the particular subject.

"Revolving Credit Agreement" shall mean the Revolving Credit Agreement by and between Funding and BACCS, dated as of May 10, 2006, as such agreement may be amended from time to time in accordance therewith, or any substantially similar agreement entered into between any lender and Funding.

"Revolving Period" shall have, with respect to each Series, the meaning specified in the related Supplement.

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Securitization Act" shall have the meaning specified in Section 13.18.

"Seller" shall mean FIA, in its capacity as "Seller" under the Prior Pooling and Servicing Agreement, and its successors in interest and permitted assigns.

"Series" shall mean any series of Investor Certificates, which may include within any such Series a Class or Classes of Investor Certificates subordinate to another such Class or Classes of Investor Certificates.

"Series Account" shall mean any account or accounts established pursuant to a Supplement for the benefit of such Series.

"Series Pay Out Event" shall have, with respect to any Series, the meaning specified pursuant to the Supplement for the related Series.

"Series Servicing Fee Percentage" shall mean, with respect to any Series, the amount specified in the related Supplement.

"Series Termination Date" shall mean, with respect to any Series of Certificates, the date stated in the related Supplement.

"Service Transaction Fee" shall mean a service transaction fee or similar fee that is charged to an Account under the related Credit Card Agreement.

"Servicer" shall mean initially FIA and thereafter any Person appointed as successor as herein provided to service the Receivables.

"Servicer Default" shall have the meaning specified in Section 10.01.

"Servicing Fee" shall have the meaning specified in Section 3.02.

"Servicing Officer" shall mean any officer of the Servicer involved in, or responsible for, the administration and servicing of the Receivables whose name appears on a list

of servicing officers furnished to the Transferor and the Trustee by the Servicer, as such list may from time to time be amended.

"Shared Excess Finance Charge Collections" shall mean, with respect to any Transfer Date, the aggregate amount for all outstanding Series that the related Supplements specify are to be treated as "Shared Excess Finance Charge Collections" for such Transfer Date.

"Shared Principal Collections" shall mean, with respect to any Transfer Date, the aggregate amount for all outstanding Series that the related Supplements specify are to be treated as "Shared Principal Collections" for such Transfer Date.

"Standard & Poor's" shall mean Standard & Poor's Ratings Services.

"Successor Servicer" shall have the meaning specified in subsection 10.02(a).

"Supplement" or "Series Supplement" shall mean, with respect to any Series, a supplement to this Agreement complying with the terms of Section 6.09 of this Agreement, executed in conjunction with any issuance of any Series of Certificates.

"Tax Opinion" shall mean with respect to any action, an Opinion of Counsel to the effect that, for federal income tax purposes, (a) such action will not adversely affect the tax characterization as debt of Investor Certificates of any outstanding Series or Class that were characterized as debt at the time of their issuance, (b) following such action the Trust will not be deemed to be an association (or publicly traded partnership) taxable as a corporation and (c) such action will not cause or constitute an event in which gain or loss would be recognized by any Investor Certificateholder or the Trust.

"Termination Notice" shall have, with respect to any Series, the meaning specified in subsection 10.01(d).

"Transfer Agent and Registrar" shall have the meaning specified in Section 6.03 and shall initially be the Trustee's Corporate Trust Office.

"Transfer Date" shall mean, unless otherwise specified in the related Supplement, with respect to any Series, the Business Day immediately prior to each Distribution Date.

"Transferor" shall mean Funding and its successors in interest and permitted assigns.

"Transferor Certificate" shall mean, if the Transferor elects to evidence its interest in the Transferor Interest in certificated form pursuant to Section 6.01, a certificate executed and delivered by the Transferor and authenticated by the Trustee substantially in the form of Exhibit A; provided, that at any time there shall be only one Transferor Certificate; provided further, that in any Supplement, "Transferor Certificate" shall mean either a certificate executed and delivered by the Transferor and authenticated by the Trustee substantially in the form of Exhibit A or the uncertificated interest in the Transferor Interest.

"Transferor Interest" shall mean, on any date of determination, the aggregate amount of Principal Receivables and the principal amount on deposit in any Principal Funding Account (as defined in any Supplement) at the end of the day immediately prior to such date of determination, minus the Aggregate Investor Interest at the end of such day, minus the aggregate Enhancement Invested Amounts, if any, for each Series outstanding at the end of such day, minus the aggregate Collateral Interests not included in the Aggregate Investor Interests, if any, for each Series outstanding at the end of such day.

"Transferor Percentage" shall mean, on any date of determination, when used with respect to Principal Receivables, Finance Charge Receivables and Receivables in Defaulted Accounts, a percentage equal to 100% minus the Aggregate Investor Percentage with respect to such categories of Receivables.

"Transferor Servicing Fee" shall have the meaning specified in Section 3.02.

"Transferred Account" shall mean any VISA,® MasterCard,® or American Express® credit card account (a) into which all of the Receivables in an Account are transferred because the related credit card was lost or stolen or the related credit card program was changed, if the Credit Card Guidelines do not require a new application or credit evaluation, and (b) that can be traced or identified by reference to the Account Schedule and the computer or other records of the Servicer.

"Trust" shall mean BA Master Credit Card Trust II, the trust heretofore created and continued by this Agreement.

"Trust Assets" shall have the meaning specified in Section 2.01.

"Trust Extension" shall have the meaning specified in subsection 12.01(a).

"Trust Pay Out Event" shall have, with respect to each Series, the meaning specified in Section 9.01.

"Trust Termination Date" shall mean the earliest to occur of (i) unless a Trust Extension shall have occurred, the first Business Day after the Distribution Date on which the Investor Interest, the Collateral Interest, the Enhancement Invested Amount and any other interest issued by the Trust, as applicable, for each Series is zero, (ii) if a Trust Extension shall have occurred, the Extended Trust Termination Date, (iii) December 31, 2024 and (iv) the date of any termination pursuant to Section 9.02(b).

"Trustee" shall mean The Bank of New York, a New York banking corporation, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee appointed as herein provided.

"UCC" shall mean the Uniform Commercial Code of the applicable jurisdiction.

"Undivided Interest" shall mean the undivided interest in the Trust evidenced by an Investor Certificate.

"Zero Balance Account" shall mean an Account with a Receivable balance of zero which the Transferor designates under subsection 2.07(c).

"Zero Balance Account Removal Date" shall have the meaning specified in subsection 2.07(c).

Section 1.02. Other Definitional Provisions.

(a) All terms defined in any Supplement or this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto unless otherwise defined therein.

(b) As used herein and in any certificate or other document made or delivered pursuant hereto or thereto, accounting terms not defined in Section 1.01, and accounting terms partially defined in Section 1.01 to the extent not defined, shall have the respective meanings given to them under generally accepted accounting principles or regulatory accounting principles, as applicable. To the extent that the definitions of accounting terms herein are inconsistent with the meanings of such terms under generally accepted accounting principles or regulatory accounting principles, the definitions contained herein shall control.

(c) The agreements, representations and warranties of FIA in this Agreement and in any Supplement in its capacity as the Servicer shall be deemed to be the agreements, representations and warranties of FIA solely in such capacity for so long as FIA acts in such capacity under this Agreement.

(d) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to any Supplement or this Agreement as a whole and not to any particular provision of this Agreement or any Supplement; and Section, subsection, Schedule and Exhibit references contained in this Agreement or any Supplement are references to Sections, subsections, Schedules and Exhibits in or to this Agreement or any Supplement unless otherwise specified.

[End of Article I]

ARTICLE II

CONVEYANCE OF RECEIVABLES; ISSUANCE OF CERTIFICATES

Section 2.01. Conveyance of Receivables. The Transferor hereby transfers, assigns, sets over, and otherwise conveys to the Trustee, without recourse, all of the Transferor's right, title and interest in, to and under the Receivables existing at the close of business on the Amendment Closing Date, in the case of Receivables arising in the Initial Accounts (including all related Transferred Accounts), and at the close of business on the related Addition Date, in the case of Receivables arising in the Additional Accounts (including all related Transferred Accounts), and in each case thereafter created from time to time in such Accounts until the termination of the Trust, all monies due or to become due with respect to such Receivables (including all Finance Charge Receivables), all Interchange allocable to the Trust as provided herein, all proceeds of such Receivables, Insurance Proceeds and Recoveries relating to such Receivables and the proceeds thereof. The Transferor does hereby further transfer, assign, set over and otherwise convey to the Trustee all of the Transferor's rights, remedies, powers, privileges and claims under or with respect to the Receivables Purchase Agreement (whether arising pursuant to the terms of the Receivables Purchase Agreement or otherwise available to the Transferor at law or in equity), including, without limitation, the rights of the Transferor to enforce the Receivables Purchase Agreement and to give or withhold any and all consents, requests, notices, directions, approvals, extensions or waivers under or with respect to the Receivables Purchase Agreement to the same extent as the Transferor could but for the assignment thereof to the Trustee. The property described in the two preceding sentences, together with all monies and other property on deposit in the Principal Account, the Finance Charge Account, the Series Accounts and any Series Enhancement shall constitute the assets of the Trust (the "Trust Assets"). The foregoing does not constitute and is not intended to result in the creation or assumption by the Trust, the Trustee, any Investor Certificateholder or any Series Enhancer of any obligation of the Transferor, the Servicer, the Account Owner or any other Person in connection with the Accounts or the Receivables or under any agreement or instrument relating thereto, including any obligation to Obligors, merchant banks, merchants' clearance systems, VISA, MasterCard, American Express or insurers.

In connection with such transfer, assignment, set-over and conveyance, the Transferor agrees to record and file, at its own expense, all financing statements (including any amendments of financing statements and continuation statements when applicable) with respect to the Receivables now existing and hereafter created for the transfer of accounts (as defined in the Delaware UCC) meeting the requirements of applicable state law in such manner and in such jurisdictions as are necessary to perfect and to maintain the perfection of the assignment of the Receivables to the Trustee, and to deliver a file-stamped copy of such financing statements, amendments of financing statements or continuation statements or other evidence of such filings to the Trustee on or prior to the Amendment Closing Date, and in the case of any amendments of financing statements or continuation statements filed pursuant to this Section 2.01, as soon as practicable after receipt thereof by the Transferor. The foregoing transfer, assignment, set-over and conveyance shall be made to the Trustee, on behalf of the Trust, and each reference in this Agreement to such transfer, assignment, set-over and conveyance shall be construed accordingly.

In connection with such transfer, the Transferor agrees, at its own expense, (i) on or prior to (A) the Amendment Closing Date, in the case of the Initial Accounts, and (B) the applicable Addition Date, in the case of the Additional Accounts, to indicate in its books and records (including the appropriate computer files) that Receivables created in connection with the Accounts (other than Removed Accounts) and the related Trust Assets have been transferred to the Trustee pursuant to this Agreement for the benefit of the Certificateholders, and (ii) on or prior to each such date referred to in clause (i), to deliver to the Trustee an Account Schedule. Each Account Schedule, as supplemented from time to time, shall be marked as **Schedule 1** to this Agreement, delivered to the Trustee as confidential and proprietary, and is hereby incorporated into and made a part of this Agreement. Once the books and records (including the appropriate computed files) referenced in clause (i) of this paragraph have been indicated with respect to any Account, the Transferor further agrees not to alter such indication during the term of this Agreement unless and until such Account becomes a Removed Account or a Defaulted Account. The Transferor further agrees to deliver to the Trustee on a bi-monthly basis, and as promptly as possible after the Trustee may at any time request, an updated Account Schedule, which shall be true and complete and, if so requested by the Trustee, which shall be delivered to the Trustee as promptly as possible after the Trustee may at any time request tracing information with respect to Transferred Accounts.

The Accounts shall be identified in the Pool Index File with the designation "1994-MT", and the Transferor shall not instruct or authorize the Account Owner to alter such file designation with respect to any Account during the term of this Agreement unless and until an Account becomes a Removed Account or a Defaulted Account.

The parties hereto intend that each transfer of Receivables and other property pursuant to this Agreement or any Assignment constitute a sale, and not a secured borrowing, for accounting purposes. If, and to the extent that, notwithstanding such intent, the transfer pursuant to this Section 2.01 is not deemed to be a sale, the Transferor shall be deemed hereunder to have granted and does hereby grant to the Trustee a first priority perfected security interest in all of the Transferor's right, title and interest in, to and under the Receivables existing at the close of business on the Amendment Closing Date, in the case of Receivables arising in the Initial Accounts (including all related Transferred Accounts), and at the close of business on the day preceding the related Addition Date, in the case of Receivables arising in the Additional Accounts (including all related Transferred Accounts), and in each case thereafter created from time to time in such Accounts until the termination of the Trust, all moneys due or to become due with respect to such Receivables (including all Finance Charge Receivables), all proceeds of such Receivables and all Insurance Proceeds and Recoveries relating to such Receivables and all proceeds thereof and all of the Transferor's rights, remedies, powers, privileges and claims under or with respect to the Receivables Purchase Agreement (whether arising pursuant to the terms of the Receivables Purchase Agreement or otherwise available to the Transferor at law or in equity), including without limitation, the rights of the Transferor to enforce the Receivables Purchase Agreement and to give or withhold any and all consents, requests, notices, directions, approvals, extensions or waivers under or with respect to the Receivables Purchase Agreement to the same extent as the Transferor could but for the assignment thereof to the Trustee, and this Agreement shall constitute a security agreement under applicable law.

Pursuant to the request of the Transferor, the Trustee shall cause Certificates in authorized denominations evidencing interests in the Trust to be duly authenticated and delivered to or upon the order of the Transferor pursuant to Section 6.02.

By executing this Agreement and the Receivables Purchase Agreement, the parties hereto and thereto do not intend to (i) cancel, release or in any way impair the conveyance made by FIA in its capacity as "Seller" under the Prior Pooling and Servicing Agreement or (ii) impair or negate the legal effect of the Prior Pooling and Servicing Agreement prior to the execution of this Agreement. Without limiting the foregoing, the parties hereto acknowledge and agree as follows:

(a) The Trust created by and maintained under the Prior Pooling and Servicing Agreement shall continue to exist and be maintained under this Agreement.

(b) All series of investor certificates issued under the Prior Pooling and Servicing Agreement shall constitute Series issued and outstanding under this Agreement, and any supplement executed in connection with such series shall constitute a Supplement executed hereunder.

(c) All references to the Prior Pooling and Servicing Agreement in any other instruments or documents shall be deemed to constitute references to this Agreement. All references in such instruments or documents to FIA in its capacity as "Seller" of receivables and related assets under the Prior Pooling and Servicing Agreement shall be deemed to include reference to Funding in its capacity as "Transferor" of receivables and related assets hereunder.

(d) Subject to clause (f) below, Funding hereby agrees to perform all obligations of FIA, in its capacity as "Seller" (but not as "Servicer"), under or in connection with the Prior Pooling and Servicing Agreement (as amended and restated by this Agreement) and any supplements to the Prior Pooling and Servicing Agreement.

(e) To the extent this Agreement requires that certain actions are to be taken as of a date prior to the date of this Agreement, FIA's taking of such action under the Prior Pooling and Servicing Agreement shall constitute satisfaction of such requirement.

(f) All representations, warranties and covenants of FIA made in the Prior Pooling and Servicing Agreement and any Assignment of Additional Accounts with respect to Receivables transferred to the Trust prior to the Amendment Closing Date, shall remain in full force and effect.

The Trust created and maintained under the Prior Pooling and Servicing Agreement and continued and maintained under this Agreement is named "BA Master Credit Card Trust II" and is separate and distinct from the Transferor, the Servicer, and each Certificateholder. The BA Master Credit Card Trust II is formerly known as the MBNA Master Credit Card Trust II. It is the intention of the parties hereto that the Trust constitute a common law trust (as opposed to a trust created under Chapter 38 of Title 12 of the Delaware Code) under the laws of the State of Delaware and that this Agreement constitute the governing instrument of such Trust. The Trust, and the Trustee on its behalf, shall engage only in Permitted Activities.

Section 2.02. Acceptance by Trustee.

(a) The Trustee hereby acknowledges its acceptance, on behalf of the Trust, of all right, title and interest to the property now existing and hereafter created, conveyed to the Trustee pursuant to Section 2.01, and declares that it shall maintain such right, title and interest, upon the Trust herein set forth, for the benefit of all Certificateholders. The Trustee further acknowledges that, on or prior to the Amendment Closing Date, the Transferor delivered to the Trustee the Account Schedule relating to the Initial Accounts.

(b) The Trustee hereby agrees not to disclose to any Person any of the account numbers or other information contained in the Account Schedules delivered to the Trustee by the Transferor pursuant to Sections 2.01, 2.06 and 2.07 ("Account Information") except as is required in connection with the performance of its duties hereunder or in enforcing the rights of the Certificateholders or to a Successor Servicer appointed pursuant to Section 10.02, as mandated pursuant to any Requirement of Law applicable to the Trustee or as requested by any Person in connection with financing statements filed pursuant to this Agreement, the Prior Pooling and Servicing Agreement or the Receivables Purchase Agreement. The Trustee agrees to take such measures as shall be reasonably requested by the Account Owner or the Transferor to protect and maintain the security and confidentiality of such information, and, in connection therewith, shall allow the Account Owner or the Transferor to inspect the Trustee's security and confidentiality arrangements from time to time during normal business hours. In the event that the Trustee is required by law to disclose any Account Information, the Trustee shall provide the Account Owner or the Transferor with prompt written notice, unless such notice is prohibited by law, of any such request or requirement so that the Account Owner and the Transferor may request a protective order or other appropriate remedy. The Trustee shall make best efforts to provide the Account Owner and the Transferor with written notice no later than five days prior to any disclosure pursuant to this subsection 2.02(b).

(c) The Trustee shall have no power to create, assume or incur indebtedness or other liabilities in the name of the Trust other than as contemplated in this Agreement.

Section 2.03. Representations and Warranties of the Transferor. The Transferor hereby represents and warrants to the Trust as of the Amendment Closing Date:

(a) The Transferor is a limited liability company duly formed and validly existing in good standing under the laws of the State of Delaware. The Transferor has full power and authority, in all material respects, to own its properties as currently owned, to conduct its business as currently conducted, and to execute, deliver, and perform its obligations under this Agreement.

(b) In all material respects, in each jurisdiction in which the conduct of its business requires, the Transferor is duly qualified to do business, is in good standing, and has all necessary licenses and approvals.

(c) The Transferor has duly authorized, by all necessary limited liability company action, its execution and delivery of this Agreement and its consummation of the transactions contemplated by this Agreement.

(d) The Transferor's execution and delivery of this Agreement, its performance of the transactions contemplated by this Agreement, and its fulfillment of the terms of this Agreement do not conflict with, breach any material term of, or cause a material default under (with or without notice or lapse of time or both) any indenture, contract, agreement, mortgage, deed of trust, or other instrument to which the Transferor is a party or by which the Transferor or any of its properties are bound.

(e) The Transferor's execution and delivery of this Agreement, its performance of the transactions contemplated by this Agreement, and its fulfillment of the terms of this Agreement do not conflict with or violate any Requirement of Law applicable to the Transferor.

(f) No proceeding or investigation against the Transferor is pending or, to the best of the Transferor's knowledge, threatened before any Governmental Authority that (A) asserts that this Agreement is invalid, (B) seeks to prevent the consummation of any transaction contemplated by this Agreement, (C) seeks any determination or ruling that, in the Transferor's reasonable judgment, would materially and adversely affect the Transferor's performance under this Agreement, or (D) seeks any determination or ruling that would materially and adversely affect the validity or enforceability of this Agreement.

(g) As of the Amendment Date, no selection procedures adverse to the Investor Certificateholders have been employed by the Transferor in selecting the related Accounts.

(h) The Transferor has obtained all approvals, authorizations, licenses, consents, and orders required of any Person in connection with the Transferor's execution and delivery of this Agreement, its performance of the transactions contemplated by this Agreement, and its fulfillment of the terms of this Agreement.

The representations and warranties set forth in this Section 2.03 shall survive the transfer and assignment of the Receivables to the Trustee. The Transferor hereby represents and warrants to the Trustee, with respect to any Series of Certificates, as of its Closing Date, unless otherwise stated in such Supplement, that the representations and warranties of the Transferor set forth in Section 2.03 are true and correct as of such date. Upon discovery by the Transferor, the Servicer or the Trustee of a breach of any of the foregoing representations and warranties, the party discovering such breach shall give prompt written notice to the others.

Section 2.04. <u>Representations and Warranties of the Transferor Relating to the Agreement and the Receivables</u>.

(a) <u>Binding Obligation; Valid Transfer and Assignment</u>. The Transferor hereby represents and warrants to the Trustee as of the Amendment Closing Date and each subsequent Closing Date, and with respect to any Additional Accounts, on each related Addition Date occurring after the Amendment Closing Date that:

(i) The Receivables Purchase Agreement, this Agreement, and each Supplement each constitutes a legal, valid and binding obligation of the Transferor.

enforceable against the Transferor in accordance with its terms, except as enforceability may be limited by applicable Debtor Relief Laws or general principles of equity.

(ii) This Agreement constitutes either (A) a valid sale to the Trustee of the Receivables or (B) a grant of a security interest in favor of the Trustee in the Receivables, and that sale or security interest is perfected under the Delaware UCC.

(b) Eligibility of Receivables. The Transferor hereby represents and warrants to the Trustee as of the Amendment Closing Date, in the case of any Initial Account and the related Receivables, and as of each Addition Date, in the case of any related Additional Account and the related Receivables, as the case may be, that:

(i) As of the related Addition Date, in the case of any Additional Account, each Receivable existing in that Account is an Eligible Receivable.

(ii) Each related Receivable existing on the Amendment Closing Date, in the case of any Initial Account, or as of the related Addition Date, in the case of any Additional Account, is conveyed to the Trustee free and clear of any Lien arising through or under the Transferor or any of its Affiliates (except for any Lien for municipal or other local taxes if those taxes are currently not due or if the Account Owner, BACCS, or the Transferor is currently in good faith contesting those taxes in appropriate proceedings and has set aside adequate reserves for those contested taxes) in compliance in all material respects with all Requirements of Law applicable to the Transferor.

(iii) All consents, licenses, approvals, or authorizations of, or registrations or declarations with, any Governmental Authority that are required in connection with the conveyance of each related Receivable to the Trustee have been obtained or made by the Transferor and are fully effective.

(iv) On any date after the Amendment Closing Date, in the case of any Initial Account, or after the related Addition Date, in the case of any Additional Account, on which any new Receivable is created, that each such Receivables is an Eligible Receivable. Each related Receivable arising after the Amendment Closing Date, in the case of any Initial Account, or after the related Addition Date, in the case of any Additional Account, is conveyed by the Transferor to the Trustee free and clear of any Lien arising through or under the Transferor or any of its Affiliates (except for any Lien for municipal or other local taxes if those taxes are currently not due or if the Account Owner, BACCS, or the Transferor is currently in good faith contesting those taxes in appropriate proceedings and has set aside adequate reserves for those contested taxes) in compliance in all material respects with all Requirements of Law applicable to the Transferor.

(v) As of the Amendment Closing Date and as of each Addition Date, the Account Schedule identifies all of the existing Accounts.

(c) Notice of Breach. The representations and warranties set forth in this Section 2.04 shall survive the transfer and assignment of the Receivables to the Trustee. Upon discovery by the Transferor, the Servicer or the Trustee of a breach of any of the representations and warranties set forth in this Section 2.04, the party discovering such breach shall give prompt

written notice to the other parties mentioned above. The Transferor agrees to cooperate with the Servicer and the Trustee in attempting to cure any such breach.

(d) Transfer of Ineligible Receivables.

(i) Automatic Removal. In the event of a breach with respect to a Receivable of any representations and warranties set forth in subsection 2.04(b)(ii), or in the event that a Receivable is not an Eligible Receivable as a result of the failure to satisfy the conditions set forth in clause (d) of the definition of Eligible Receivable, and any of the following three conditions is met: (A) as a result of such breach or event such Receivable is charged off as uncollectible or the Trustee's rights in, to or under such Receivable or its proceeds are impaired or the proceeds of such Receivable are not available for any reason to the Trustee free and clear of any Lien; (B) the Lien upon the subject Receivable (1) arises in favor of the United States of America or any State or any agency or instrumentality thereof and involves taxes or liens arising under Title IV of ERISA or (2) has been consented to by the Account Owner, BACCS, or the Transferor; or (C) the unsecured short-term debt rating of the Transferor is not at least P-1 by Moody's and F1 by Fitch and the Lien upon the subject Receivable ranks prior to the Lien created pursuant to this Agreement; then, upon the earlier to occur of the discovery of such breach or event by the Transferor or receipt by the Transferor of written notice of such breach or event given by the Trustee or the Servicer, each such Receivable shall be automatically removed from the Trust on the terms and conditions set forth in subsection 2.04(d)(iii).

(ii) Removal After Cure Period. In the event of a breach of any of the representations and warranties set forth in subsection 2.04(b) other than a breach or event as set forth in clause (d)(i) above, and as a result of such breach the related Account becomes a Defaulted Account or the Trustee's rights in, to or under the Receivable or its proceeds are impaired or the proceeds of such Receivable are not available for any reason to the Trustee free and clear of any Lien, then, upon the expiration of 60 days (or such longer period as may be agreed to by the Trustee in its sole discretion, but in no event later than 120 days) from the earlier to occur of the discovery of any such event by the Transferor, or receipt by the Transferor of written notice of any such event given by the Trustee or the Servicer, each such Receivable shall be removed from the Trust on the terms and conditions set forth in subsection 2.04(d)(iii); provided, however, that no such removal shall be required to be made if, on any day within such applicable period, such representations and warranties with respect to such Receivable shall then be true and correct in all material respects as if such Receivable had been created on such day.

(iii) Procedures for Removal. When the provisions of subsection 2.04(d)(i) or (ii) above require removal of a Receivable, the Transferor shall accept reassignment of such Receivable (an "Ineligible Receivable") by directing the Servicer to deduct the principal balance of each such Ineligible Receivable from the Principal Receivables in the Trust and to decrease the Transferor Interest by such amount. On and after the date of such removal, each Ineligible Receivable shall be deducted from the aggregate amount of Principal Receivables used in the calculation of any Investor Percentage, the Transferor Percentage or the Transferor Interest. In the event that the exclusion of an Ineligible Receivable from the calculation of the Transferor Interest would cause the Transferor

Interest to be reduced below zero or would otherwise not be permitted by law, the Transferor shall concurrently make a deposit in the Collection Account (for allocation as a Principal Receivable) in immediately available funds prior to the Transfer Date related to such Monthly Period in which such event occurred in an amount equal to the amount by which the Transferor Interest would be reduced below zero. The portion of such deposit allocated to the Investor Certificates of each Series shall be distributed to the Investor Certificateholders of each Series in the manner specified in Article IV, if applicable, on the Distribution Date immediately following such Transfer Date. Upon the reassignment to the Transferor of an Ineligible Receivable, the Trustee shall automatically and without further action be deemed to transfer, assign, set-over and otherwise convey to the Transferor, without recourse, representation or warranty, all the right, title and interest of the Trustee in and to such Ineligible Receivable, all monies due or to become due with respect to such Ineligible Receivable and all proceeds of such Ineligible Receivable and all Interchange, Insurance Proceeds and Recoveries relating to such Ineligible Receivable. Such reassigned Ineligible Receivable shall be treated by the Trust as collected in full as of the date on which it was transferred. The Trustee shall execute such documents and instruments of transfer or assignment and take other actions as shall reasonably be requested by the Transferor to evidence the conveyance of such Ineligible Receivable pursuant to this subsection 2.04(d)(iii). The obligation of the Transferor set forth in this subsection 2.04(d)(iii) and the automatic removal of such Receivable from the Trust shall constitute the sole remedy respecting any breach of the representations and warranties set forth in the above-referenced subsections with respect to such Receivable available to Certificateholders or the Trustee on behalf of Certificateholders.

(e) Reassignment of Trust Portfolio. In the event of a breach of any of the representations and warranties set forth in subsection 2.04(a), either the Trustee or the Holders of Investor Certificates evidencing Undivided Interests aggregating more than 50% of the Aggregate Investor Interest, by notice then given in writing to the Transferor (and to the Trustee and the Servicer, if given by the Investor Certificateholders), may direct the Transferor to accept reassignment of an amount of Principal Receivables (as specified below) within 60 days of such notice (or within such longer period as may be specified in such notice), and the Transferor shall be obligated to accept reassignment of such Principal Receivables on a Distribution Date specified by the Transferor (such Distribution Date, the "Reassignment Date") occurring within such applicable period on the terms and conditions set forth below; provided, however, that no such reassignment shall be required to be made if, at any time during such applicable period, the representations and warranties contained in subsection 2.04(a) shall then be true and correct in all material respects. The Transferor shall deposit on the Transfer Date (in New York Clearing House, next day funds) preceding the Reassignment Date an amount equal to the reassignment deposit amount for such Receivables in the Distribution Account or Series Account, as provided in the related Supplement, for distribution to the Investor Certificateholders pursuant to Article XII. The reassignment deposit amount with respect to each Series for such reassignment, unless otherwise stated in the related Supplement, shall be equal to (i) the Investor Interest of such Series at the end of the day on the last day of the Monthly Period preceding the Reassignment Date, less the amount, if any, previously allocated for payment of principal to such Certificateholders on the related Distribution Date in the Monthly Period in which the Reassignment Date occurs, plus (ii) an amount equal to all interest accrued but unpaid on the Investor Certificates of such Series at the applicable Certificate Rate through such last day, less

the amount, if any, previously allocated for payment of interest to the Certificateholders of such Series on the related Distribution Date in the Monthly Period in which the Reassignment Date occurs. Payment of the reassignment deposit amount with respect to each Series, and all other amounts in the Distribution Account or the applicable Series Account in respect of the preceding Monthly Period, shall be considered a prepayment in full of the Receivables represented by the Investor Certificates. On the Distribution Date following the Transfer Date on which such amount has been deposited in full into the Distribution Account or the applicable Series Account, the Receivables and all monies due or to become due with respect to such Receivables and all proceeds of the Receivables and all Interchange, Insurance Proceeds and Recoveries relating to such Receivables and the proceeds thereof shall be released to the Transferor after payment of all amounts otherwise due hereunder on or prior to such dates and the Trustee shall execute and deliver such instruments of transfer or assignment, in each case without recourse, representation or warranty, as shall be prepared by and as are reasonably requested by the Transferor to vest in the Transferor, or its designee or assignee, all right, title and interest of the Trustee in and to the Receivables, all monies due or to become due with respect to such Receivables and all proceeds of the Receivables and all Interchange, Insurance Proceeds and Recoveries relating to such Receivables and the proceeds thereof. If the Trustee or the Investor Certificateholders give notice directing the Transferor to accept reassignment as provided above, the obligation of the Transferor to accept reassignment of the Receivables and pay the reassignment deposit amount pursuant to this subsection 2.04(e) shall constitute the sole remedy respecting a breach of the representations and warranties contained in subsection 2.04(a) available to the Investor Certificateholders or the Trustee on behalf of the Investor Certificateholders.

Section 2.05. Covenants of the Transferor. The Transferor hereby covenants that:

(a) Receivables to be Accounts. Except in enforcing or collecting an Account, the Transferor will take no action to cause any Receivable to be evidenced by any instrument (as defined in the Delaware UCC). Except in enforcing or collecting an Account, the Transferor will take no action to cause any Receivable to be payable pursuant to a contract which creates a Lien on any goods purchased thereunder. The Transferor will take no action to cause any Receivable to be anything other than an account (as defined in the Delaware UCC).

(b) Security Interests. Except for the conveyances hereunder, the Transferor will not (i) sell, pledge, assign or transfer to any other Person, (ii) take any other action that is inconsistent with the ownership of each Receivable by the Trustee, or (iii) grant, create, incur, assume or suffer to exist any Lien on any Receivable, whether now existing or hereafter created, or any interest therein; the Transferor will immediately notify the Trustee of the existence of any Lien on any Receivable; and the Transferor shall defend the right, title and interest of the Trustee in, to and under the Receivables, whether now existing or hereafter created, against all claims of third parties claiming through or under the Transferor; provided, however, that nothing in this subsection 2.05(b) shall prevent or be deemed to prohibit the Transferor from suffering to exist upon any of the Receivables any Liens for municipal or other local taxes if such taxes shall not at the time be due and payable or if the Account Owner, BACCS, or the Transferor shall currently be contesting the validity thereof in good faith by appropriate proceedings and shall have set aside on its books adequate reserves with respect thereto.

(c) Enforcement of the Receivables Purchase Agreement. The Transferor agrees to take all actions necessary and appropriate to enforce its rights and claims under the Receivables Purchase Agreement.

(d) Account Allocations.

(i) In the event that the Transferor is unable for any reason to transfer Receivables to the Trustee in accordance with the provisions of this Agreement (including, without limitation, by reason of the application of the provisions of Section 9.02 or an order by any federal governmental agency having regulatory authority over the Transferor or any court of competent jurisdiction that the Transferor not transfer any additional Principal Receivables to the Trustee) then, in any such event, (A) the Transferor agrees to allocate and pay to the Trustee, after the date of such inability, all Collections with respect to Principal Receivables, and all amounts which would have constituted Collections with respect to Principal Receivables but for the Transferor's inability to transfer such Receivables (up to an aggregate amount equal to the amount of Principal Receivables in the Trust on such date); (B) the Transferor agrees to have such amounts applied as Collections in accordance with Article IV; and (C) for only so long as all Collections and all amounts which would have constituted Collections are allocated and applied in accordance with clauses (A) and (B) above, Principal Receivables (and all amounts which would have constituted Principal Receivables but for the Transferor's inability to transfer Receivables to the Trust) that are written off as uncollectible in accordance with this Agreement shall continue to be allocated in accordance with Article IV, and all amounts that would have constituted Principal Receivables but for the Transferor's inability to transfer Receivables to the Trust shall be deemed to be Principal Receivables for the purpose of calculating (i) the applicable Investor Percentage with respect to any Series and (ii) the Aggregate Investor Percentage thereunder. If the Transferor is unable pursuant to any Requirement of Law to allocate Collections as described above, the Transferor agrees that it shall in any such event allocate, after the occurrence of such event, payments on each Account with respect to the principal balance of such Account proportionately based on the total amount of Principal Receivables of such Obligor retained in the Trust and the total amount owing by such Obligor on such Account after such event, and the portion allocable to any Principal Receivables retained in the Trust shall be applied as Collections in accordance with Article IV. The parties hereto agree that Finance Charge Receivables, whenever created, accrued in respect of Principal Receivables that have been conveyed to the Trustee shall continue to be a part of the Trust notwithstanding any cessation of the transfer of additional Principal Receivables to the Trustee and Collections with respect thereto shall continue to be allocated and paid in accordance with Article IV.

(ii) In the event that, pursuant to subsection 2.04(d), the Transferor accepts reassignment of an Ineligible Receivable as a result of a breach of the representations and warranties in subsection 2.04(b) relating to such Receivable, then, in any such event, the Transferor agrees to account for payments received with respect to such Ineligible Receivable separately from its accounting for Collections on Principal Receivables retained by the Trust. If payments received from or on behalf of an Obligor are not specifically applicable either to an Ineligible Receivable of such Obligor reassigned to the Transferor or to the Receivables of such Obligor retained in the Trust, then the Transferor

agrees to allocate such payments proportionately based on the total amount of Principal Receivables of such Obligor's Account retained in the Trust and the total amount in that Account then owned by the Transferor, and the portion allocable to any Principal Receivables retained in the Trust shall be treated as Collections and deposited in accordance with the provisions of Article IV.

(e) Delivery of Collections. The Transferor agrees to pay to the Servicer (or, if directed by the Trustee, to the Trustee) all payments received by the Transferor in respect of the Receivables as soon as practicable after receipt thereof by the Transferor. The Transferor will enforce a substantially similar covenant of BACCS under the Receivables Purchase Agreement that relates to Receivables sold by BACCS to the Transferor.

(f) The Transferor will enforce BACCS's covenants under the Receivables Purchase Agreement to enforce the Account Owner's covenants not to transfer any Account except in a permitted merger, consolidation, or sale.

(g) The Transferor will enforce BACCS's covenant under the Receivables Purchase Agreement to transfer to the Transferor all Interchange allocable to the Receivables.

(h) The Transferor will enforce BACCS's covenants under the Receivables Purchase Agreement to enforce the Account Owner's covenants not to change any Credit Card Agreement or the Credit Card Guidelines except as permitted under the Receivables Purchase Agreement.

(i) Separate Company Existence. The Transferor shall:

(i) Maintain in full effect its existence, rights and franchises as a limited liability company under the laws of the state of its formation and will obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Agreement and the Receivables Purchase Agreement and each other instrument or agreement necessary or appropriate to proper administration hereof and to permit and effectuate the transactions contemplated hereby.

(ii) Maintain its own deposit, securities and other account or accounts, separate from those of any Affiliate of the Transferor, with financial institutions. The funds of the Transferor will not be diverted to any other Person or for other than the company use of the Transferor, and, except as may be expressly permitted by this Agreement or the Receivables Purchase Agreement, the funds of the Transferor shall not be commingled with those of any other Person.

(iii) Ensure that, to the extent that it shares the same officers or other employees as any of its members or Affiliates, the salaries of and the expenses related to providing benefits to such officers and other employees shall be fairly allocated among such entities, and each such entity shall bear its fair share of the salary and benefit costs associated with all such common officers and employees.

(iv) Ensure that, to the extent that it jointly contracts with any of its members or other Affiliates to do business with vendors or service providers or to share overhead

expenses, the costs incurred in so doing shall be allocated fairly among such entities, and each such entity shall bear its fair share of such costs. To the extent that the Transferor contracts or does business with vendors or service providers where the goods and services provided are partially for the benefit of any other Person, the costs incurred in so doing shall be fairly allocated to or among such entities for whose benefit the goods and services are provided, and each such entity shall bear its fair share of such costs.

(v) Ensure that all material transactions between the Transferor and any of its Affiliates shall be only on an arm's-length basis and shall not be on terms more favorable to either party than the terms that would be found in a similar transaction involving unrelated third parties.

(vi) Maintain a principal executive and administrative office through which its business is conducted and a telephone number separate from those of its members and other Affiliates. To the extent that the Transferor and any of its members or other Affiliates have offices in contiguous space, there shall be fair and appropriate allocation of overhead costs (including rent) among them, and each such entity shall bear its fair share of such expenses.

(vii) Conduct its affairs strictly in accordance with its certificate of formation and its limited liability company agreement and observe all necessary, appropriate and customary company formalities, including, but not limited to, holding all regular and special members' and directors' meetings appropriate to authorize all action, keeping separate and accurate minutes of such meetings, passing all resolutions or consents necessary to authorize actions taken or to be taken, and maintaining accurate and separate books, records and accounts, including, but not limited to, intercompany transaction accounts. Regular members' and directors' meetings shall be held at least annually.

(viii) Ensure that its board of directors shall at all times include at least one Independent Director (for purposes hereof, "Independent Director" shall mean any member of the board of directors of the Transferor that is not and has not at any time been (x) an officer, agent, advisor, consultant, attorney, accountant, employee, member or shareholder of any Affiliate of the Transferor which is not a special purpose entity, (y) a director of any Affiliate of the Transferor other than an independent director of any Affiliate which is a special purpose entity or (z) a member of the immediate family of any of the foregoing).

(ix) Ensure that decisions with respect to its business and daily operations shall be independently made by the Transferor (although the officer making any particular decision may also be an officer or director of an Affiliate of the Transferor) and shall not be dictated by an Affiliate of the Transferor.

(x) Act solely in its own company name and through its own authorized officers and agents, and no Affiliate of the Transferor shall be appointed to act as agent of the Transferor. The Transferor shall at all times use its own stationery and business forms and describe itself as a separate legal entity.

(xi) Other than as provided in the Revolving Credit Agreement, ensure that no Affiliate of the Transferor shall advance funds or loan money to the Transferor, and no Affiliate of the Transferor will otherwise guaranty debts of the Transferor.

(xii) Other than organizational expenses and as expressly provided herein, pay all expenses, indebtedness and other obligations incurred by it using its own funds.

(xiii) Not enter into any guaranty, or otherwise become liable, with respect to or hold its assets or creditworthiness out as being available for the payment of, any obligation of any Affiliate of the Transferor nor shall the Transferor make any loans to any Person.

(xiv) All financial statements of the Transferor, whether or not consolidated, and all financial statements of the Transferor's Affiliate that include the Transferor (i) disclose the effects of all this Agreement, the Receivables Purchase Agreement, and related transaction documents to which Funding is a party in accordance with generally accepted accounting principles and (ii) to the extent required by generally accepted accounting principles or otherwise material, make clear that the Transferor is separate from BACCS and any person or entity that is an affiliate or insider of BACCS or that controls BACCS, is controlled by BACCS, or is under common control with BACCS, and that the Receivables and the assets of Funding are not assets of BACCS or any person or entity that is an affiliate or insider of BACCS or that controls BACCS, is controlled by BACCS, or is under common control with BACCS.

(xv) Ensure that at all times it is adequately capitalized to engage in the transactions contemplated in certificate of formation and its limited liability company agreement.

Section 2.06. Addition of Accounts.

(a) (i) If, (A) during any period of thirty consecutive days, the Transferor Interest averaged over that period is less than the Minimum Transferor Interest for that period the Transferor shall designate additional eligible MasterCard,® VISA® or American Express® accounts from the Bank Portfolio ("Additional Accounts") to be included as Accounts in a sufficient amount such that the average of the Transferor Interest as a percentage of the Average Principal Receivables for such 30 day period, computed by assuming that the amount of the Principal Receivables of such Additional Accounts shall be deemed to be outstanding in the Trust during each day of such 30-day period, is at least equal to the Minimum Transferor Interest, or (B) on any Record Date the aggregate amount of Principal Receivables is less than the Minimum Aggregate Principal Receivables (as adjusted for any Series having a Companion Series as described in the Supplement for such Series), the Transferor shall designate Additional Accounts to be included as Accounts in a sufficient amount such that the aggregate amount of Principal Receivables will be equal to or greater than the Minimum Aggregate Principal Receivables. Receivables from such Additional Accounts shall be transferred to the Trustee on or before the tenth Business Day following such thirty-day period or Record Date, as the case may be.

(ii) In lieu of, or in addition to, designating Additional Accounts pursuant to clause (i) above, the Transferor may, subject to any applicable conditions specified in

paragraph (c) below, convey to the Trustee participations representing undivided interests in a pool of assets primarily consisting of receivables arising under revolving credit card accounts owned by the Account Owner or any Affiliate of the Account Owner and collections thereon ("Participations"). The addition of Participations in the Trust pursuant to this paragraph (a) or paragraph (b) below shall be effected by an amendment hereto, dated as of the applicable Addition Date, pursuant to Section 13.01(a).

(b) In addition to its obligation under subsection 2.06(a), the Transferor may, but shall not be obligated to, designate from time to time Additional Accounts to be included as Accounts or Participations to be included as property of the Trust, in either case as of the applicable Addition Date.

(c) The Transferor agrees that any such transfer of Receivables from Additional Accounts, under subsection 2.06(a) or (b) shall satisfy the following conditions (to the extent provided below):

(i) on or before the fifth Business Day prior to the Addition Date with respect to additions pursuant to subsection 2.06(a) and on or before the tenth Business Day prior to the Addition Date with respect to additions pursuant to subsection 2.06(b) (the "Notice Date"), the Transferor shall give the Trustee, each Rating Agency and the Servicer written notice that such Additional Accounts or Participations will be included, which notice shall specify the approximate aggregate amount of the Receivables to be transferred;

(ii) on or before the Addition Date, the Transferor shall have delivered to the Trustee a written assignment (including an acceptance by the Trustee on behalf of the Trust for the benefit of the Investor Certificateholders) in substantially the form of Exhibit B (the "Assignment") and the Transferor shall have indicated in its computer files that the Receivables created in connection with the Additional Accounts have been transferred to the Trust and, within five Business Days thereafter, or as otherwise agreed upon among the Servicer, the Transferor and the Trustee, the Transferor shall have delivered to the Trustee the updated Account Schedule, which Account Schedule is true and complete as of the related Addition Date and which shall be as of the date of such Assignment incorporated into and made a part of such Assignment and this Agreement;

(iii) the Transferor shall represent and warrant that (x) with respect to Additional Accounts, each Additional Account is, as of the Addition Date, an Eligible Account, and each existing Receivable in such Additional Account is, as of the Addition Date, an Eligible Receivable, (y) it has not used any selection procedures believed by the Transferor to be materially adverse to the interests of the Investor Certificateholders in selecting the related Additional Accounts, and (z) as of the Addition Date, the Transferor is not insolvent;

(iv) the Transferor shall represent and warrant that, as of the Addition Date, the Assignment constitutes either (x) a valid sale to the Trustee of the Receivables in the Additional Accounts, or (y) a grant of a security interest in favor of the Trustee in the Receivables in the Additional Accounts, and that sale or security interest is perfected under the Delaware UCC;

(v) the Transferor shall deliver an Officer's Certificate substantially in the form of Schedule 2 to Exhibit B to the Trustee confirming the items set forth in paragraphs (ii), (iii) and (iv) above;

(vi) the Transferor shall deliver an Opinion of Counsel with respect to the Receivables in the Additional Accounts to the Trustee (with a copy to Moody's, Standard & Poor's and Fitch) substantially in the form of Exhibit E;

(vii) (A) with respect to accounts in excess of the Maximum Addition Amount and with respect to Participations, the Transferor shall have received notice from Standard & Poor's, Moody's and Fitch that the inclusion of such accounts as Additional Accounts pursuant to subsections 2.06(a) and 2.06(b) or the inclusion of such Participations to be included as property of the Trust pursuant to subsections 2.06(a) and 2.06(b), as the case may be, will not result in the reduction or withdrawal of its then existing rating of any Series of Investor Certificates then issued and outstanding; and (B) with respect to accounts not in excess of the Maximum Addition Amount added during the last quarterly period (such quarterly period beginning on and including the fifteenth day of January, April, July, and October and ending on and excluding the fifteenth day of April, July, October, and January, respectively), if applicable, the Transferor shall have received, to the extent not previously received, not later than twenty days after the relevant quarterly period, notice from Standard & Poor's, Moody's and Fitch that the inclusion of such accounts as Additional Accounts pursuant to subsections 2.06(a) and 2.06(b) will not result in the reduction or withdrawal of its then existing rating of any Series of Investor Certificates then issued and outstanding; and

(viii) the Transferor shall provide each Rating Agency 30 days' prior notice of the inclusion of any business cards as Additional Accounts pursuant to subsection 2.06(b).

Section 2.07. Removal of Accounts.

(a) Subject to the conditions set forth below, the Transferor may, but shall not be obligated to, designate Receivables from Accounts for deletion and removal ("Removed Accounts") from the Trust; provided, however, that the Transferor shall not make more than one such designation in any Monthly Period. On or before the fifth Business Day (the "Removal Notice Date") prior to the date on which the Receivables in the designated Removed Accounts will be reassigned by the Trustee to the Transferor (the "Removal Date"), the Transferor shall give the Trustee and the Servicer written notice that the Receivables from such Removed Accounts are to be reassigned to the Transferor.

(b) The Transferor shall be permitted to designate and require reassignment to it of the Receivables from Removed Accounts only upon satisfaction of the following conditions:

(i) the removal of any Receivables of any Removed Accounts on any Removal Date shall not, in the reasonable belief of the Transferor, (a) cause a Pay Out Event to occur; provided, however, that for the purposes of this subsection 2.07(b)(i), the Receivables of each Removed Account shall be considered to have been removed as of the Removal Date, (b) cause the Transferor Interest as a percentage of the aggregate amount of Principal Receivables to be less than the Minimum Transferor Interest on such

Removal Date, (c) cause the aggregate amount of Principal Receivables to be less than the Minimum Aggregate Principal Receivables, or (d) result in the failure to make any payment specified in the related Supplement with respect to any Series;

(ii) on or prior to the Removal Date, the Transferor shall have delivered to the Trustee for execution a written assignment in substantially the form of Exhibit G (the "Reassignment") and, within five Business Days (or as otherwise agreed upon between the Transferor and the Trustee) thereafter, the Transferor shall have delivered to the Trustee the updated Account Schedule, which Account Schedule is true and complete as of the Removal Date and which as of the Removal Date shall modify and amend and be made a part of this Agreement;

(iii) the Transferor shall represent and warrant that it has not used any selection procedures believed by the Transferor to be materially adverse to the interests of the Certificateholders in selecting the related Removed Accounts;

(iv) [Reserved]

(v) on or before the tenth Business Day prior to the Removal Date, each Rating Agency shall have received notice of such proposed removal of the Receivables of such Accounts and the Transferor shall have received notice prior to the Removal Date from such Rating Agency that such proposed removal will not result in a downgrade or withdrawal of its then current rating of any outstanding Series of the Investor Certificates;

(vi) on any Removal Notice Date, the amount of the Principal Receivables of the Removed Accounts to be reassigned to the Transferor on the related Removal Date shall not equal or exceed 5% of the aggregate amount of the Principal Receivables on such Removal Date; provided, that if any Series has been paid in full, the Principal Receivables in such Removed Accounts shall not equal or exceed the sum of (A) 5% of the aggregate amount of the Principal Receivables, after giving effect to the removal of accounts pursuant to clause (B) below, on such Removal Date plus (B) the Initial Investor Interest of such Series that has been paid in full; and

(vii) the Transferor shall have delivered to the Trustee an Officer's Certificate confirming the items set forth in clauses (i) through (vi) above. The Trustee may conclusively rely on such Officer's Certificate, shall have no duty to make inquiries with regard to the matters set forth therein and shall incur no liability in so relying.

Upon satisfaction of the above conditions, the Trustee shall execute and deliver the Reassignment to the Transferor, and the Receivables from the Removed Accounts shall no longer constitute a part of the Trust.

(c) The Transferor may, but shall not be obligated to, designate at any time Zero Balance Accounts, any future receivables of which will no longer be part of the Trust, and direct the Account Owner to remove the designation 1994-MT from the Pool Index File for such Accounts; provided, that in connection with such designation and removal, the Transferor shall have delivered (i) to Moody's and Fitch, prior to the date such designation and removal (a "Zero Balance Account Removal Date"), an Officer's Certificate of the Transferor to the effect that to

the best knowledge of the Transferor such designation and removal shall not cause a Pay Out Event to occur and (ii) to the Trustee, within five Business Days (or as otherwise agreed upon between the Transferor and the Trustee) after the related Zero Balance Account Removal Date, the updated Account Schedule, which Account Schedule is true and complete as of such Zero Balance Account Removal Date. The Trustee shall acknowledge receipt of such Account Schedule in writing, which as of the related Zero Balance Account Removal Date shall modify and amend and be made a part of this Agreement, and which shall reconvey to Funding, without recourse on and after the related Zero Balance Account Removal Date, all right, title and interest of the Trustee in and to the Receivables thereafter created in the related Zero Balance Accounts, all monies due or to become due with respect thereto (including all Finance Charge Receivables), all proceeds (as defined in the Delaware UCC) of such Receivables, Insurance Proceeds relating to such Receivables and the proceeds thereof.

(d) In addition to the terms and conditions contained in subsections 2.07(a) and 2.07(b), the Transferor's right to require the reassignment to it or its designee of all the Trust's right, title and interest in, to and under the Receivables in Removed Accounts, shall be subject to the following restrictions:

(i) Except for Removed Accounts described in subsections 2.07(c) and 2.07(d)(ii), the Accounts to be designated as Removed Accounts shall be selected at random by the Transferor.

(ii) The Transferor may designate Removed Accounts as provided in and subject to the terms and conditions contained in this Section 2.07 without being subject to the restrictions set forth in subsection 2.07(d)(i) if the Removed Accounts are designated in response to action taken by a third party in connection with an affinity or private-label arrangement, such action to include that third party's decision to cancel the arrangement or failure to renew the arrangement following expiration, and is not the unilateral action of the Transferor.

Section 2.08. Discount Option. The Transferor may at any time, upon at least 30 days' prior written notice to the Servicer, the Trustee, each Credit Enhancement Provider and each Rating Agency, designate a percentage, which may be a fixed percentage or a variable percentage based on a formula (the "Discounted Percentage"), of the amount of Principal Receivables arising in all of the Accounts to be treated on and after such designation, or for the period specified, as Discount Option Receivables; provided, however, that no such designation shall become effective on the date specified in the written notice unless the following conditions have been satisfied:

(i) the designation of Discount Option Receivables shall not, in the reasonable belief of the Transferor, cause a Pay Out Event to occur or cause an event which with notice or the lapse of time or both would constitute a Pay Out Event;

(ii) on or before the date specified in the written notice, the Transferor shall have received written confirmation from each Rating Agency that such designation will not result in a downgrade or withdrawal of its then current rating of any outstanding Series of Investor Certificates;

(iii) the Transferor shall have delivered to the Trustee an Officer's Certificate of the Transferor confirming the items set forth in clauses (i) and (ii) above. The Trustee may conclusively rely on such Officer's Certificate, shall have no duty to make inquiries with regard to the matters set forth therein and shall incur no liability in so relying.

On and after the date of satisfaction of the above conditions, in processing Collections of Principal Receivables of the Accounts the Servicer shall deem the product of the Discounted Percentage and Collections of such Principal Receivables as "Discount Option Receivable Collections" and shall treat such Discount Option Receivable Collections for all purposes hereunder as Collections of Finance Charge Receivables.

Section 2.09. Additional Representations and Warranties of the Transferor. The Transferor hereby makes the following representations and warranties. Such representations and warranties shall survive until the termination of this Agreement. Such representations and warranties speak of the date that the Collateral (as defined below) is transferred to the Trustee but shall not be waived by any of the parties to this Agreement unless each Rating Agency shall have notified the Transferor, the Servicer and the Trustee in writing that such waiver will not result in a reduction or withdrawal of the rating of any outstanding Series or Class to which it is a Rating Agency.

(a) This Agreement creates a valid and continuing security interest (as defined in the Delaware UCC) in favor of the Trustee in the Receivables described in Section 2.01 or in Section 3(a) of any Assignment (the "Collateral"), which security interest is prior to all other liens, and is enforceable as such as against creditors of and purchasers from the Transferor.

(b) The Collateral constitutes "accounts" within the meaning of the Delaware UCC.

(c) At the time of each transfer and assignment of Collateral to the Trustee pursuant to this Agreement or an Assignment, the Transferor owned and had good and marketable title to such Collateral free and clear of any lien, claim or encumbrance of any Person.

(d) The Transferor has caused or will have caused, within ten days of the initial execution of this Agreement and each Assignment, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the related Collateral granted to the Trustee pursuant to this Agreement or such Assignment.

(e) Other than the security interest granted to the Trustee pursuant to this Agreement or an Assignment, the Transferor has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed the Collateral. The Transferor has not authorized the filing of and is not aware of any financing statements against the Transferor that include a description of the Collateral other than any financing statement relating to the security interest granted to the Trust pursuant to this Agreement or an Assignment or that has been terminated. The Transferor is not aware of any judgment or tax lien filings against the Transferor.

[End of Article II]

ARTICLE III

ADMINISTRATION AND SERVICING OF RECEIVABLES

Section 3.01. Acceptance of Appointment and Other Matters Relating to the Servicer.

(a) FIA agrees to act as the Servicer under this Agreement. The Investor Certificateholders of each Series by their acceptance of the related Certificates consent FIA acting as Servicer.

(b) The Servicer shall service and administer the Receivables and shall collect payments due under the Receivables in accordance with its customary and usual servicing procedures for servicing credit card receivables comparable to the Receivables and in accordance with the Credit Card Guidelines and shall have full power and authority, acting alone or through any party properly designated by it hereunder, to do any and all things in connection with such servicing and administration which it may deem necessary or desirable. Without limiting the generality of the foregoing and subject to Sections 4.02 and 10.01, the Servicer is hereby authorized and empowered (i) to make withdrawals from the Collection Account as set forth in this Agreement, (ii) unless such power and authority is revoked by the Trustee on account of the occurrence of a Servicer Default pursuant to Section 10.01, to instruct the Trustee to make withdrawals and payments, from the Finance Charge Account, the Principal Account and any Series Account, in accordance with such instructions as set forth in this Agreement, (iii) unless such power and authority is revoked by the Trustee on account of the occurrence of a Servicer Default pursuant to Section 10.01, to instruct the Trustee in writing, as set forth in this Agreement, (iv) to execute and deliver, on behalf of the Trust for the benefit of the Certificateholders, any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, and all other comparable instruments, with respect to the Receivables and, after the delinquency of any Receivable and to the extent permitted under and in compliance with applicable law and regulations, to commence enforcement proceedings with respect to such Receivables and (v) to make any filings, reports, notices, applications, registrations with, and to seek any consents or authorizations from the Securities and Exchange Commission and any state securities authority on behalf of the Trust as may be necessary or advisable to comply with any federal or state securities or reporting requirements. The Trustee agrees that it shall promptly follow the instructions of the Servicer to withdraw funds from the Principal Account, the Finance Charge Account or any Series Account and to take any action required under any Credit Enhancement at such time as required under this Agreement. The Trustee shall execute at the Servicer's written request such documents prepared by the Transferor and acceptable to the Trustee as may be necessary or appropriate to enable the Servicer to carry out its servicing and administrative duties hereunder.

(c) In the event that the Transferor is unable for any reason to transfer Receivables to the Trustee in accordance with the provisions of this Agreement (including, without limitation, by reason of the application of the provisions of Section 9.02 or the order of any federal governmental agency having regulatory authority over the Transferor or any court of competent jurisdiction that the Transferor not transfer any additional Principal Receivables to the Trustee) then, in any such event, (A) the Servicer agrees to allocate, after such date, all

Collections with respect to Principal Receivables, and all amounts which would have constituted Collections with respect to Principal Receivables but for the Transferor's inability to transfer such Receivables (but only from funds otherwise due to the Transferor under this Agreement and only up to an aggregate amount equal to the aggregate amount of Principal Receivables in the Trust as of such date) in accordance with subsection 2.05(d); (B) the Servicer agrees to apply such amounts as Collections in accordance with Article IV, and (C) for only so long as all Collections and all amounts which would have constituted Collections are allocated and applied in accordance with clauses (A) and (B) above, Principal Receivables and all amounts which would have constituted Principal Receivables but for the Transferor's inability to transfer Receivables to the Trustee that are written off as uncollectible in accordance with this Agreement shall continue to be allocated in accordance with Article IV and all amounts which would have constituted Principal Receivables but for the Transferor's inability to transfer Receivables to the Trustee shall be deemed to be Principal Receivables for the purpose of calculating the applicable Investor Percentage thereunder. If the Servicer is unable pursuant to any Requirement of Law to allocate payments on the Accounts as described above, the Servicer agrees that it shall in any such event allocate, after the occurrence of such event, payments on each Account with respect to the principal balance of such Account first to the oldest principal balance of such Account and to have such payments applied as Collections in accordance with Article IV. The parties hereto agree that Finance Charge Receivables, whenever created, accrued in respect of Principal Receivables which have been conveyed to the Trustee shall continue to be a part of the Trust notwithstanding any cessation of the transfer of additional Principal Receivables to the Trustee and Collections with respect thereto shall continue to be allocated and paid in accordance with Article IV.

(d) In the event that pursuant to subsection 2.04(d), the Transferor accepts reassignment of an Ineligible Receivable as a result of a breach of the representations and warranties in subsection 2.04(b) relating to such Receivable, then, in any such event, the Servicer agrees to account for payments received with respect to such Ineligible Receivable separately from its accounting for Collections on Principal Receivables retained in the Trust. If payments received from or on behalf of an Obligor are not specifically applicable either to an Ineligible Receivable of such Obligor reassigned to the Transferor or to Receivables of such Obligor retained in the Trust, then the Servicer agrees to allocate payments proportionately based on the total amount of Principal Receivables of such Obligor retained in the Trust and the total amount owing by such Obligor on any Ineligible Receivables purchased by the Transferor, and the portion allocable to any Principal Receivables retained in the Trust shall be treated as Collections and deposited in accordance with the provisions of Article IV.

(e) The Servicer shall not be obligated to use separate servicing procedures, offices, employees or accounts for servicing the Receivables from the procedures, offices, employees and accounts used by the Servicer in connection with servicing other credit card receivables.

(f) The Servicer shall maintain fidelity bond coverage insuring against losses through wrongdoing of its officers and employees who are involved in the servicing of credit card receivables covering such actions and in such amounts as the Servicer believes to be reasonable from time to time.

Section 3.02. Servicing Compensation. As full compensation for its servicing activities hereunder and as reimbursement for its expenses as set forth in the immediately following paragraph, the Servicer shall be entitled to receive a servicing fee (the "Servicing Fee") with respect to each Monthly Period prior to the termination of the Trust pursuant to Section 12.01, payable monthly on the related Transfer Date, in an amount equal to one-twelfth of the product of (a) the weighted average of the Series Servicing Fee Percentages with respect to each outstanding Series (based upon the Series Servicing Fee Percentage for each Series and the Adjusted Investor Interest (or such other amount as specified in the related Supplement) of such Series, in each case as of the last day of the prior Monthly Period) and (b) the average amount of Principal Receivables during the prior Monthly Period. The share of the Servicing Fee allocable to Investor Certificates (the "Investor Servicing Fee") of a particular Series with respect to any Monthly Period will each be determined in accordance with the relevant Supplement. The portion of the Servicing Fee with respect to any Monthly Period not so allocated to the Investor Certificates of a particular Series shall be paid by the Holder of the Transferor Certificate directly to the Servicer on the related Transfer Date, and in no event shall the Trust, the Trustee or the Investor Certificateholders of any Series be liable for the share of the Servicing Fee with respect to any Monthly Period to be paid by the Holder of the Transferor Certificates (the "Transferor Servicing Fee").

The Servicer's expenses include the amounts due to the Trustee pursuant to Section 11.05 and the reasonable fees and disbursements of the Servicer's independent public accountants and all other expenses incurred by the Servicer in connection with its activities hereunder; provided, that the Servicer shall not be liable for any liabilities, costs or expenses of the Trust, the Investor Certificateholders or the Certificate Owners arising under any tax law, including without limitation any federal, state or local income or franchise taxes or any other tax imposed on or measured by income (or any interest or penalties with respect thereto or arising from a failure to comply therewith). The Servicer shall be required to pay such expenses for its own account and shall not be entitled to any payment therefor other than the Servicing Fee.

Section 3.03. Representations and Warranties of the Servicer. The Servicer hereby makes as of the Amendment Closing Date, and any Successor Servicer by its appointment hereunder shall make (with appropriate modifications to Section 3.03(a) to reflect the Successor Servicer's organization) the following representations and warranties, on which the Trustee has relied in accepting the Receivables in trust:

(a) Organization and Good Standing. The Servicer is a national banking association duly organized, validly existing and in good standing under the laws of the United States and has full corporate power, authority and legal right to own its properties and conduct its credit card business as such properties are presently owned and as such business is presently conducted, and to execute, deliver and perform its obligations under this Agreement.

(b) Due Qualification. The Servicer is not required to qualify nor register as a foreign corporation in any state in order to service the Receivables as required by this Agreement and has obtained all licenses and approvals necessary in order to so service the Receivables as required under federal and Delaware law. If the Servicer shall be required by any Requirement of Law to so qualify or register or obtain such license or approval, then it shall do so.

(c) Due Authorization. The execution, delivery, and performance by the Servicer of this Agreement have been duly authorized by the Servicer by all necessary corporate action on the part of the Servicer and this Agreement will remain, from the time of its execution, an official record of the Servicer.

(d) Binding Obligation. This Agreement constitutes a legal, valid and binding obligation of the Servicer, enforceable against the Servicer in accordance with its terms, except as enforceability may be limited by applicable Debtor Relief Laws or general principles of equity.

(e) No Violation. The execution and delivery of this Agreement by the Servicer, and the performance by the Servicer of the transactions contemplated by this Agreement and the fulfillment by the Servicer of the terms hereof applicable to the Servicer, will not conflict with, violate, result in any breach of any of the material terms and provisions of, or constitute (with or without notice or lapse of time or both) a default under, any Requirement of Law applicable to the Servicer or any indenture, contract, agreement, mortgage, deed of trust or other instrument to which the Servicer is a party or by which it is bound.

(f) No Proceedings. There are no proceedings or investigations pending or, to the best knowledge of the Servicer, threatened against the Servicer before any court, regulatory body, administrative agency or other tribunal or governmental instrumentality seeking to prevent the issuance of the Certificates or the consummation of any of the transactions contemplated by this Agreement, seeking any determination or ruling that, in the reasonable judgment of the Servicer, would materially and adversely affect the performance by the Servicer of its obligations under this Agreement, or seeking any determination or ruling that would materially and adversely affect the validity or enforceability of this Agreement.

(g) Compliance with Requirements of Law. The Servicer shall duly satisfy all obligations on its part to be fulfilled under or in connection with each Receivable and the related Account, will maintain in effect all qualifications required under Requirements of Law in order to service properly each Receivable and will comply in all material respects with all other Requirements of Law in connection with servicing each Receivable the failure to comply with which would have a material adverse effect on the Certificateholders or any Credit Enhancement Provider.

Section 3.04. Reports and Records for the Trustee.

(a) Daily Reports. On each Business Day, the Servicer, with prior notice, shall prepare and make available at the office of the Servicer for inspection by the Transferor or the Trustee a record setting forth (i) the aggregate amount of Collections processed by the Servicer on the preceding Business Day and (ii) the aggregate amount of Receivables as of the close of business on the preceding Business Day.

(b) Monthly Servicer's Certificate. Unless otherwise stated in the related Supplement with respect to any Series, on each Determination Date the Servicer shall forward, as provided in Section 13.05, to the Trustee, the Transferor, the Paying Agent, any Credit Enhancement Provider and each Rating Agency, a certificate of a Servicing Officer substantially in the form of Exhibit C (which includes the Schedule thereto specified as such in each Supplement) setting forth (i) the aggregate amount of Collections processed during the preceding

Monthly Period, (ii) the aggregate amount of the applicable Investor Percentage of Collections of Principal Receivables processed by the Servicer pursuant to Article IV during the preceding Monthly Period with respect to each Series then outstanding, (iii) the aggregate amount of the applicable Investor Percentage of Collections of Finance Charge Receivables processed by the Servicer pursuant to Article IV during the preceding Monthly Period with respect to each Series then outstanding, (iv) the aggregate amount of Receivables processed as of the end of the last day of the preceding Monthly Period, (v) the balance on deposit in the Finance Charge Account, the Principal Account or any Series Account applicable to any Series then outstanding on such Determination Date with respect to Collections processed by the Servicer during the preceding Monthly Period, (vi) the aggregate amount, if any, of withdrawals, drawings or payments under any Credit Enhancement, if any, for each Series then outstanding required to be made with respect to the previous Monthly Period in the manner provided in the related Supplement, (vii) the sum of all amounts payable to the Investor Certificateholders of each Series (or for a Series of more than one Class, each such Class) on the succeeding Distribution Date in respect of Certificate Principal and Certificate Interest with respect to such preceding Monthly Period and (viii) such other matters as are set forth in Exhibit C.

Section 3.05. Annual Servicer's Certificate. On or before the 90th day following the end of each fiscal year of the Trust (or, if such 90th day is not a Business Day, the next succeeding Business Day), commencing with the fiscal year ending June 30, 2006, the Servicer will deliver, as provided in Section 13.05, to the Trustee, the Transferor, any Credit Enhancement Provider and the Rating Agency, the statement of compliance required under Item 1123 of Regulation AB with respect to such fiscal year, which statement will be in the form of an Officer's Certificate of the Servicer to the effect that (a) a review of the activities of the Servicer during such fiscal year and of its performance under this Agreement, together with any other agreements specified in any Supplement for a Series, was made under the supervision of the officer signing such certificate and (b) to the best of such officer's knowledge, based on such review, the Servicer has fulfilled all of its obligations under this Agreement and any other agreements specified in any Supplement for a Series throughout such fiscal year or, if there has been a failure to fulfill any such obligation in any material respect, specifying each such failure known to such officer and the nature and status thereof. A copy of such certificate may be obtained by any Investor Certificateholder by a request in writing to the Trustee addressed to the Corporate Trust Office.

Section 3.06. Annual Independent Accountants' Servicing Report. (a) Except as specified in any Supplement for a related Series, and for so long as any Series of Certificates other than Series 2001-D is outstanding, on or before the 90th day following the end of each fiscal year of the Trust (or, if such 90th day is not a Business Day, the next succeeding Business Day), the Servicer, on behalf of the Trust, shall cause a firm of nationally recognized independent certified public accountants (who may also render other services to the Servicer or the Transferor) to furnish, as provided in Section 13.05, a report, based upon established criteria that meets the standards applicable to accountants' reports intended for general distribution, to the Trustee, the Transferor, any Credit Enhancement Provider and each Rating Agency, attesting to the fairness of the assertion of the Servicer's management that its internal controls over the functions performed as Servicer of the Trust are effective, in all material respects, in providing reasonable assurance that Trust assets in the possession of or under the control of the

Servicer are safeguarded against loss from unauthorized use or disposition, on the date of such report, and a report attesting to the fairness of the assertion of the Servicer's management that such servicing was conducted in conformity with the sections of this Agreement during such fiscal year, except for such exceptions or errors as such firm shall believe to be immaterial and such other exceptions as shall be set forth in such report. Unless otherwise provided with respect to any Series in the related Supplement, a copy of such report may be obtained by any Investor Certificateholder by a request in writing to the Trustee addressed to the Corporate Trust Office.

(b) Except as specified in any Supplement for a related Series, and for so long as any Series of Certificates other than Series 2001-D is outstanding, on or before the 90th day following the end of each fiscal year of the Trust (or, if such 90th day is not a Business Day, the next succeeding Business Day), the Servicer shall cause a firm of nationally recognized independent certified public accountants (who may also render other services to the Servicer or the Transferor) to furnish as provided in Section 13.05 a report, prepared in accordance with the standards established by the American Institute of Certified Public Accountants, to the Trustee, the Transferor and each Rating Agency, to the effect that they have compared the mathematical calculations of certain amounts set forth in the monthly certificates forwarded by the Servicer pursuant to Section 3.04(b) during such fiscal year with the Servicer's computer reports which were the source of such amounts and that, on the basis of such comparison, such firm is of the opinion that such amounts are in agreement, except for such exceptions as shall be set forth in such report. A copy of such report may be obtained from the Trustee by any Investor Certificateholder by a request in writing to the Trustee addressed to the Corporate Trust Office.

Section 3.07. Tax Treatment. The Transferor has structured this Agreement, the Investor Certificates and any Collateral Interest with the intention that the Investor Certificates and any Collateral Interest will qualify under applicable federal, state, local and foreign tax law as indebtedness of the Transferor secured by the Receivables. The Transferor, the Servicer, the Holder of the Transferor Certificate, each Investor Certificateholder, each Certificate Owner, and each owner of any Collateral Interest or interest therein agree to treat and to take no action inconsistent with the treatment of the Investor Certificates and any Collateral Interest (or beneficial interest therein) as such indebtedness for purposes of federal, state, local and foreign income or franchise taxes and any other tax imposed on or measured by income. Each Investor Certificateholder and the Holder of the Transferor Certificate, by acquisition of its interest in the Transferor Interest; each Certificate Owner, by acquisition of a beneficial interest in a Certificate; and any owner of any Collateral Interest or interest therein, by acquisition of such interest therein, agrees to be bound by the provisions of this Section 3.07. Each Certificateholder agrees that it will cause any Certificate Owner acquiring an interest in a Certificate through it, and each owner of any Collateral Interest or any interest therein agrees that it will cause any Person acquiring any such interest, to comply with this Agreement as to treatment as indebtedness under applicable tax law, as described in this Section 3.07. Notwithstanding this Section 3.07, if the treatment of any Collateral Interest or interest therein as indebtedness is challenged by any governmental authority, the Holder of the Transferor Certificate and any owner of such interest do not

intend to be foreclosed from adopting as a secondary tax position that such interest constitutes equity in a partnership.

Section 3.08. Reports to the Commission. The Servicer and the Transferor shall, on behalf of the Trust and at the expense of the Transferor, cause to be filed with the Commission any periodic reports required to be filed under the provisions of the Securities Exchange Act of 1934 and the rules and regulations of the Commission thereunder.

[End of Article III]

ARTICLE IV

RIGHTS OF CERTIFICATEHOLDERS AND ALLOCATION AND APPLICATION OF COLLECTIONS

Section 4.01. Rights of Certificateholders. Each Series of Investor Certificates shall represent Undivided Interests in the Trust, including the benefits of any Credit Enhancement issued with respect to such Series and the right to receive the Collections and other amounts at the times and in the amounts specified in this Article IV to be deposited in the Investor Accounts and any other Series Account (if so specified in the related Supplement) or to be paid to the Investor Certificateholders of such Series; provided, however, that the aggregate interest represented by such Certificates at any time in the Principal Receivables shall not exceed an amount equal to the Investor Interest at such time. The interest represented by any Certificate shall constitute personal property, and no Certificateholder shall have an interest in specific property of the Trust. No creditor of any Certificateholder shall have any right to obtain possession of, or otherwise exercise legal or equitable remedies with respect to, the property of the Trust, provided, however, that this sentence shall not limit any rights expressly provided to the Certificateholders pursuant to this Agreement or any Supplement thereto or to the holders of Notes (as defined in the Series 2001-D Supplement hereto) pursuant to the Indenture (as defined in the Series 2001-D Supplement hereto). None of the Transferor, the Servicer, or any Certificateholder shall have any liability for the expenses or liabilities of the Trust except as specifically set forth in this Agreement. The Transferor Certificate or, as the case may be, the uncertificated interest in the Transferor Interest shall represent the remaining undivided interest in the Trust not allocated to the Investor Certificates and the other interests issued by the Trust, including the right to receive the Collections and other amounts at the times and in the amounts specified in this Article IV to be paid to the Holder of the Transferor Certificate; provided, however, that if the Transferor elects to have its interest in the Transferor Interest be uncertificated as provided in Section 6.01 hereof, then such uncertificated interest shall represent the Transferor Interest; provided further, that the aggregate interest represented by such Transferor Certificate in the Principal Receivables or, as the case may be, the aggregate uncertificated interest of the Transferor in the Principal Receivables, shall not exceed the Transferor Interest at any time and such Transferor Certificate or, as the case may be, such uncertificated interest shall not represent any interest in the Investor Accounts, except as provided in this Agreement, or the benefits of any Credit Enhancement issued with respect to any Series.

Section 4.02. Establishment of Accounts.

(a) The Collection Account. The Servicer, for the benefit of the Certificateholders, shall establish and maintain in the name of the Trustee, on behalf of the Trust, a non-interest bearing segregated account (the "Collection Account") bearing a designation clearly indicating that the funds deposited therein are held in trust for the benefit of the Certificateholders, or shall cause such Collection Account to be established and maintained, with an office or branch located in the states of Delaware or New York of (i) the Servicer, or (ii) a Qualified Institution; provided, however, that upon the insolvency of the Servicer, the Collection Account shall not be permitted to be maintained with the Servicer. Pursuant to authority granted

to it pursuant to subsection 3.01(b), the Servicer shall have the revocable power to withdraw funds from the Collection Account for the purposes of carrying out its duties hereunder.

(b) The Finance Charge and Principal Accounts. The Trustee, for the benefit of the Investor Certificateholders, shall establish and maintain in the State of New York with the Trustee, or cause to be established and maintained in the State of New York with a Qualified Institution (other than FIA, BACCS, or the Transferor) that is acting as a securities intermediary, in the name of the Trustee two segregated trust accounts (the "Finance Charge Account" and the "Principal Account," respectively), bearing a designation clearly indicating that the funds and other property credited thereto are held for the benefit of the Investor Certificateholders. The Trustee shall possess all right, title and interest in all funds and other property credited from time to time to the Finance Charge Account and the Principal Account and in all proceeds thereof. The Finance Charge Account and the Principal Account shall be under the control of the Trustee for the benefit of the Investor Certificateholders as described in subsection 4.02(e). If, at any time, the institution holding the Principal Account or the Finance Charge Account ceases to be a Qualified Institution, the Trustee shall notify the Rating Agency and within 10 Business Days establish a new Principal Account or Finance Charge Account, as the case may be, meeting the conditions specified above with a Qualified Institution, and shall transfer any funds or other property to such new Principal Account or Finance Charge Account, as the case may be. From the date such new Principal Account or Finance Charge Account, as the case may be, is established, it shall be the "Principal Account" or "Finance Charge Account." Pursuant to authority granted to it hereunder and subject to subsection 4.02(e), the Servicer shall have the revocable power to instruct the Trustee to withdraw funds from the Finance Charge Account and Principal Account for the purpose of carrying out the Servicer's duties hereunder. The Trustee at all times shall maintain accurate records reflecting each transaction in the Principal Account and the Finance Charge Account and that funds and other property credited shall at all times be held in trust for the benefit of the Investor Certificateholders.

(c) The Distribution Account. The Trustee, for the benefit of the Investor Certificateholders, shall cause to be established and maintained in the name of the Trustee, with an office or branch of a Qualified Institution (other than FIA, BACCS, or the Transferor), a non-interest bearing segregated trust account (the "Distribution Account") bearing a designation clearly indicating that the funds deposited therein are held in trust for the benefit of the Investor Certificateholders. The Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Distribution Account and in all proceeds thereof. The Distribution Account shall be under the exclusive control of the Trustee for the benefit of the Investor Certificateholders.

(d) Series Accounts. If so provided in the related Supplement, the Trustee, for the benefit of the Investor Certificateholders, shall cause to be established and maintained in the name of the Trust, one or more Series Accounts. Each such Series Account shall bear a designation clearly indicating that the funds deposited therein are held for the benefit of the Investor Certificateholders of such Series. Each such Series Account will be a trust account, if so provided in the related Supplement and will have the other features and be applied as set forth in the related Supplement.

(e) Administration of the Finance Charge and Principal Accounts. Funds credited to the Principal Account and the Finance Charge Account shall at all times be invested

in Permitted Investments. Any such investment shall mature and such funds shall be available for withdrawal on or prior to the Transfer Date related to the Monthly Period in which such funds were processed for collection, or if so specified in the related Supplement, immediately preceding a Distribution Date. The Trustee shall:

(i) credit each Permitted Investment that is a security entitlement to the Principal Account or the Finance Charge Account, as applicable, under a control agreement that (A) is executed by the Trustee, the Transferor, and the securities intermediary maintaining the Principal Account or the Finance Charge Account, as applicable, and (B) provides that (I) the Principal Account or the Finance Charge Account, as applicable, is an account to which financial assets may be credited, (II) the Trustee is entitled to exercise the rights that comprise all financial assets credited to the Principal Account or the Finance Charge Account, as applicable, (III) each item of property credited to the Principal Account or the Finance Charge Account, as applicable, will be treated as a financial asset, (IV) the securities intermediary must comply with entitlement orders originated by the Trustee without further consent by the Transferor, the Servicer, or any other Person, (V) the securities intermediary's jurisdiction of the securities intermediary is the State of New York for purposes of the Uniform Commercial Code enacted in any jurisdiction, and (VI) the Principal Account or the Finance Charge Account, as applicable, is not subject to any security interest, lien, encumbrance, or right of setoff in favor of the securities intermediary or any other Person claiming through the securities intermediary, other than the Trustee;

(ii) maintain exclusive control or possession of each other Permitted Investment not described in clause (i) above (other than such as are described in clause (c) of the definition thereof); and

(iii) cause each Permitted Investment described in clause (c) of the definition thereof to be registered in the name of the Trustee by the issuer thereof;

provided, that no Permitted Investment shall be disposed of prior to its maturity date. Terms used in this subsection 4.02(e) that are defined in the New York UCC and not otherwise defined herein shall have the meaning set forth in the New York UCC.

At the end of each month, all interest and earnings (net of losses and investment expenses) on funds credited to in the Principal Account and the Finance Charge Account shall be released by the Trustee to the Transferor. Subject to the restrictions set forth above, the Servicer, or a Person designated in writing by the Servicer, of which the Trustee shall have received written notification thereof, shall have the authority to instruct the Trustee with respect to the investment of funds credited to in the Principal Account and the Finance Charge Account. For purposes of determining the availability of funds or the balances in the Finance Charge Account and the Principal Account for any reason under this Agreement, all investment earnings on such funds shall be deemed not to be available.

Section 4.03. Collections and Allocations.

(a) Collections. Except as provided below, the Servicer shall deposit all Collections in the Collection Account as promptly as possible after the Date of Processing of

such Collections, but in no event later than the second Business Day following such Date of Processing. In the event of the insolvency of the Servicer, then, immediately upon the occurrence of such event and thereafter, the Servicer shall deposit all Collections into the Collection Account which shall be established and maintained with a Qualified Institution other than the Servicer in accordance with subsection 4.02(a), and in no such event shall the Servicer deposit any Collections thereafter into any account established, held or maintained with the Servicer.

The Servicer shall allocate such amounts to each Series of Investor Certificates and to the Holder of the Transferor Certificate in accordance with this Article IV and shall withdraw the required amounts from the Collection Account or pay such amounts to the Holder of the Transferor Certificate in accordance with this Article IV, in both cases as modified by any Supplement. The Servicer shall make such deposits or payments on the date indicated therein by wire transfer or as otherwise provided in the Supplement for any Series of Certificates with respect to such Series.

Notwithstanding anything in this Agreement to the contrary, for so long as, and only so long as, FIA shall remain the Servicer hereunder, and (a)(i) the Servicer provides to the Trustee and the Transferor a letter of credit covering risk collection of the Servicer, and (ii) the Transferor shall not have received a notice from any Rating Agency that such a letter of credit would result in the lowering of such Rating Agency's then-existing rating of the Investor Certificates, or (b) the Servicer shall have and maintain a certificate of deposit or short-term deposit rating of P-1 by Moody's, of A-1 by Standard & Poor's, and of F1 by Fitch, the Servicer need not deposit Collections from the Collection Account into the Principal Account, the Finance Charge Account or any Series Account, as provided in any Supplement, or make payments to the Holder of the Transferor Certificate, prior to the close of business on the day any Collections are deposited in the Collection Account as provided in Article IV, but may make such deposits, payments and withdrawals on each Transfer Date in an amount equal to the net amount of such deposits, payments and withdrawals which would have been made but for the provisions of this paragraph. If at any time the Servicer shall qualify to make deposits on the Transfer Date as provided in this paragraph (or shall cease to be so qualified) the Servicer shall deliver an Officer's Certificate of the Servicer to the Transferor and the Trustee stating that the criteria set forth in (a)(i) and (ii) and (b) of this paragraph have been satisfied (or have ceased to be satisfied). The Trustee may rely on such Officer's Certificate without investigation or inquiry.

Notwithstanding anything else in this Agreement to the contrary, with respect to any Monthly Period, whether the Servicer is required to make monthly or daily deposits from the Collection Account into the Finance Charge Account, the Principal Account or any Series Account, as provided in any Supplement, (i) the Servicer will only be required to deposit Collections from the Collection Account into the Finance Charge Account, the Principal Account or any Series Account up to the required amount to be deposited into any such account or, without duplication, distributed on or prior to the related Distribution Date to Investor Certificateholders or to any Credit Enhancement Provider pursuant to the terms of any Supplement or agreement relating to such Credit Enhancement and any excess shall be paid as collected to the Holder of the Transferor Interest and (ii) if at any time prior to such Distribution Date the amount of Collections deposited in the Collection Account exceeds the amount required to be deposited pursuant to clause (i) above, the Servicer shall withdraw the excess from the Collection Account and (A) immediately pay it to the Holder of the Transferor Interest or (B), if

permitted pursuant to the prior paragraph, pay it to the Holder of the Transferor Interest on the related Transfer Date.

(b) Allocations to the Holder of the Transferor Interest. Throughout the existence of the Trust, unless otherwise stated in any Supplement, the Servicer shall allocate to the Holder of the Transferor Interest an amount equal to the product of (A) the Transferor Percentage and (B) the aggregate amount of such Collections allocated to Principal Receivables and Finance Charge Receivables, respectively, in respect of each Monthly Period; provided, however, that amounts payable to the Holder of the Transferor Interest with respect to Collections allocated to Principal Receivables pursuant to this subsection 4.03(b) shall be deposited in the Principal Account to the extent that the Transferor Interest is less than the Minimum Transferor Interest. Notwithstanding anything in this Agreement to the contrary, unless otherwise stated in any Supplement, the Servicer need not deposit this amount or any other amounts so allocated to the Holder of the Transferor Interest pursuant to any Supplement into the Collection Account and shall pay such amounts as collected to the Holder of the Transferor Interest, subject to the rights of the Servicer set forth in the third paragraph of Section 4.03(a) to retain such funds until the related Transfer Date.

Notwithstanding any provisions of Article IV to the contrary, including the continuation of Article IV in any Series Supplement, any Collections in respect of Principal Receivables allocated to the Holder of the Transferor Interest shall be (i) paid to the Holder of the Transferor Interest if, and only to the extent that, the Transferor Interest is equal to or greater than the Minimum Transferor Interest and the payment of such amount to the Holder of the Transferor Interest would not cause the Transferor Interest to be less than the Minimum Transferor Interest, or (ii) held in the Principal Account and treated and applied as Unallocated Principal Collections (as such term is defined in the related Series Supplement). On any Business Day following a Business Day on which amounts were held in the Principal Account pursuant to clause (ii) above, any amounts held in the Principal Account pursuant to clause (ii) above shall be paid to the Holder of the Transferor Interest when, and only to the extent that, the Transferor Interest is greater than the Minimum Transferor Interest.

(c) Adjustments for Miscellaneous Credits and Fraudulent Charges. (i) The Servicer shall be obligated to reduce on a net basis each Monthly Period the aggregate amount of Principal Receivables used to calculate the Transferor Interest as provided in this subsection 4.03(c) (a "Credit Adjustment") with respect to any Principal Receivable (A) which is reduced by the Servicer by any rebate, refund, charge-back or adjustment (other than by reason of Servicer errors) or (B) which was created as a result of a fraudulent or counterfeit charge.

In the event that the inclusion of the amount of a Credit Adjustment in the calculation of the Transferor Interest would cause the Transferor Interest to be an amount less than zero, the Transferor shall make a deposit, no later than the Business Day following the Date of Processing of such Credit Adjustment, in the Principal Account (for allocation as Collections of Principal Receivables pursuant to Article IV) in immediately available funds in an amount equal to the amount by which such Credit Adjustment exceeds the Transferor Interest on such Date of Processing.

(ii) If (A) the Servicer makes a deposit into the Collection Account in respect of a Collection of a Receivable and such Collection was received by the Servicer in the form of a check which is not honored for any reason or (B) the Servicer makes a mistake with respect to

the amount of any Collection and deposits an amount that is less than or more than the actual amount of such Collection, the Servicer shall appropriately adjust the amount subsequently deposited into the Collection Account to reflect such dishonored check or mistake. Any Receivable in respect of which a dishonored check is received shall be deemed not to have been paid. Notwithstanding the first two sentences of this paragraph, adjustments made pursuant to this subsection 4.03(c) shall not require any change in any report previously delivered pursuant to subsection 3.04(a).

(d) Transfer of Defaulted Accounts. Unless otherwise provided in any Supplement, on the date on which an Account becomes a Defaulted Account, the Trustee shall automatically and without further action or consideration be deemed to transfer, set over, and otherwise convey to the Transferor, without recourse, representation or warranty, all the right, title and interest of the Trustee in and to all Receivables in such Defaulted Account, all monies due or to become due with respect to such Receivables, all proceeds of such Receivables and all Interchange and Insurance Proceeds relating to such Receivables and the proceeds thereof; provided, however, that the Trustee will retain, and not be deemed to have reconveyed to the Transferor, all right, title, and interest in, to, and under all Recoveries allocable to those Receivables, and those Recoveries will be applied as provided in this Agreement.

[THE REMAINDER OF ARTICLE IV IS RESERVED AND SHALL BE SPECIFIED IN ANY SUPPLEMENT WITH RESPECT TO ANY SERIES]

[End of Article IV]

ARTICLE V

[ARTICLE V IS RESERVED AND SHALL BE SPECIFIED IN ANY SUPPLEMENT WITH RESPECT TO ANY SERIES]

[End of Article V]

ARTICLE VI

THE CERTIFICATES

Section 6.01. The Certificates. Subject to Sections 6.10 and 6.13, the Investor Certificates of each Series and any Class thereof may be issued in bearer form (the "Bearer Certificates") with attached interest coupons and a special coupon (collectively, the "Coupons") or in fully registered form (the "Registered Certificates"), and shall be substantially in the form of the exhibits with respect thereto attached to the related Supplement. The Transferor may elect at any time, by written notice to the Trustee, to have its interest in the Transferor Interest be (i) an uncertificated interest or (ii) evidenced by a Transferor Certificate. If the Transferor elects to have its interest in the Transferor Interest be uncertificated, it shall deliver to the Trustee for cancellation any Transferor Certificate previously issued. If the Transferor elects to have its interest in the Transferor Interest be evidenced by a Transferor Certificate, the Transferor Certificate shall be issued pursuant hereto or to Section 6.09 or Section 6.10, substantially in the form of Exhibit A and shall upon issue be executed and delivered by the Transferor to the Trustee for authentication and redelivery as provided in Sections 2.01 and 6.02. The Investor Certificates shall, upon issue pursuant hereto or to Section 6.09 or Section 6.10, be executed and delivered by the Transferor to the Trustee for authentication and redelivery as provided in Sections 2.01 and 6.02. Any Investor Certificate shall be issuable in a minimum denomination of $1,000 Undivided Interest and integral multiples thereof, unless otherwise specified in any Supplement. The Transferor Certificate shall also be issued as a single certificate. Each Certificate shall be executed by manual or facsimile signature on behalf of the Transferor by its President or any Vice President. Certificates bearing the manual or facsimile signature of the individual who was, at the time when such signature was affixed, authorized to sign on behalf of the Transferor or the Trustee shall not be rendered invalid, notwithstanding that such individual has ceased to be so authorized prior to the authentication and delivery of such Certificates or does not hold such office at the date of such Certificates. Unless otherwise provided in the related Supplement, no Certificate shall be entitled to any benefit under this Agreement, or be valid for any purpose, unless there appears on such Certificate a certificate of authentication substantially in the form provided for herein, executed by or on behalf of the Trustee by the manual signature of a duly authorized signatory, and such certificate upon any Certificate shall be conclusive evidence, and the only evidence, that such Certificate has been duly authenticated and delivered hereunder. All Certificates shall be dated the date of their authentication except Bearer Certificates which shall be dated the applicable Issuance Date as provided in the related Supplement.

Section 6.02. Authentication of Certificates. Upon the receipt of payment by the Transferor of the purchase price for a Series or Class of Investor Certificates and the issuance of such Investor Certificates, such Investor Certificates shall be fully paid and non-assessable. Upon a New Issuance as provided in Section 6.09 and the satisfaction of certain other conditions specified therein, the Trustee shall authenticate and deliver the Investor Certificates of additional Series (with the designation provided in the related Supplement), upon the order of the Transferor, to the Persons designated in such Supplement. Upon the order of the Transferor, the Certificates of any Series shall be duly authenticated by or on behalf of the Trustee, in authorized denominations. If

specified in the related Supplement for any Series, the Trustee shall authenticate and deliver outside the United States the Global Certificate that is issued upon original issuance thereof, upon the written order of the Transferor, to the Depository against payment of the purchase price therefor. If specified in the related Supplement for any Series, the Trustee shall authenticate Book-Entry Certificates that are issued upon original issuance thereof, upon the written order of the Transferor, to a Clearing Agency or its nominee as provided in Section 6.10 against payment of the purchase price thereof.

Section 6.03. Registration of Transfer and Exchange of Certificates.

(a) The Trustee shall cause to be kept at the office or agency to be maintained by a transfer agent and registrar (the "Transfer Agent and Registrar"), in accordance with the provisions of Section 11.16, a register (the "Certificate Register") in which, subject to such reasonable regulations as it may prescribe, the Transfer Agent and Registrar shall provide for the registration of the Investor Certificates of each Series (unless otherwise provided in the related Supplement) and of transfers and exchanges of the Investor Certificates as herein provided. The Trustee is hereby initially appointed Transfer Agent and Registrar for the purposes of registering the Investor Certificates and transfers and exchanges of the Investor Certificates as herein provided. If any form of Investor Certificate is issued as a Global Certificate, the Trustee may, or if and so long as any Series of Investor Certificates are listed on the Luxembourg Stock Exchange and such exchange shall so require, the Trustee shall appoint a co-transfer agent and co-registrar in Luxembourg or another European city. Any reference in this Agreement to the Transfer Agent and Registrar shall include any co-transfer agent and co-registrar unless the context otherwise requires. The Trustee shall be permitted to resign as Transfer Agent and Registrar upon 30 days' written notice to the Servicer and the Transferor. In the event that the Trustee shall no longer be the Transfer Agent and Registrar, the Trustee shall appoint a successor Transfer Agent and Registrar.

Upon surrender for registration of transfer of any Certificate at any office or agency of the Transfer Agent and Registrar, the Transferor shall execute, subject to the provisions of subsection 6.03(c), and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Certificates in authorized denominations of like aggregate Undivided Interests; provided, that the provisions of this paragraph shall not apply to Bearer Certificates.

At the option of an Investor Certificateholder, Investor Certificates may be exchanged for other Investor Certificates of the same Series in authorized denominations of like aggregate Undivided Interests, upon surrender of the Investor Certificates to be exchanged at any office or agency of the Transferor Agent and Registrar. At the option of any Holder of Registered Certificates, Registered Certificates may be exchanged for other Registered Certificates of the same Series in authorized denominations of like aggregate Undivided Interests in the Trust, upon surrender of the Registered Certificates to be exchanged at any office or agency of the Transfer Agent and Registrar maintained for such purpose. At the option of a Bearer Certificateholder, subject to applicable laws and regulations (including without limitation, the Bearer Rules), Bearer Certificates may be exchanged for other Bearer Certificates or Registered Certificates of the same Series in authorized denominations of like aggregate Undivided Interests in the Trust, in the manner specified in the Supplement for such Series, upon surrender of the Bearer Certificates to be exchanged at an office or agency of the Transfer Agent

and Registrar located outside the United States. Each Bearer Certificate surrendered pursuant to this Section 6.03 shall have attached thereto (or be accompanied by) all unmatured Coupons, provided that any Bearer Certificate so surrendered after the close of business on the Record Date preceding the relevant Distribution Date after the related Series Termination Date need not have attached the Coupons relating to such Distribution Date.

Whenever any Investor Certificates of any Series are so surrendered for exchange, the Transferor shall execute, and the Trustee shall authenticate and (unless the Transfer Agent and Registrar is different than the Trustee, in which case the Transfer Agent and Registrar shall) deliver, the Investor Certificates of such Series which the Certificateholder making the exchange is entitled to receive. Every Investor Certificate presented or surrendered for registration of transfer or exchange shall be accompanied by a written instrument of transfer in a form satisfactory to the Trustee and the Transfer Agent and Registrar duly executed by the Certificateholder thereof or its attorney-in-fact duly authorized in writing.

The preceding provisions of this Section 6.03 notwithstanding, the Trustee or the Transfer Agent and Registrar, as the case may be, shall not be required to register the transfer of or exchange any Investor Certificate of any Series for a period of 15 days preceding the due date for any payment with respect to the Investor Certificates of such Series.

Unless otherwise provided in the related Supplement, no service charge shall be made for any registration of transfer or exchange of Certificates, but the Transfer Agent and Registrar may require payment of a sum sufficient to cover any tax or governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

All Investor Certificates (together with any Coupons attached to Bearer Certificates) surrendered for registration of transfer and exchange shall be canceled by the Transfer Agent and Registrar and disposed of in a manner satisfactory to the Trustee. The Trustee shall cancel and destroy the Global Certificates upon its exchange in full for Definitive Certificates and shall deliver a certificate of destruction to the Transferor. Such certificate shall also state that a certificate or certificates of each Foreign Clearing Agency to the effect referred to in Section 6.13 was received with respect to each portion of the Global Certificate exchanged for Definitive Certificates.

The Transferor shall execute and deliver to the Trustee or the Transfer Agent and Registrar, as applicable, Bearer Certificates and Registered Certificates in such amounts and at such times as are necessary to enable the Trustee to fulfill its responsibilities under this Agreement and the Certificates.

(b) Except as provided in Section 6.09 or 7.02 or in any Supplement, in no event shall the Transferor Certificate or any interest therein, or, as the case may be, the uncertificated interest in the Transferor Interest or any interest therein, be transferred hereunder, in whole or in part, unless the Transferor shall have consented in writing to such transfer and unless the Trustee shall have received (1) confirmation in writing from each Rating Agency that such transfer will not result in a lowering or withdrawal of its then-existing rating of any Series of Investor Certificates, and (2) an Opinion of Counsel that such transfer does not adversely affect the conclusions reached in any of the federal income tax opinions dated the applicable Closing Date issued in connection with the original issuance of any Series of Investor Certificates; provided, however, that no interest in the Transferor Certificate or, as the case may

be, the uncertificated interest in the Transferor Interest may be transferred unless its initial offering price would be at least $20,000 and it cannot be subdivided for resale into units smaller than a unit the initial offering price of which would have been at least $20,000, absent an Opinion of Counsel to the effect that such transfer would not cause the Trust to be treated as a publicly traded partnership under the Internal Revenue Code (the "Code"). In connection with any transfer of an interest in the Transferor Certificate or, as the case may be, the uncertificated interest in the Transferor Interest, the holder (including the Transferor or any subsequent transferee) thereof shall not sell, trade or transfer any interest therein or cause any interest therein to be marketed on or through either (i) an "established securities market" within the meaning of Section 7704(b)(1) of the Code, including without limitation an interdealer quotation system that regularly disseminates firm buy or sell quotations by identified brokers or dealers by electronic means or otherwise or (ii) a "secondary market (or the substantial equivalent thereof)" within the meaning of Code section 7704(b)(2), including a market wherein interests in the Transferor Certificate are regularly quoted by any person making a market in such interests and a market wherein any person regularly makes available bid or offer quotes with respect to interests in the Transferor Certificate and stands ready to effect buy or sell transactions at the quoted prices for itself or on behalf of others.

(c) Unless otherwise provided in the related Supplement, registration of transfer of Registered Certificates containing a legend relating to the restrictions on transfer of such Registered Certificates (which legend shall be set forth in the Supplement relating to such Investor Certificates) shall be effected only if the conditions set forth in such related Supplement are satisfied.

Whenever a Registered Certificate containing the legend set forth in the related Supplement is presented to the Transfer Agent and Registrar for registration of transfer, the Transfer Agent and Registrar shall promptly seek instructions from the Transferor regarding such transfer. The Transfer Agent and Registrar and the Trustee shall be entitled to receive written instructions signed by an officer of the Transferor prior to registering any such transfer or authenticating new Registered Certificates, as the case may be. The Transferor hereby agrees to indemnify the Transfer Agent and Registrar and the Trustee and to hold each of them harmless against any loss, liability or expense incurred without negligence or bad faith on their part arising out of or in connection with actions taken or omitted by them in reliance on any such written instructions furnished pursuant to this subsection 6.03(c). The Transferor's obligation pursuant to this subsection 6.03(c) shall not constitute a claim against the Trust Assets and shall only constitute a claim against the Transferor to the extent the Transferor has funds sufficient to make payment on such obligations from amounts paid to it as Holder of the Transferor Interest.

(d) The Transfer Agent and Registrar will maintain at its expense in the Borough of Manhattan, the City of New York (and subject to this Section 6.03, if specified in the related Supplement for any Series, any other city designated in such Supplement) an office or offices or an agency or agencies where Investor Certificates of such Series may be surrendered for registration of transfer or exchange.

Section 6.04. Mutilated, Destroyed, Lost or Stolen Certificates. If (a) any mutilated Certificate (together, in the case of Bearer Certificates, with all unmatured Coupons, if any, appertaining thereto) is surrendered to the Transfer Agent and Registrar, or the Transfer Agent and Registrar receives evidence to its satisfaction of the

destruction, loss or theft of any Certificate and (b) there is delivered to the Transfer Agent and Registrar and the Trustee such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice to the Trustee that such Certificate has been acquired by a protected purchaser, the Transferor shall execute and the Trustee shall authenticate and (unless the Transfer Agent and Registrar is different from the Trustee, in which case the Transfer Agent and Registrar shall) deliver (in compliance with applicable law), in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Certificate, a new Certificate of like tenor and aggregate Undivided Interest. In connection with the issuance of any new Certificate under this Section 6.04, the Trustee or the Transfer Agent and Registrar may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee and the Transfer Agent and Registrar) connected therewith. Any duplicate Certificate issued pursuant to this Section 6.04 shall constitute complete and indefeasible evidence of ownership in the Trust, as if originally issued, whether or not the lost, stolen or destroyed Certificate shall be found at any time.

Section 6.05. Persons Deemed Owners. Prior to due presentation of a Certificate for registration of transfer, the Trustee, the Transferor, the Servicer, the Paying Agent, the Transfer Agent and Registrar and any agent of any of them may treat a Certificateholder as the owner of the related Certificate for the purpose of receiving distributions pursuant to Article V (as described in any Supplement) and for all other purposes whatsoever, and neither the Trustee, the Transferor, the Servicer, the Paying Agent, the Transfer Agent and Registrar nor any agent of any of them shall be affected by any notice to the contrary; provided, however, that in determining whether the holders of Investor Certificates evidencing the requisite Undivided Interests have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Investor Certificates owned by the Transferor, the Servicer or any Affiliate thereof shall be disregarded and deemed not to be outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Investor Certificates which a Responsible Officer in the Corporate Trust Office of the Trustee knows to be so owned shall be so disregarded. Investor Certificates so owned that have been pledged in good faith shall not be disregarded as outstanding, if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Investor Certificates and that the pledgee is not the Transferor, the Servicer or an Affiliate thereof.

In the case of a Bearer Certificate, the Trustee, the Transferor, the Servicer, the Paying Agent, the Transfer Agent and Registrar and any agent of any of them may treat the holder of a Bearer Certificate or Coupon as the owner of such Bearer Certificate or Coupon for the purpose of receiving distributions pursuant to Article IV and Article XII and for all other purposes whatsoever, and neither the Trustee, the Transferor, the Servicer, the Paying Agent, the Transfer Agent and Registrar nor any agent of any of them shall be affected by any notice to the contrary. Certificates so owned which have been pledged in good faith shall not be disregarded and may be regarded as outstanding, if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Investor Certificates and that the pledgee is not the Transferor, the Servicer or an Affiliate thereof.

Section 6.06. Appointment of Paying Agent.

(a) The Paying Agent shall make distributions to Investor Certificateholders from the appropriate account or accounts maintained for the benefit of Certificateholders as specified in this Agreement or the related Supplement for any Series pursuant to Articles IV and V hereof. Any Paying Agent shall have the revocable power to withdraw funds from such appropriate account or accounts for the purpose of making distributions referred to above. The Trustee (or the Transferor if the Trustee is the Paying Agent) may revoke such power and remove the Paying Agent, if the Trustee (or the Transferor if the Trustee is the Paying Agent) determines in its sole discretion that the Paying Agent shall have failed to perform its obligations under this Agreement in any material respect or for other good cause. The Trustee (or the Transferor if the Trustee is the Paying Agent) shall notify Moody's, Standard & Poor's and Fitch of the removal of any Paying Agent. The Paying Agent, unless the Supplement with respect to any Series states otherwise, shall initially be the Trustee. If any form of Investor Certificate is issued as a Global Certificate, or if and so long as any Series of Investor Certificates are listed on the Luxembourg Stock Exchange and such exchange shall so require, the Trustee shall appoint a co-paying agent in Luxembourg or another European city. The Trustee shall be permitted to resign as Paying Agent upon 30 days' written notice to the Servicer and the Transferor. In the event that the Trustee shall no longer be the Paying Agent, the Trustee shall appoint a successor to act as Paying Agent (which shall be a bank or trust company). The provisions of Sections 11.01, 11.02 and 11.03 shall apply to the Trustee also in its role as Paying Agent, for so long as the Trustee shall act as Paying Agent. Any reference in this Agreement to the Paying Agent shall include any co-paying agent unless the context requires otherwise.

If specified in the related Supplement for any Series, so long as the Investor Certificates of such Series are outstanding, the Transferor shall maintain a co-paying agent in New York City (for Registered Certificates only) or any other city designated in such Supplement which, if and so long as any Series of Investor Certificates is listed on the Luxembourg Stock Exchange or other stock exchange and such exchange so requires, shall be in Luxembourg or the location required by such other stock exchange.

(b) The Trustee shall cause the Paying Agent (other than itself) to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee that such Paying Agent will hold all sums, if any, held by it for payment to the Certificateholders in trust for the benefit of the Certificateholders entitled thereto until such sums shall be paid to such Certificateholders and shall agree, and if the Trustee is the Paying Agent it hereby agrees, that it shall comply with all requirements of the Code regarding the withholding by the Trustee of payments in respect of federal income taxes due from Certificate Owners.

Section 6.07. Access to List of Certificateholders' Names and Addresses. The Trustee will furnish or cause to be furnished by the Transfer Agent and Registrar to the Servicer, the Transferor, or the Paying Agent, within five Business Days after receipt by the Trustee of a request therefor from the Servicer, the Transferor or the Paying Agent, respectively, in writing, a list in such form as the Servicer, the Transferor or the Paying Agent may reasonably require, of the names and addresses of the Investor Certificateholders as of the most recent Record Date for payment of distributions to Investor Certificateholders. Unless otherwise provided in the related Supplement, holders of Investor Certificates evidencing Undivided Interests aggregating not less than

10% of the Investor Interest of the Investor Certificates of any Series (the "Applicants") may apply in writing to the Trustee, and if such application states that the Applicants desire to communicate with other Investor Certificateholders of any Series with respect to their rights under this Agreement or under the Investor Certificates and is accompanied by a copy of the communication which such Applicants propose to transmit, then the Trustee, after having been adequately indemnified by such Applicants for its costs and expenses, shall afford or shall cause the Transfer Agent and Registrar to afford such Applicants access during normal business hours to the most recent list of Certificateholders held by the Trustee and shall give the Servicer and the Transferor notice that such request has been made, within five Business Days after the receipt of such application. Such list shall be as of a date no more than 45 days prior to the date of receipt of such Applicants' request. Every Certificateholder, by receiving and holding a Certificate, agrees with the Trustee that neither the Trustee, tne Servicer, the Transferor, the Transfer Agent and Registrar, nor any of their respective agents shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Certificateholders hereunder, regardless of the source from which such information was obtained.

Section 6.08. Authenticating Agent.

(a) The Trustee may appoint one or more authenticating agents with respect to the Certificates which shall be authorized to act on behalf of the Trustee in authenticating the Certificates in connection with the issuance, delivery, registration of transfer, exchange or repayment of the Certificates. Whenever reference is made in this Agreement to the authentication of Certificates by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication on behalf of the Trustee by an authenticating agent and a certificate of authentication executed on behalf of the Trustee by an authenticating agent. Each authenticating agent must be acceptable to the Transferor.

(b) Any institution succeeding to the corporate agency business of an authenticating agent shall continue to be an authenticating agent without the execution or filing of any paper or any further act on the part of the Trustee or such authenticating agent.

(c) An authenticating agent may at any time resign by giving written notice of resignation to the Trustee and to the Transferor. The Trustee may at any time terminate the agency of an authenticating agent by giving notice of termination to such authenticating agent and to the Transferor. Upon receiving such a notice of resignation or upon such a termination, or in case at any time an authenticating agent shall cease to be acceptable to the Trustee or the Transferor, the Trustee promptly may appoint a successor authenticating agent. Any successor authenticating agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an authenticating agent. No successor authenticating agent shall be appointed unless acceptable to the Trustee and the Transferor.

(d) The Trustee agrees to pay each authenticating agent from time to time reasonable compensation for its services under this Section 6.08, and the Trustee shall be entitled to be reimbursed and the Servicer shall reimburse the Trustee for such reasonable payments actually made, subject to the provisions of Section 11.05.

(e) The provisions of Sections 11.01, 11.02 and 11.03 shall be applicable to any authenticating agent.

(f) Pursuant to an appointment made under this Section 6.08, the Certificates may have endorsed thereon, in lieu of the Trustee's certificate of authentication, an alternate certificate of authentication in substantially the following form:

This is one of the certificates described in the Pooling and Servicing Agreement.

____
as Authenticating Agent
for the Trustee,

By:______________________________

Authorized Officer

Section 6.09. New Issuances.

(a) Upon the issuance of Investor Certificates of a new Series, the Trustee shall issue to the Holder of the Transferor Certificate under Section 6.01, for execution and redelivery to the Trustee for authentication under Section 6.02, Investor Certificates of such Series. Each Investor Certificate of any such Series shall be substantially in the form specified in the related Supplement and shall bear upon its face the designation for such Series to which it belongs, as selected by the Transferor. Except as specified in any Supplement for a related Series, all Investor Certificates of any Series shall rank pari passu and be equally and ratably entitled as provided herein to the benefits hereof (except that the Credit Enhancement provided for any Series shall not be available for any other Series) without preference, priority or distinction on account of the actual time or times of authentication and delivery, all in accordance with the terms and provisions of this Agreement and the related Supplement.

(b) The Holder of the Transferor Certificate may permit Investor Certificates of one or more new Series to be issued (each, a "New Issuance") by notifying the Trustee in writing at least three days in advance (a "New Issuance Notice") of the date upon which the New Issuance is to occur (a "New Issuance Date"). Any New Issuance Notice shall state the designation of any Series (and Class thereof, if applicable) to be issued on the New Issuance Date and, with respect to each such Series: (a) its Initial Investor Interest (or the method for calculating such Initial Investor Interest), (b) its Certificate Rate (or the method for allocating interest payments or other cash flows to such Series), if any, and (c) the Credit Enhancement Provider, if any, with respect to such Series. On the New Issuance Date, the Trustee shall authenticate and deliver the Investor Certificates of any such Series only upon delivery to it of the following: (a) a Supplement satisfying the criteria set forth in subsection 6.09(c) executed by the Transferor and specifying the Principal Terms of such Series, (b) the applicable Credit Enhancement, if any, (c) the agreement, if any, pursuant to which the Credit Enhancement Provider agrees to provide any Credit Enhancement, (d)(i) an Opinion of Counsel to the effect that, except to the extent otherwise stated in the related Supplement, the Investor Certificates of the newly issued Series will be treated as debt for federal income tax purposes and (ii) a Tax Opinion with respect to the issuance of such Series, (e) written confirmation from each Rating Agency that the New Issuance will not result in such Rating Agency's reducing or withdrawing

its rating on any then outstanding Series as to which it is a Rating Agency, and (f) an Officer's Certificate signed by a Vice President (or any more senior officer) of the Transferor, that on the New Issuance Date (i) the Transferor, after giving effect to such New Issuance, would not be required to add Additional Accounts pursuant to subsection 2.06(a) and (ii) after giving effect to such New Issuance, the Transferor Interest would be at least equal to the Minimum Transferor Interest. In addition, the Transferor agrees to provide notice of new issuances of Series of Investor Certificates as may be required by and in accordance with Item 1121(a)(14) of Regulation AB. Upon satisfaction of such conditions, the Trustee shall issue the Investor Certificates of such Series and a new Transferor Certificate, if applicable, dated the New Issuance Date, as provided above. There is no limit to the number of New Issuances that may be performed under this Agreement.

(c) In conjunction with a New Issuance, the parties hereto shall execute a Supplement, which shall specify the relevant terms with respect to the Investor Certificates of any newly issued Series, which may include without limitation: (i) its name or designation, (ii) the Initial Investor Interest or the method of calculating the Initial Investor Interest, (iii) the method of determining any adjusted Investor Interest, if applicable, (iv) the Certificate Rate (or formula for the determination thereof), (v) the Closing Date, (vi) each Rating Agency rating such Series, (vii) the name of the Clearing Agency, if any, (viii) the rights of the Holder of the Transferor Certificate that have been transferred to the Holders of such Series pursuant to such New Issuance (including any rights to allocations of Collections of Finance Charge Receivables and Principal Receivables), (ix) the interest payment date or dates and the date or dates from which interest shall accrue, (x) the periods during which or dates on which principal will be paid or accrued, (xi) the method of allocating Collections with respect to Principal Receivables for such Series and, if applicable, with respect to other Series, the method by which the principal amount of Investor Certificates of such Series shall amortize or accrete and the method for allocating Collections with respect to Finance Charge Receivables and Receivables in Defaulted Accounts, (xii) any other Collections with respect to Receivables or other amounts available to be paid with respect to such Series, (xiii) the names of any accounts to be used by such Series and the terms governing the operation of any such account and use of moneys therein, (xiv) the Series Servicing Fee and the Series Servicing Fee Percentage, (xv) the Minimum Transferor Interest and the Series Termination Date, (xvi) the terms of any Credit Enhancement with respect to such Series and the Credit Enhancement Provider, if applicable, (xvii) the base rate applicable to such Series, (xviii) the terms on which the Certificates of such Series may be repurchased or remarketed to other investors, (xix) any deposit into any account provided for such Series, (xx) the number of Classes of such Series and, if more than one Class, the rights and priorities of each such Class, (xxi) whether Interchange or other fees will be included in the funds available to be paid for such Series, (xxii) the priority of any Series with respect to any other Series, (xxiii) the Minimum Aggregate Principal Receivables, (xxiv) whether such Series will be part of a Group, (xxv) whether such Series will or may be a Companion Series and the Series with which it will be paired, if applicable, and (xxvi) any other relevant terms of such Series (including whether or not such Series will be pledged as collateral for an issuance of any other securities, including commercial paper) (all such terms, the "Principal Terms" of such Series). The terms of such Supplement may modify or amend the terms of this Agreement solely as applied to such new Series. If on the date of the issuance of such Series there is issued and outstanding one or more Series of Investor Certificates and no Series of Investor Certificates is currently rated by a Rating Agency, then as a condition to such New Issuance a nationally recognized investment banking firm or commercial bank shall also deliver to the Trustee an officer's certificate stating, in

substance, that the New Issuance will not have an adverse effect on the timing or distribution of payments to the Investor Certificates of such other Series then issued and outstanding.

Section 6.10. Book-Entry Certificates. Unless otherwise provided in any related Supplement, the Investor Certificates, upon original issuance, shall be issued in the form of typewritten Certificates representing the Book-Entry Certificates, to be delivered to the depository specified in such Supplement (the "Depository") which shall be the Clearing Agency or Foreign Clearing Agency, by or on behalf of such Series. The Investor Certificates of each Series shall, unless otherwise provided in the related Supplement, initially be registered on the Certificate Register in the name of the nominee of the Clearing Agency or Foreign Clearing Agency. No Certificate Owner will receive a definitive certificate representing such Certificate Owner's interest in the related Series of Investor Certificates, except as provided in Section 6.12. Unless and until definitive, fully registered Investor Certificates of any Series ("Definitive Certificates") have been issued to Certificate Owners pursuant to Section 6.12:

(i) the provisions of this Section 6.10 shall be in full force and effect with respect to each such Series;

(ii) the Transferor, the Servicer, the Paying Agent, the Transfer Agent and Registrar and the Trustee may deal with the Clearing Agency and the Clearing Agency Participants for all purposes (including the making of distributions on the Investor Certificates of each such Series) as the authorized representatives of the Certificate Owners;

(iii) to the extent that the provisions of this Section 6.10 conflict with any other provisions of this Agreement, the provisions of this Section 6.10 shall control with respect to each such Series; and

(iv) the rights of Certificate Owners of each such Series shall be exercised only through the Clearing Agency or Foreign Clearing Agency and the applicable Clearing Agency Participants and shall be limited to those established by law and agreements between such Certificate Owners and the Clearing Agency or Foreign Clearing Agency and/or the Clearing Agency Participants. Pursuant to the Depository Agreement applicable to a Series, unless and until Definitive Certificates of such Series are issued pursuant to Section 6.12, the initial Clearing Agency will make book-entry transfers among the Clearing Agency Participants and receive and transmit distributions of principal and interest on the Investor Certificates to such Clearing Agency Participants.

Section 6.11. Notices to Clearing Agency. Whenever notice or other communication to the Certificateholders is required under this Agreement, unless and until Definitive Certificates shall have been issued to Certificate Owners pursuant to Section 6.12, the Trustee shall give all such notices and communications specified herein to be given to Holders of the Investor Certificates to the Clearing Agency or Foreign Clearing Agency for distribution to Holders of Investor Certificates.

Section 6.12. Definitive Certificates. If (i) (A) the Transferor advises the Trustee in writing that the Clearing Agency or Foreign Clearing Agency is no longer willing or able to discharge properly its responsibilities under the applicable Depository

Agreement, and (B) the Trustee or the Transferor is unable to locate a qualified successor, (ii) the Transferor, at its option, advises the Trustee in writing that it elects to terminate the book-entry system through the Clearing Agency or Foreign Clearing Agency with respect to any Series of Certificates or (iii) after the occurrence of a Servicer Default, Certificate Owners of a Series representing beneficial interests aggregating not less than 50% of the Investor Interest of such Series advise the Trustee and the applicable Clearing Agency or Foreign Clearing Agency through the applicable Clearing Agency Participants in writing that the continuation of a book-entry system through the applicable Clearing Agency or Foreign Clearing Agency is no longer in the best interests of the Certificate Owners, the Trustee shall notify all Certificate Owners of such Series, through the applicable Clearing Agency Participants, of the occurrence of any such event and of the availability of Definitive Certificates to Certificate Owners of such Series requesting the same. Upon surrender to the Trustee of the Investor Certificates of such Series by the applicable Clearing Agency or Foreign Clearing Agency, accompanied by registration instructions from the applicable Clearing Agency or Foreign Clearing Agency for registration, the Trustee shall issue the Definitive Certificates of such Series. Neither the Transferor nor the Trustee shall be liable for any delay in delivery of such instructions and may conclusively rely on, and shall be protected in relying on, such instructions. Upon the issuance of Definitive Certificates of such Series all references herein to obligations imposed upon or to be performed by the applicable Clearing Agency or Foreign Clearing Agency shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable with respect to such Definitive Certificates, and the Trustee shall recognize the Holders of the Definitive Certificates of such Series as Certificateholders of such Series hereunder.

Section 6.13. Global Certificate; Euro-Certificate Exchange Date. If specified in the related Supplement for any Series, the Investor Certificates may be initially issued in the form of a single temporary Global Certificate (the "Global Certificate") in bearer form, without interest coupons, in the denomination of the Initial Investor Interest and substantially in the form attached to the related Supplement. Unless otherwise specified in the related Supplement, the provisions of this Section 6.13 shall apply to such Global Certificate. The Global Certificate will be authenticated by the Trustee upon the same conditions, in substantially the same manner and with the same effect as the Definitive Certificates. The Global Certificate may be exchanged in the manner described in the related Supplement for Registered or Bearer Certificates in definitive form.

Section 6.14. Meetings of Certificateholders.

To the extent provided by the Supplement for any Series issued in whole or in part in Bearer Certificates, the Transferor or the Trustee may at any time call a meeting of the Certificateholders of such Series, to be held at such time and at such place as the Transferor or the Trustee, as the case may be, shall determine, for the purpose of approving a modification of or amendment to, or obtaining a waiver of, any covenant or condition set forth in this Agreement with respect to such Series or in the Certificates of such Series, subject to Section 13.01 of the Agreement.

[End of Article VI]

ARTICLE VII

OTHER MATTERS RELATING TO THE TRANSFEROR

Section 7.01. Liability of the Transferor. The Transferor shall be liable in accordance herewith to the extent of the obligations specifically undertaken by the Transferor; provided, however, that to the extent the Transferor's liabilities constitute monetary claims against the Transferor, such claims shall not constitute claims against the Trust Assets, and shall only constitute a monetary claim against the Transferor to the extent the Transferor has funds sufficient to make payment on such liabilities from amounts paid to it as Holder of the Transferor Interest.

Section 7.02. Merger or Consolidation of, or Assumption of the Obligations of, the Transferor.

(a) The Transferor shall not consolidate with or merge into any other corporation or entity or convey or transfer its properties and assets substantially as an entirety to any Person, unless:

(i) the company or other entity formed by such consolidation or into which the Transferor is merged or the Person which acquires by conveyance or transfer the properties and assets of the Transferor substantially as an entirety shall be, if the Transferor is not the surviving entity, a corporation or limited liability company organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall be a savings association, national banking association, a bank or other entity which is not eligible to be a debtor in a case under Title 11 of the United States Code or is a special purpose corporation or other special purpose entity whose powers and activities are limited to substantially the same degree as provided in the limited liability company agreement of Funding, and if the Transferor is not the surviving entity, shall expressly assume, by an agreement supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee and the Servicer, the performance of every covenant and obligation of the Transferor, as applicable hereunder and shall benefit from all the rights granted to the Transferor, as applicable hereunder. To the extent that any right, covenant or obligation of the Transferor, as applicable hereunder, is inapplicable to the successor entity, such successor entity shall be subject to such covenant or obligation, or benefit from such right, as would apply, to the extent practicable, to such successor entity. In furtherance hereof, in applying this Section 7.02 to a successor entity, Section 9.02 hereof shall be applied by reference to events of involuntary liquidation, receivership or conservatorship applicable to such successor entity as shall be set forth in the officer's certificate described in subsection 7.02(a)(ii);

(ii) the Transferor shall have delivered to the Trustee an Officer's Certificate signed by a Vice President (or any more senior officer) of the Transferor stating that such consolidation, merger, conveyance or transfer and such supplemental agreement comply with this Section 7.02 and that all conditions precedent herein provided for relating to such transaction have been complied with and an Opinion of Counsel that such supplemental agreement is legal, valid and binding;

(iii) each Rating Agency shall have notified the Transferor that such consolidation, merger, conveyance or transfer will not result in a reduction or withdrawal of the rating of any outstanding Series or Class to which it is a Rating Agency; and

(iv) the Transferor shall have delivered to the Trustee a Tax Opinion, dated the date of such consolidation, merger, conveyance or transfer, with respect thereto.

(b) The obligations of the Transferor hereunder shall not be assignable nor shall any Person succeed to the obligations of the Transferor hereunder except for mergers, consolidations, assumptions or transfers in accordance with the provisions of the foregoing paragraph.

Section 7.03. Limitation on Liability. To the fullest extent permitted by applicable law, the directors, officers, members, employees or agents of the Transferor shall not be under any liability to the Trust, the Trustee, the Servicer, the Certificateholders, any Credit Enhancement Provider or any other Person hereunder or pursuant to any document delivered hereunder, it being expressly understood that all such liability is expressly waived and released as a condition of, and as consideration for, the execution of this Agreement and any Supplement and the issuance of the Certificates; provided, however, that this provision shall not protect the officers, directors, employees, or agents of the Transferor against any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or gross negligence in the performance of duties or by reason of reckless disregard of obligations and duties hereunder. To the fullest extent permitted by applicable law, the Transferor shall not be under any liability to the Trust, the Trustee, the Servicer, the Certificateholders, any Credit Enhancement Provider or any other Person for any action taken or for refraining from the taking of any action in its capacity as Transferor pursuant to this Agreement or any Supplement whether arising from express or implied duties under this Agreement or any Supplement; provided, however, that this provision shall not protect the Transferor against any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or gross negligence in the performance of duties or by reason of reckless disregard of obligations and duties hereunder. The Transferor and any director, officer, employee or agent may rely in good faith on any document of any kind prima facie properly executed and submitted by any Person respecting any matters arising hereunder.

Section 7.04. Liabilities. Notwithstanding Section 7.03 (and notwithstanding Sections 3.02, 8.03, 8.04 and 11.11), by entering into this Agreement, the Transferor agrees to be liable, directly to the injured party, for the entire amount of any losses, claims, damages or liabilities (other than those incurred by an Investor Certificateholder in the capacity of an investor in the Investor Certificates or those which arise from any action by any Investor Certificateholder) arising out of or based on the arrangement created by this Agreement (to the extent any property of the Trust is remaining after the Investor Certificateholders have been paid in full are insufficient to pay such losses, claims, damages or liabilities) and the actions of the Transferor taken pursuant hereto as though this Agreement created a partnership under the Delaware Revised Uniform Partnership Act in which the Transferor was a general partner; provided, however, that to the extent the Transferor's liabilities pursuant to this Section 7.04 shall not constitute claims against the Trust Assets, and shall only constitute a

monetary claim against the Transferor to the extent the Transferor has funds sufficient to make payment on such liabilities from amounts paid to it as Holder of the Transferor Interest. The rights to the injured party provided by this Section 7.04 shall run directly to and be enforceable by such party subject to the limitations hereof. In the event of the appointment of a Successor Servicer, the Successor Servicer will (from its own assets and not from the assets of the Trust) indemnify and hold harmless the Transferor against and from any losses, claims, damages and liabilities of the Transferor as described in this Section arising from the actions or omissions of such Successor Servicer.

[End Of Article VII]

ARTICLE VIII

OTHER MATTERS RELATING TO THE SERVICER

Section 8.01. Liability of the Servicer. The Servicer shall be liable in accordance herewith only to the extent of the obligations specifically undertaken by the Servicer in such capacity herein.

Section 8.02. Merger or Consolidation of, or Assumption of the Obligations of, the Servicer. The Servicer shall not consolidate with or merge into any other corporation or entity or convey or transfer its properties and assets substantially as an entirety to any Person, unless:

(i) the corporation or other entity formed by such consolidation or into which the Servicer is merged or the Person which acquires by conveyance or transfer the properties and assets of the Servicer substantially as an entirety shall be a corporation or entity organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall be a savings association, national banking association, bank or other entity which is not eligible to be a debtor in a case under Title 11 of the United States Code and, if the Servicer is not the surviving entity, shall expressly assume, by an agreement supplemental hereto, executed and delivered to the Trustee and the Transferor in form satisfactory to the Trustee and the Transferor, the performance of every covenant and obligation of the Servicer hereunder (to the extent that any right, covenant or obligation of the Servicer, as applicable hereunder, is inapplicable to the successor entity, such successor entity shall be subject to such covenant or obligation, or benefit from such right, as would apply, to the extent practicable, to such successor entity);

(ii) the Servicer shall have delivered to the Trustee and the Transferor an Officer's Certificate or the Servicer that such consolidation, merger, conveyance or transfer and such supplemental agreement comply with this Section 8.02 and that all conditions precedent herein provided for relating to such transaction have been complied with and an Opinion of Counsel that such supplemental agreement is legal, valid and binding with respect to the Servicer; and

(iii) the Servicer shall have delivered notice to the Rating Agency of such consolidation, merger, conveyance or transfer.

Section 8.03. Limitation on Liability of the Servicer and Others. To the fullest extent permitted by applicable law, the directors, officers, employees or agents of the Servicer shall not be under any liability to the Trust, the Trustee, the Transferor, the Certificateholders, any Credit Enhancement Provider or any other Person hereunder or pursuant to any document delivered hereunder, it being expressly understood that all such liability is expressly waived and released as a condition of, and as consideration for, the execution of this Agreement and any Supplement and the issuance of the Certificates; provided, however, that this provision shall not protect the directors, officers, employees and agents of the Servicer against any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or gross negligence in the performance of duties

or by reason of reckless disregard of obligations and duties hereunder. To the fullest extent permitted by applicable law, except as provided in Section 8.04 with respect to the Transferor, the Trust and the Trustee, and their officers, directors, employees and agents, the Servicer shall not be under any liability to the Trust, the Transferor, the Trustee, their officers, directors, employees and agents, the Certificateholders or any other Person for any action taken or for refraining from the taking of any action in its capacity as Servicer pursuant to this Agreement or any Supplement; provided, however, that this provision shall not protect the Servicer against any liability which would otherwise be imposed by reason of willful misfeasance, bad faith or gross negligence in the performance of duties or by reason of its reckless disregard of its obligations and duties hereunder or under any Supplement. The Servicer may rely in good faith on any document of any kind prima facie properly executed and submitted by any Person respecting any matters arising hereunder. The Servicer shall not be under any obligation to appear in, prosecute or defend any legal action which is not incidental to its duties to service the Receivables in accordance with this Agreement which in its reasonable opinion may involve it in any expense or liability.

Section 8.04. Servicer Indemnification of the Transferor, the Trust and the Trustee. To the fullest extent permitted by applicable law, the Servicer shall indemnify and hold harmless the Transferor, the Trust and the Trustee, and their officers, directors, members, employees and agents, from and against any reasonable loss, liability, expense, damage or injury suffered or sustained by reason of any acts or omissions or alleged acts or omissions of the Servicer with respect to activities of the Trust or the Trustee pursuant to this Agreement or any Supplement, including, but not limited to any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim; provided, however, that the Servicer shall not indemnify any Person who would otherwise be entitled to indemnity under the terms of this Section 8.04, with respect to (i) acts, omissions or alleged acts or omissions that are done or made in compliance or consistent with this Agreement or any Supplement or that constitute or are caused by fraud, negligence, or willful misconduct by such Person, (ii) any liabilities, costs or expenses of such Person with respect to any action taken at the request of the Investor Certificateholders, (iii) any losses, claims or damages incurred by such Person in its capacity as investor, including, without limitation, losses incurred as a result of Defaulted Accounts or Receivables which are written off as uncollectible, or (iv) any liabilities, costs or expenses of such Person arising under any tax law, including without limitation, any federal, state, local or foreign income or franchise taxes or any other tax imposed on or measured by income (or any interest or penalties with respect thereto or arising from a failure to comply therewith) required to be paid by such Person in connection herewith to any taxing authority. Any such indemnification shall not be payable from Trust Assets. The provisions of this indemnity shall run directly to and be enforceable by an injured party subject to the limitations hereof.

Section 8.05. The Servicer Not to Resign. The Servicer shall not resign from the obligations and duties hereby imposed on it except upon determination that (i) the performance of its duties hereunder is no longer permissible under applicable law and (ii) there is no reasonable action which the Servicer could take to make the performance of its duties hereunder permissible under applicable law. Any such determination

permitting the resignation of the Servicer shall be evidenced as to clause (i) above by an Opinion of Counsel and as to clause (ii) by an Officer's Certificate of the Servicer, each to such effect delivered to the Trustee and the Transferor. No such resignation shall become effective until the Trustee or a Successor Servicer shall have assumed the responsibilities and obligations of the Servicer in accordance with Section 10.02 hereof. If the Trustee is unable within 120 days of the date of such determination to appoint a Successor Servicer, the Trustee shall serve as Successor Servicer hereunder.

Section 8.06. Access to Certain Documentation and Information Regarding the Receivables. The Servicer shall provide to the Trustee and the Transferor access to the documentation regarding the Accounts and the Receivables in such cases where the Trustee is required in connection with the enforcement of the rights of the Investor Certificateholders, or by applicable statutes or regulations to review such documentation, such access being afforded without charge 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. Nothing in this Section 8.06 shall derogate from the obligation of the Transferor, the Trustee or the Servicer to observe any applicable law prohibiting disclosure of information regarding the Obligors and the failure of the Servicer to provide access as provided in this Section 8.06 as a result of such obligations shall not constitute a breach of this Section 8.06.

Section 8.07. Delegation of Duties. It is understood and agreed by the parties hereto that the Servicer may delegate certain of its duties hereunder to Bank of America, National Association, MBNA Technology, Inc., a Delaware corporation, and Banc of America Card Servicing Corporation, an Arizona corporation. In the ordinary course of business, the Servicer may at any time delegate any duties hereunder to any Person who agrees to conduct such duties in accordance with the Credit Card Guidelines. Any such delegations shall not relieve the Servicer of its liability and responsibility with respect to such duties, and shall not constitute a resignation within the meaning of Section 8.05 hereof. If any such delegation is to a party other than Bank of America, National Association, MBNA Technology, Inc., or Banc of America Card Servicing Corporation notification thereof shall be given to each Rating Agency and the Transferor.

Section 8.08. Examination of Records. The Servicer shall clearly and unambiguously identify each Account (including any Additional Account designated pursuant to Section 2.06) in its computer or other records to reflect that the Receivables arising in such Account have been conveyed to the Trust pursuant to this Agreement. The Servicer shall, prior to the sale or transfer to a third party of any receivable held in its custody, examine its computer and other records to determine that such receivable is not a Receivable.

[End of Article VIII]

ARTICLE IX

PAY OUT EVENTS

Section 9.01. Pay Out Events. If any one of the following events (each, a "Trust Pay Out Event") shall occur:

(a) the Account Owner shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Account Owner or all or substantially all of its property, or a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Account Owner; or the Account Owner shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make an assignment for the benefit of its creditors or voluntarily suspend payment of its obligations;

(b) BACCS shall consent to the appointment of a conservator, receiver, trustee or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to BACCS or relating to all or substantially all of its property, or a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator, receiver, trustee or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against BACCS; or BACCS shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency, bankruptcy or reorganization statute, make an assignment for the benefit of its creditors or voluntarily suspend payment of its obligations;

(c) the Transferor shall consent to the appointment of a conservator, receiver, trustee or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Transferor or relating to all or substantially all of its property, or a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator, receiver, trustee or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Transferor; or the Transferor shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency, bankruptcy or reorganization statute, make an assignment for the benefit of its creditors or voluntarily suspend payment of its obligations (any such event described in this clause (c) or in clause (a) or (b) above, an "Insolvency Event");

(d) the Transferor shall become unable for any reason to transfer Receivables to the Trust in accordance with the provisions of this Agreement, BACCS shall become unable for any reason to transfer such Receivables to Funding in accordance with the provisions of the Receivables Purchase Agreement, or the Account Owner shall become unable for any reason to transfer such Receivables to BACCS in accordance with the provisions of the applicable receivables sale agreement; or

(e) the Trust shall become subject to regulation by the Securities and Exchange Commission as an "investment company" within the meaning of the Investment Company Act;

then a Pay Out Event with respect to all Series of Certificates shall occur without any notice or other action on the part of the Trustee or the Investor Certificateholders immediately upon the occurrence of such event.

Section 9.02. Additional Rights Upon the Occurrence of Certain Events.

(a) If an Insolvency Event occurs with respect to the Transferor or the Transferor violates Section 6.03(b) for any reason, the Transferor shall on the day of such Insolvency Event or violation (the "Appointment Day") immediately cease to transfer Principal Receivables to the Trustee and shall promptly give notice to the Trustee thereof. Notwithstanding any cessation of the transfer to the Trustee of additional Principal Receivables, Principal Receivables transferred to the Trustee prior to the occurrence of such Insolvency Event or violation and Collections in respect of such Principal Receivables and Finance Charge Receivables, whenever created, accrued in respect of such Principal Receivables shall continue to be a part of the Trust, and shall continue to be allocated and paid in accordance with Article IV. Within 15 days of the Appointment Day, the Trustee shall (i) publish a notice in an Authorized Newspaper that an Insolvency Event or violation has occurred and that the Trustee intends to sell, dispose of or otherwise liquidate the Receivables and (ii) send written notice to the Investor Certificateholders describing the provisions of this Section 9.02 and requesting instructions from such Holders. Unless within 90 days from the day notice pursuant to clause (i) above is first published the Trustee shall have received written instructions from Holders of Investor Certificates evidencing more than 50% of the Investor Interest of each Series issued and outstanding (or, if any such Series has two or more Classes, each Class) to the effect that such Certificateholders disapprove of the liquidation of the Receivables and wish to continue having Principal Receivables transferred to the Trustee as before such Insolvency Event or violation, the Trustee shall use its best efforts to sell, dispose of or otherwise liquidate the Receivables by the solicitation of competitive bids and on terms equivalent to the best purchase offer as determined by the Trustee. Neither the Transferor nor any Affiliate of the Transferor nor any agent of the Transferor shall be permitted to purchase such Receivables in such case. The Trustee may obtain a prior determination from any such conservator, receiver or liquidator that the terms and manner of any proposed sale, disposition or liquidation are commercially reasonable. The provisions of Sections 9.01 and 9.02 shall not be deemed to be mutually exclusive.

(b) The proceeds from the sale, disposition or liquidation of the Receivables pursuant to subsection (a) above shall be treated as Collections on the Receivables and shall be allocated and deposited in accordance with the provisions of Article IV; provided, that the Trustee shall determine conclusively in its sole discretion the amount of such proceeds which are allocable to Finance Charge Receivables and the amount of such proceeds which are allocable to Principal Receivables. Unless the Trustee receives written instructions from Investor Certificateholders as provided in subsection 9.02(a) above, on the day following the last Distribution Date in the Monthly Period during which such proceeds are distributed to the Investor Certificateholders of each Series, the Trust shall terminate.

(c) The Trustee may appoint an agent or agents to assist with its responsibilities pursuant to this Article IX with respect to competitive bids.

[End of Article IX]

ARTICLE X

SERVICER DEFAULTS

Section 10.01. Servicer Defaults. If any one of the following events (a "Servicer Default") shall occur and be continuing:

(a) any failure by the Servicer to make any payment, transfer or deposit or to give instructions or notice to the Trustee pursuant to Article IV or to instruct the Trustee to make any required drawing, withdrawal, or payment under any Credit Enhancement on or before the date occurring five Business Days after the date such payment, transfer, deposit, withdrawal or drawing or such instruction or notice is required to be made or given, as the case may be, under the terms of this Agreement;

(b) failure on the part of the Servicer duly to observe or perform in any respect any other covenants or agreements of the Servicer set forth in this Agreement, which has a material adverse effect on the Investor Certificateholders of any Series and which continues unremedied for a period of 60 days after the date on which written notice of such failure, requiring the same to be remedied, shall have been given to the Servicer by the Trustee or the Transferor, or to the Servicer, the Transferor and the Trustee by the Holders of Investor Certificates evidencing Undivided Interests aggregating not less than 50% of the Investor Interest of any Series adversely affected thereby and continues to materially adversely affect such Investor Certificateholders for such period; or the Servicer shall delegate its duties under this Agreement, except as permitted by Section 8.07;

(c) any representation, warranty or certification made by the Servicer in this Agreement or in any certificate delivered pursuant to this Agreement shall prove to have been incorrect when made, which has a material adverse effect on the Investor Certificateholders of any Series 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, shall have been given to the Servicer by the Trustee or the Transferor, or to the Servicer, the Transferor and the Trustee by the Holders of Investor Certificates evidencing Undivided Interests aggregating not less than 50% of the Investor Interest of any Series adversely affected thereby and continues to materially adversely affect such Investor Certificateholders for such period; or

(d) the Servicer shall consent to the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Servicer or of or relating to all or substantially all of its property, or a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings, or for the winding-up or liquidation of its affairs, shall have been entered against the Servicer, and such decree or order shall have remained in force undischarged or unstayed for a period of 60 days; or the Servicer shall admit in writing its inability to pay its debts generally as they become due, file a petition to take advantage of any applicable insolvency or reorganization statute, make any assignment for the benefit of its creditors or voluntarily suspend payment of its obligations;

then, so long as such Servicer Default shall not have been remedied, either the Trustee, or the Holders of Investor Certificates evidencing Undivided Interests aggregating more than 50% of

the Aggregate Investor Interest, by notice then given in writing to the Servicer (and to the Trustee and the Transferor if given by the Investor Certificateholders) (a "Termination Notice"), may terminate all of the rights and obligations of the Servicer as Servicer under this Agreement. After receipt by the Servicer of such Termination Notice, and on the date that a Successor Servicer shall have been appointed by the Trustee pursuant to Section 10.02, all authority and power of the Servicer under this Agreement shall pass to and be vested in a Successor Servicer; and, without limitation, the Trustee is hereby authorized and empowered (upon the failure of the Servicer to cooperate) to execute and deliver, on behalf of the Servicer, as attorney-in-fact or otherwise, all documents and other instruments upon the failure of the Servicer to execute or deliver such documents or instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights and obligations. The Servicer agrees to cooperate with the Trustee and such Successor Servicer in effecting the termination of the responsibilities and rights of the Servicer to conduct servicing hereunder including, without limitation, the transfer to such Successor Servicer of all authority of the Servicer to service the Receivables provided for under this Agreement, including, without limitation, all authority over all Collections which shall on the date of transfer be held by the Servicer for deposit, or which have been deposited by the Servicer, in the Collection Account, the Finance Charge Account, the Principal Account, and any Series Account, or which shall thereafter be received with respect to the Receivables, and in assisting the Successor Servicer and in enforcing all rights to Insurance Proceeds, Recoveries and Interchange (if any) applicable to the Trust. The Servicer shall promptly transfer its electronic records or electronic copies thereof relating to the Receivables to the Successor Servicer in such electronic form as the Successor Servicer may reasonably request and shall promptly transfer to the Successor Servicer all other records, correspondence and documents necessary for the continued servicing of the Receivables in the manner and at such times as the Successor Servicer shall reasonably request. To the extent that compliance with this Section 10.01 shall require the Servicer to disclose to the Successor Servicer information of any kind which the Servicer reasonably deems to be confidential, the Successor Servicer shall be required to enter into such customary licensing and confidentiality agreements as the Servicer shall deem necessary to protect its interests. The Servicer shall, on the date of any servicing transfer, transfer all of its rights and obligations under the Credit Enhancement with respect to any Series to the Successor Servicer.

Notwithstanding the foregoing, a delay in or failure of performance referred to in subsection 10.01(a) for a period of 10 Business Days or under subsection 10.01(b) or (c) for a period of 60 Business Days, shall not constitute a Servicer Default if such delay or failure could not be prevented by the exercise of reasonable diligence by the Servicer and such delay or failure was caused by an act of God or the public enemy, acts of declared or undeclared war, public disorder, rebellion, riot or sabotage, epidemics, landslides, lightning, fire, hurricanes, tornadoes, earthquakes, nuclear disasters or meltdowns, floods, power outages or similar causes. The preceding sentence shall not relieve the Servicer from using its best efforts to perform its obligations in a timely manner in accordance with the terms of this Agreement and the Servicer shall provide the Trustee, any Credit Enhancement Provider, the Transferor and the Holders of Investor Certificates with an Officer's Certificate of the Servicer giving prompt notice of such failure or delay by it, together with a description of the cause of such failure or delay and its efforts so to perform its obligations.

Section 10.02. Trustee to Act; Appointment of Successor.

(a) On and after the receipt by the Servicer of a Termination Notice pursuant to Section 10.01, the Servicer shall continue to perform all servicing functions under this Agreement until the date specified in the Termination Notice or otherwise specified by the Trustee in writing or, if no such date is specified in such Termination Notice, or otherwise specified by the Trustee, until a date mutually agreed upon by the Servicer and Trustee. The Trustee shall notify each Rating Agency and the Transferor of such removal of the Servicer. The Trustee shall, as promptly as possible after the giving of a Termination Notice appoint a successor servicer (the "Successor Servicer"), and such Successor Servicer shall accept its appointment by a written assumption in a form acceptable to the Trustee. The Trustee may obtain bids from any potential successor servicer. If the Trustee is unable to obtain any bids from any potential successor servicer and the Servicer delivers an Officer's Certificate of the Servicer to the effect that it cannot in good faith cure the Servicer Default which gave rise to a Termination Notice, and if the Trustee is legally unable to act as Successor Servicer, then the Trustee shall notify the Transferor and each Credit Enhancement Provider of the proposed sale of the Receivables and shall provide each such Credit Enhancement Provider an opportunity to bid on the Receivables and, except in the case of a Servicer Default set forth in subsection 10.01(d), shall offer the Transferor the right of first refusal to purchase the Receivables on terms equivalent to the best purchase offer as determined by the Trustee, but in no event less than an amount equal to the Aggregate Investor Interest on the date of such purchase plus all interest accrued but unpaid on all of the outstanding Investor Certificates at the applicable Certificate Rate through the date of such purchase; provided, however, that if the short-term deposits or long-term unsecured debt obligations of the Transferor are not rated at the time of such purchase at least P-3 or Baa3, respectively, by Moody's, if Moody's is a Rating Agency with respect to any Series of Certificates outstanding, no such purchase by the Transferor shall occur unless the Transferor shall deliver an Opinion of Counsel reasonably acceptable to the Trustee that such purchase would not constitute a fraudulent conveyance of the Transferor. The proceeds of such sale shall be deposited in the Distribution Account or any Series Account, as provided in the related Supplement, for distribution to the Investor Certificateholders of each outstanding Series pursuant to Section 12.03 of the Agreement. In the event that a Successor Servicer has not been appointed and has not accepted its appointment at the time when the Servicer ceases to act as Servicer, the Trustee without further action shall automatically be appointed the Successor Servicer. Notwithstanding the above, the Trustee shall, if it is legally unable so to act, petition a court of competent jurisdiction to appoint any established financial institution having, in the case of an entity that is subject to risk-based capital adequacy requirements, risk-based capital of at least $50,000,000 or, in the case of an entity that is not subject to risk-based capital requirements, having a net worth of not less than $50,000,000 and whose regular business includes the servicing of VISA,® MasterCard® or American Express® credit card receivables as the Successor Servicer hereunder.

(b) Upon its appointment, the Successor Servicer shall be the successor in all respects to the Servicer with respect to servicing functions under this Agreement and shall be subject to all the responsibilities, duties and liabilities relating thereto placed on the Servicer by the terms and provisions hereof, and all references in this Agreement to the Servicer shall be deemed to refer to the Successor Servicer. Any Successor Servicer, by its acceptance of its appointment, will automatically agree to be bound by the terms and provisions of each Credit Enhancement.

(c) In connection with such appointment and assumption, the Trustee shall be entitled to such compensation, or may make such arrangements for the compensation of the Successor Servicer out of Collections, as it and such Successor Servicer shall agree; provided, however, that no such compensation shall be in excess of the Servicing Fee permitted to the Servicer pursuant to Section 3.02. The Transferor agrees that if the Servicer is terminated hereunder, it will agree to deposit with the Trustee a portion of the Collections in respect of Finance Charge Receivables that it is entitled to receive pursuant to Article IV to pay its share of the compensation of the Successor Servicer.

(d) All authority and power granted to the Servicer or any Successor Servicer under this Agreement shall automatically cease and terminate upon termination of the Trust pursuant to Section 12.01 and shall pass to and be vested in the Transferor and, without limitation, the Transferor is hereby authorized and empowered to execute and deliver, on behalf of the Successor Servicer, as attorney-in-fact or otherwise, all documents and other instruments, and to do and accomplish all other acts or things necessary or appropriate to effect the purposes of such transfer of servicing rights. The Successor Servicer agrees to cooperate with the Transferor in effecting the termination of the responsibilities and rights of the Successor Servicer to conduct servicing on the Receivables. The Successor Servicer shall transfer its electronic records relating to the Receivables to the Transferor in such electronic form as the Transferor may reasonably request and shall transfer all other records, correspondence and documents to the Transferor in the manner and at such times as the Transferor shall reasonably request. To the extent that compliance with this Section 10.02 shall require the Successor Servicer to disclose to the Transferor information of any kind which the Successor Servicer deems to be confidential, the Transferor shall be required to enter into such customary licensing and confidentiality agreements as the Successor Servicer shall deem necessary to protect its interests.

Section 10.03. Notification to Certificateholders. Within two Business Days after the Servicer becomes aware of any Servicer Default, the Servicer shall give prompt written notice thereof to the Trustee, the Transferor, Standard & Poor's, Moody's, Fitch and any Credit Enhancement Provider and the Trustee shall give notice to the Investor Certificateholders at their respective addresses appearing in the Certificate Register. Upon any termination or appointment of a Successor Servicer pursuant to this Article X, the Trustee shall give prompt written notice thereof to the Transferor and to Investor Certificateholders at their respective addresses appearing in the Certificate Register.

Section 10.04. Waiver of Past Defaults. The Holders of Investor Certificates evidencing Undivided Interests aggregating not less than 66-2/3% of the Investor Interest of each Series adversely affected by any default by the Servicer or the Transferor may, on behalf of all Certificateholders of such Series, waive any default by the Servicer or the Transferor in the performance of its respective obligations hereunder and its consequences, except a default in the failure to make any required deposits or payments of interest or principal relating to such Series pursuant to Article IV which default does not result from the failure of the Paying Agent to perform its obligations to make any required deposits or payments of interest and principal in accordance with Article IV. Upon any such waiver of a past default, such default shall cease to exist, and any default arising therefrom shall be deemed to have been remedied for every purpose of

this Agreement. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon except to the extent expressly so waived.

[End of Article X]

ARTICLE XI

THE TRUSTEE

Section 11.01. Duties of Trustee.

(a) The Trustee, prior to the occurrence of any Servicer Default and after the curing of all Servicer Defaults which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Agreement. If a Responsible Officer has received written notice that a Servicer Default has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by this Agreement, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) The Trustee, upon receipt of all resolutions, certificates, statements, opinions, reports, documents, orders or other instruments furnished to the Trustee which are specifically required to be furnished pursuant to any provision of this Agreement, shall examine them to determine whether they substantially conform to the requirements of this Agreement.

(c) Subject to subsection 11.01(a), no provision of this Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own misconduct; provided, however, that:

(i) the Trustee shall not be personally liable for an error of judgment made in good faith by a Responsible Officer or Responsible Officers of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(ii) the Trustee shall not be personally liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with the direction of the Holders of Investor Certificates evidencing Undivided Interests aggregating more than 50% of the Investor Interest of any Series relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee in relation to such Series, under this Agreement; and

(iii) the Trustee shall not be charged with knowledge of any failure by the Servicer referred to in clauses (a) and (b) of Section 10.01 unless a Responsible Officer of the Trustee obtains actual knowledge of such failure or the Trustee receives written notice of such failure from the Servicer, the Transferor or any Holders of Investor Certificates evidencing Undivided Interests aggregating not less than 10% of the Investor Interest of any Series adversely affected thereby.

(d) The Trustee shall not be required to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it, and none of the provisions contained in this Agreement shall in any event require the Trustee to perform, or be responsible for the manner of performance of, any of the obligations of the Servicer under this Agreement except during such time, if any, as the Trustee

shall be the successor to, and be vested with the rights, duties, powers and privileges of, the Servicer in accordance with the terms of this Agreement.

(e) Except for actions expressly authorized by this Agreement, the Trustee shall take no action reasonably likely to impair the interests of the Trust in any Receivable now existing or hereafter created or to impair the value of any Receivable now existing or hereafter created.

(f) Except as provided in this subsection 11.01(f), the Trustee shall have no power to vary the corpus of the Trust including, without limitation, the power to (i) accept any substitute obligation for a Receivable initially assigned to the Trust under Section 2.01 or 2.06 hereof, (ii) add any other investment, obligation or security to the Trust, except for an addition permitted under Section 2.06 or (iii) withdraw from the Trust any Receivables, except for a withdrawal permitted under Sections 2.07, 9.02, 10.02, 12.01 or 12.02 or subsections 2.04(d), 2.04(e) or Article IV.

(g) Subject to subsection 11.01(d) above, in the event that the Paying Agent or the Transfer Agent and Registrar (if other than the Trustee) shall fail to perform any obligation, duty or agreement in the manner or on the day required to be performed by the Paying Agent or the Transfer Agent and Registrar, as the case may be, under this Agreement, the Trustee shall be obligated promptly to perform such obligation, duty or agreement in the manner so required.

(h) If the Account Owner, BACCS, or the Transferor has agreed to transfer any of its credit card receivables (other than the Receivables) to another Person, upon the written request of the Account Owner, BACCS, or the Transferor, the Trustee will enter into such intercreditor agreements with the transferee of such receivables as are customary and necessary to identify separately the rights, if any, of the Trust and such other Person in the Account Owner's, BACCS's, or the Transferor's credit card receivables; provided, that the Trust shall not be required to enter into any intercreditor agreement which could adversely affect the interests of the Certificateholders and, upon the request of the Trustee, the Account Owner, BACCS, or the Transferor, as applicable, will deliver an Opinion of Counsel on any matters relating to such intercreditor agreement, reasonably requested by the Trustee.

Section 11.02. Certain Matters Affecting the Trustee. Except as otherwise provided in Section 11.01:

(a) the Trustee may rely on and shall be protected in acting on, or in refraining from acting in accord with, any assignment of Receivables in Additional Accounts, the initial report, the monthly Servicer's certificate, the annual Servicer's certificate, the monthly payment instructions and notification to the Trustee, the monthly Certificateholder's statement, any resolution, Officer's Certificate, certificate of auditors or any other certificate, statement, instrument, opinion, report, notice, request, consent, order, appraisal, bond or other paper or document believed by it to be genuine and to have been signed or presented to it pursuant to this Agreement by the proper party or parties;

(b) the Trustee may consult with counsel, and any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such Opinion of Counsel;

(c) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement or any Credit Enhancement, or to institute, conduct or defend any litigation hereunder or in relation hereto, at the request, order or direction of any of the Certificateholders or any Credit Enhancement Provider, pursuant to the provisions of this Agreement, unless such Certificateholders or Credit Enhancement Provider shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which may be incurred therein or thereby; nothing contained herein shall, however, relieve the Trustee of the obligations, upon the occurrence of any Servicer Default (which has not been cured), to exercise such of the rights and powers vested in it by this Agreement and any Credit Enhancement, and to use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of his own affairs;

(d) the Trustee shall not be personally liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Agreement;

(e) the Trustee shall not be bound to make any investigation into the facts of matters stated in any assignment of Receivables in Additional Accounts, the initial report, the monthly Servicer's certificate, the annual Servicer's certificate, the monthly payment instructions and notification to the Trustee, the monthly Certificateholder's statement, any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, bond or other paper or document, unless requested in writing so to do by Holders of Investor Certificates evidencing Undivided Interests aggregating more than 50% of the Investor Interest of any Series;

(f) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys or a custodian, and the Trustee shall not be responsible for any misconduct or negligence on the part of any such agent, attorney or custodian appointed with due care by it hereunder; and

(g) except as may be required by subsection 11.01(a), the Trustee shall not be required to make any initial or periodic examination of any documents or records related to the Receivables or the Accounts for the purpose of establishing the presence or absence of defects, the compliance by the Transferor with its representations and warranties or for any other purpose.

Section 11.03. Trustee Not Liable for Recitals in Certificates. The Trustee assumes no responsibility for the correctness of the recitals contained in this Agreement and in the Certificates (other than the certificate of authentication on the Certificates). Except as set forth in Section 11.15, the Trustee makes no representations as to the validity or sufficiency of this Agreement or of the Certificates (other than the certificate of authentication on the Certificates) or of any Receivable or related document. The Trustee shall not be accountable for the use or application by the Transferor of any of the Certificates or of the proceeds of such Certificates, or for the use or application of any funds paid to the Transferor or to the holder of the Transferor Certificate in respect of the Receivables or deposited in or withdrawn from the Collection Account, the Principal Account or the Finance Charge Account, or any Series Account by the Servicer.

Section 11.04. Trustee May Own Certificates. The Trustee in its individual or any other capacity may become the owner or pledgee of Investor Certificates with the same rights as it would have if it were not the Trustee.

Section 11.05. The Servicer to Pay Trustee's Fees and Expenses. The Servicer covenants and agrees to pay to the Trustee from time to time, and the Trustee shall be entitled to receive, reasonable compensation (which shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) for all services rendered by it in the execution of the Trust hereby created and in the exercise and performance of any of the powers and duties hereunder of the Trustee, and, subject to Section 8.04, the Servicer will pay or reimburse the Trustee (without reimbursement from any Investor Account, any Series Account or otherwise) upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of this Agreement except any such expense, disbursement or advance as may arise from its own negligence or bad faith and except as provided in the following sentence. The Servicer will have no liability under this Section 11.05 (or under Section 8.04) for any indemnity, compensation, expenses, disbursements, advances, or other amounts that arise after the date of its resignation or termination under this Agreement, but instead the Successor Servicer that is appointed in its place will incur that liability.

The obligations of the Servicer under this Section 11.05 shall survive the termination of the Trust and the resignation or removal of the Trustee.

Section 11.06. Eligibility Requirements for Trustee. The Trustee hereunder shall at all times be a corporation organized and doing business under the laws of the United States of America or any state thereof authorized under such laws to exercise corporate trust powers, having a long-term unsecured debt rating of at least Baa3 by Moody's, BBB- by Standard & Poor's and BBB by Fitch having, in the case of an entity that is subject to risk-based capital adequacy requirements, risk-based capital of at least $50,000,000 or, in the case of an entity that is not subject to risk-based capital adequacy requirements, having a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by federal or state authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purpose of this Section 11.06, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 11.06, the Trustee shall resign immediately in the manner and with the effect specified in Section 11.07.

Section 11.07. Resignation or Removal of Trustee.

(a) The Trustee may at any time resign and be discharged from the Trust hereby created by giving written notice thereof to the Servicer and the Transferor. Upon receiving such notice of resignation, the Transferor shall promptly appoint a successor trustee by written instrument, in duplicate, one copy of which instrument shall be delivered to the resigning Trustee and one copy to the successor trustee. If no successor trustee shall have been so appointed and have accepted within 30 days after the giving of such notice of resignation, the

resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor trustee.

(b) If at any time the Trustee shall cease to be eligible in accordance with the provisions of Section 11.06 hereof and shall fail to resign after written request therefor by the Transferor, or if at any time the Trustee shall be legally unable to act, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then the Transferor may, but shall not be required to, remove the Trustee and promptly appoint a successor trustee by written instrument, in duplicate, one copy of which instrument shall be delivered to the Trustee so removed and one copy to the successor trustee.

(c) Any resignation or removal of the Trustee and appointment of a successor trustee pursuant to any of the provisions of this Section 11.07 shall not become effective until acceptance of appointment by the successor trustee as provided in Section 11.08 hereof and any liability of the Trustee arising hereunder shall survive such appointment of a successor trustee.

Section 11.08. Successor Trustee.

(a) Any successor trustee appointed as provided in Section 11.07 hereof shall execute, acknowledge and deliver to the Transferor, the Servicer and to its predecessor Trustee an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor Trustee shall become effective and such successor trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, powers, duties and obligations of its predecessor hereunder, with the like effect as if originally named as Trustee herein. The predecessor Trustee shall deliver to the successor trustee all documents and statements held by it hereunder, and the Transferor, the Servicer and the predecessor Trustee shall execute and deliver such instruments and do such other things as may reasonably be required for fully and certainly vesting and confirming in the successor trustee all such rights, powers, duties and obligations.

(b) No successor trustee shall accept appointment as provided in this Section 11.08 unless at the time of such acceptance such successor trustee shall be eligible under the provisions of Section 11.06 hereof and shall be an Eligible Servicer, and, if Standard & Poor's is then a Rating Agency, unless Standard & Poor's shall have consented to such appointment.

(c) Upon acceptance of appointment by a successor trustee as provided in this Section 11.08, such successor trustee shall mail notice of such succession hereunder to Fitch and to all Certificateholders at their addresses as shown in the Certificate Register.

Section 11.09. Merger or Consolidation of Trustee. Any Person into which the Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Person succeeding to the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation shall be eligible under the provisions of Section 11.06 hereof, without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 11.10. Appointment of Co-Trustee or Separate Trustee.

(a) Notwithstanding any other provisions of this Agreement, at any time, for the purpose of meeting any legal requirements of any jurisdiction in which any part of the Trust may at the time be located, the Trustee shall have the power and may execute and deliver all instruments, subject to the prior written consent of the Transferor, to appoint one or more Persons to act as a co trustee or co trustees, or separate trustee or separate trustees, of all or any part of the Trust, and to vest in such Person or Persons, in such capacity and for the benefit of the Certificateholders, such title to the Trust, or any part thereof, and, subject to the other provisions of this Section 11.10, such powers, duties, obligations, rights and trusts as the Trustee may consider necessary or desirable. No co-trustee or separate trustee hereunder shall be required to meet the terms of eligibility as a successor trustee under Section 11.06 and no notice to Certificateholders of the appointment of any co-trustee or separate trustee shall be required under Section 11.08 hereof.

(b) Every separate trustee and co-trustee shall, to the extent permitted by law, be appointed and act subject to the following provisions and conditions:

(i) all rights, powers, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon and exercised or performed by the Trustee and such separate trustee or co-trustee jointly (it being understood that such separate trustee or co-trustee is not authorized to act separately without the Trustee joining in such act), except to the extent that under any laws of any jurisdiction in which any particular act or acts are to be performed (whether as Trustee hereunder or as successor to the Servicer hereunder), the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, duties and obligations (including the holding of title to the Trust or any portion thereof in any such jurisdiction) shall be exercised and performed singly by such separate trustee or co-trustee, but solely at the direction of the Trustee;

(ii) no trustee hereunder shall be personally liable by reason of any act or omission of any other trustee hereunder; and

(iii) the Trustee may at any time accept the resignation of or remove any separate trustee or co-trustee.

(c) Any notice, request or other writing given to the Trustee shall be deemed to have been given to each of the then separate trustees and co-trustees, as effectively as if given to each of them. Every instrument appointing any separate trustee or co-trustee shall refer to this Agreement and the conditions of this Article XI. Each separate trustee and co-trustee, upon its acceptance of the trusts conferred, shall be vested with the estates or property specified in its instrument of appointment, either jointly with the Trustee or separately, as may be provided therein, subject to all the provisions of this Agreement, specifically including every provision of this Agreement relating to the conduct of, affecting the liability of, or affording protection to, the Trustee. Every such instrument shall be filed with the Trustee and a copy thereof given to the Servicer and the Transferor.

(d) Any separate trustee or co-trustee may at any time constitute the Trustee as its agent or attorney-in-fact with full power and authority, to the extent not prohibited by law,

to do any lawful act under or in respect to this Agreement on its behalf and in its name. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estates, properties, rights, remedies and trusts shall vest in and be exercised by the Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 11.11. Tax Returns; Tax Liability. (a) In the event the Trust shall be required to file tax returns, the Transferor, at its own expense, as soon as practicable after it is made aware of such requirement, shall prepare or cause to be prepared any tax returns required to be filed by the Trust and, to the extent possible, shall remit such returns to the Trustee for signature at least five days before such returns are due to be filed. The Trustee is hereby authorized to sign and file any such return on behalf of the Trust. The Servicer shall prepare or shall cause to be prepared all tax information required by law to be distributed to Certificateholders and shall deliver such information to the Trustee at least five days prior to the date it is required by law to be distributed to Certificateholders. The Servicer and the Trustee, upon request, will furnish the Transferor with all such information known to them as may be reasonably required in connection with the preparation of all tax returns of the Trust.

(b) In no event shall the Trustee, the Transferor, or the Servicer be liable for any liabilities, costs or expenses of the Trust, the Investor Certificateholders or the Certificate Owners arising under any tax law, including without limitation federal, state, local or foreign income or excise taxes or any other tax imposed on or measured by income (or any interest or penalty with respect thereto or arising from a failure to comply therewith). To the fullest extent permitted by applicable law, the Transferor shall indemnify and hold harmless the Servicer and the Trustee, and their officers, directors, members, employees and agents, from and against any reasonable loss, liability, expense, damage or injury of arising under any tax law, including without limitation, any federal, state, local or foreign income or franchise taxes or any other tax imposed on or measured by income (or any interest or penalties with respect thereto or arising from a failure to comply therewith) required to be paid by the Trust, the Investor Certificateholders or the Certificate Owners in connection herewith to any taxing authority; provided, however, that to the extent the Transferor's liabilities under this subsection 11.11(b) constitute monetary claims against the Transferor, such claims shall not constitute claims against the Trust Assets, and shall only constitute a monetary claim against the Transferor to the extent the Transferor has funds sufficient to make payment on such liabilities from amounts paid to it as Holder of the Transferor Interest. The provisions of this indemnity shall run directly to and be enforceable by an injured party subject to the limitations hereof.

Section 11.12. Trustee May Enforce Claims Without Possession of Certificates. All rights of action and claims under this Agreement or any Series of Certificates may be prosecuted and enforced by the Trustee without the possession of any of the Certificates or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of any Series of Certificateholders in respect of which such judgment has been obtained.

Section 11.13. Suits for Enforcement. If a Servicer Default shall occur and be continuing, the Trustee, in its discretion may, subject to the provisions of Section 10.01 and 11.14, proceed to protect and enforce its rights and the rights of any Series of Certificateholders under this Agreement by a suit, action or proceeding in equity or at law or otherwise, whether for the specific performance of any covenant or agreement contained in this Agreement or in aid of the execution of any power granted in this Agreement or for the enforcement of any other legal, equitable or other remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of the rights of the Trustee or any Series of Certificateholders.

Section 11.14. Rights of Certificateholders to Direct Trustee. Holders of Investor Certificates evidencing Undivided Interests aggregating more than 50% of the Aggregate Investor Interest (or, with respect to any remedy, trust or power that does not relate to all Series, 50% of the Aggregate Investor Interest of the Investor Certificates of all Series to which such remedy, trust or power relates) shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee; provided, however, that, subject to Section 11.01, the Trustee shall have the right to decline to follow any such direction if the Trustee being advised by counsel determines that the action so directed may not lawfully be taken, or if the Trustee in good faith shall, by a Responsible Officer or Responsible Officers of the Trustee, determine that the proceedings so directed would be illegal or involve it in personal liability or be unduly prejudicial to the rights of Certificateholders not parties to such direction; and provided further that nothing in this Agreement shall impair the right of the Trustee to take any action deemed proper by the Trustee and which is not inconsistent with such direction of such Holders of Investor Certificates.

Section 11.15. Representations and Warranties of Trustee. The Trustee represents and warrants that:

(i) the Trustee is a banking corporation organized, existing and authorized to engage in the business of banking under the laws of the State of New York;

(ii) the Trustee has full power, authority and right to execute, deliver and perform this Agreement, and has taken all necessary action to authorize the execution, delivery and performance by it of this Agreement; and

(iii) this Agreement has been duly executed and delivered by the Trustee.

Section 11.16. Maintenance of Office or Agency. The Trustee will maintain at its expense in the Borough of Manhattan, the City of New York an office or offices, or agency or agencies, where notices and demands to or upon the Trustee in respect of the Certificates and this Agreement may be served. The Trustee initially appoints its Corporate Trust Office as its office for such purposes in New York. The Trustee will give prompt written notice to the Servicer, the Transferor, and Certificateholders (or in the case of Holders of Bearer Certificates, in the manner provided for in the related Supplement) of any change in the location of the Certificate Register or any such office or agency.

[End of Article XI]

ARTICLE XII

TERMINATION

Section 12.01. Termination of Trust.

(a) The respective obligations and responsibilities of the Transferor, the Servicer and the Trustee created hereby (other than the obligation of the Trustee to make payments to Certificateholders as hereafter set forth) shall terminate, except with respect to the duties described in Section 11.05 and subsections 2.04(c) and 12.03(b), on the Trust Termination Date; provided, however, that the Trust shall not terminate on the date specified in clause (i) of the definition of "Trust Termination Date" if each of the Transferor and the Holder of the Transferor Certificate notify the Trustee in writing, not later than five Business Days preceding such date, that they desire that the Trust not terminate on such date, which notice (such notice, a "Trust Extension") shall specify the date on which the Trust shall terminate (such date, the "Extended Trust Termination Date"); provided, however, that the Extended Trust Termination Date shall be not later than August 31, 2034. The Transferor and the Holder of the Transferor Certificate may, on any date following the Trust Extension, so long as no Series of Certificates is outstanding, deliver a notice in writing to the Trustee changing the Extended Trust Termination Date.

(b) All principal or interest with respect to any Series of Investor Certificates shall be due and payable no later than the Series Termination Date with respect to such Series. Unless otherwise provided in a Supplement, in the event that the Investor Interest of any Series of Certificates is greater than zero on its Series Termination Date (after giving effect to all transfers, withdrawals, deposits and drawings to occur on such date and the payment of principal to be made on such Series on such date), the Trustee will sell or cause to be sold, and pay the proceeds first, to all Certificateholders of such Series pro rata and in accordance with the priority for each Class within such Series as provided in the related Supplement, in final payment of all principal of and accrued interest on such Series of Certificates, and second, as provided in the related Supplement, an amount of Principal Receivables and the related Finance Charge Receivables (or interests therein) up to 110% of the sum of the Investor Interest of such Series plus the Enhancement Invested Amount or the Collateral Interest (if not included in the Investor Interest) of such Series, if any, at the close of business on such date (but not more than the applicable Investor Percentage of Principal Receivables and the related Finance Charge Receivables on such date for such Series). The Trustee shall notify each Credit Enhancement Provider of the proposed sale of such Receivables and shall provide each Credit Enhancement Provider an opportunity to bid on such Receivables. Neither the Transferor nor any Affiliate of the Transferor nor any agent of the Transferor shall be permitted to purchase such Receivables in such case. Any proceeds of such sale in excess of such principal and interest paid and such other amounts paid pursuant to the related Supplement shall be paid to the Holder of the Transferor Certificate. Upon such Series Termination Date with respect to the applicable Series of Certificates, final payment of all amounts allocable to any Investor Certificates of such Series shall be made in the manner provided in Section 12.03.

(c) The Trust shall not be terminated or revoked except in accordance with this Section 12.01. The dissolution, termination, bankruptcy, conservatorship, or receivership of

the Transferor, the Servicer, or any Certificateholder shall not result in the termination or dissolution of the Trust.

Section 12.02. Optional Purchase. (a) If so provided in any Supplement, the Transferor (so long as the Transferor is the Servicer or an Affiliate of the Servicer) may, but shall not be obligated to, cause a final distribution to be made in respect of the related Series of Certificates on a Distribution Date specified in such Supplement by depositing into the Distribution Account or the applicable Series Account, not later than the Transfer Date preceding such Distribution Date, for application in accordance with Section 12.03, the amount specified in such Supplement; provided, however that if the short-term deposits or long-term unsecured debt obligations of the Transferor are not rated at the time of such purchase of Receivables at least P-3 or Baa3, respectively, by Moody's, no such event shall occur unless the Transferor shall deliver an Opinion of Counsel reasonably acceptable to the Trustee that such deposit into the Distribution Account or any Series Account as provided in the related Supplement would not constitute a fraudulent conveyance of the Transferor.

(b) The amount deposited pursuant to subsection 12.02(a) shall be paid to the Investor Certificateholders of the related Series pursuant to Section 12.03 on the related Distribution Date following the date of such deposit. All Certificates of a Series which are purchased by the Transferor pursuant to subsection 12.02(a) shall be delivered by the Transferor upon such purchase to, and be canceled by, the Transfer Agent and Registrar and be disposed of in a manner satisfactory to the Trustee and the Transferor. The Investor Interest of each Series which is purchased by the Transferor pursuant to subsection 12.02(a) shall, for the purposes of the definition of "Transferor Interest," be deemed to be equal to zero on the Distribution Date following the making of the deposit, and the Transferor Interest shall thereupon be deemed to have been increased by the Investor Interest of such Series.

Section 12.03. Final Payment with Respect to any Series.

(a) Written notice of any termination, specifying the Distribution Date upon which the Investor Certificateholders of any Series may surrender their Certificates for payment of the final distribution with respect to such Series and cancellation, shall be given (subject to at least two Business Days' prior notice from the Transferor or the Servicer to the Trustee) by the Trustee to Investor Certificateholders of such Series mailed not later than the fifth day of the month of such final distribution (or in the manner provided by the Supplement relating to such Series) specifying (i) the Distribution Date (which shall be the Distribution Date in the month (x) in which the deposit is made pursuant to subsection 2.04(e), 9.02(b), 10.02(a), or subsection 12.02(a) of the Agreement or such other section as may be specified in the related Supplement, or (y) in which the related Series Termination Date occurs) upon which final payment of such Investor Certificates will be made upon presentation and surrender of such Investor Certificates at the office or offices therein designated (which, in the case of Bearer Certificates, shall be outside the United States), (ii) the amount of any such final payment and (iii) that the Record Date otherwise applicable to such Distribution Date is not applicable, payments being made only upon presentation and surrender of the Investor Certificates at the office or offices therein specified. The Servicer shall also deliver to the Trustee, as soon as is practicable but in any event not later than three Business Days after the Determination Date relating to the final payment described in the preceding sentence, an Officers' Certificate of the Servicer setting forth

the information, to the extent available, specified in Article V of this Agreement covering the period during the then current calendar year through the date of such notice and setting forth the date of such final distribution. The Trustee shall give such notice to the Transfer Agent and Registrar and the Paying Agent at the time such notice is given to such Investor Certificateholders.

(b) Notwithstanding the termination of the Trust pursuant to subsection 12.01(a) or the occurrence of the Series Termination Date with respect to any Series, all funds then on deposit in the Finance Charge Account, the Principal Account, the Distribution Account or any Series Account applicable to the related Series shall continue to be held in trust for the benefit of the Certificateholders of the related Series and the Paying Agent or the Trustee shall pay such funds to the Certificateholders of the related Series upon surrender of their Certificates (which surrenders and payments, in the case of Bearer Certificates, shall be made only outside the United States). In the event that all of the Investor Certificateholders of any Series shall not surrender their Certificates for cancellation within six months after the date specified in the above-mentioned written notice, the Trustee shall give a second written notice (or, in the case of Bearer Certificates, publication notice) to the remaining Investor Certificateholders of such Series upon receipt of the appropriate records from the Transfer Agent and Registrar to surrender their Certificates for cancellation and receive the final distribution with respect thereto. If within one and one-half years after the second notice with respect to a Series, all the Investor Certificates of such Series shall not have been surrendered for cancellation, the Trustee may take appropriate steps or may appoint an agent to take appropriate steps, to contact the remaining Investor Certificateholders of such Series concerning surrender of their Certificates, and the cost thereof shall be paid out of the funds in the Distribution Account or any Series Account held for the benefit of such Investor Certificateholders. The Trustee and the Paying Agent shall pay to the Transferor upon request any monies held by them for the payment of principal or interest which remains unclaimed for two years. After payment to the Transferor, Investor Certificateholders entitled to the money must look to the Transferor for payment as general creditors unless an applicable abandoned property law designates another Person.

(c) All Certificates surrendered for payment of the final distribution with respect to such Certificates and cancellation shall be canceled by the Transfer Agent and Registrar and be disposed of in a manner satisfactory to the Trustee and the Transferor.

Section 12.04. Termination Rights of Holder of Transferor Certificate. Upon the termination of the Trust pursuant to Section 12.01, and after payment of all amounts due hereunder on or prior to such termination and the surrender of the Transferor Certificate, if applicable, the Trustee shall execute a written reconveyance substantially in the form of Exhibit H pursuant to which it shall reconvey to the Holder of the Transferor Certificate (without recourse, representation or warranty) all right, title and interest of the Trustee in the Receivables, whether then existing or thereafter created, all moneys due or to become due with respect to such Receivables (including all accrued interest theretofore posted as Finance Charge Receivables) and all proceeds of such Receivables and all Interchange, Insurance Proceeds and Recoveries relating to such Receivables and the proceeds thereof, except for amounts held by the Trustee pursuant to subsection 12.03(b). The Trustee shall execute and deliver such instruments of transfer and assignment, in each case without recourse, as shall be reasonably requested by the

Holder of the Transferor Certificate to vest in such Holder all right, title and interest which the Trust had in the Receivables.

[End Of Article XII]

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ARTICLE XIII

MISCELLANEOUS PROVISIONS

Section 13.01. Amendment.

(a) This Agreement or any Supplement may be amended in writing from time to time by the Servicer, the Transferor and the Trustee, without the consent of any of Certificateholders; provided, that such action shall not, as evidenced by an Opinion of Counsel for the Transferor addressed and delivered to the Trustee, adversely affect in any material respect the interests of any Investor Certificateholder; provided further, that each Rating Agency shall have notified the Transferor, the Servicer and the Trustee in writing that such action will not result in a reduction or withdrawal of the rating of any outstanding Series or Class to which it is a Rating Agency; provided further, that such action shall not effect a significant change in the Permitted Activities of the Trust. This Agreement or any Supplement may be amended in writing by the Servicer, the Transferor and the Trustee, without the consent of any of the Certificateholders (i) to provide for additional Credit Enhancement or substitute Credit Enhancement with respect to a Series (so long as the amount of such substitute Credit Enhancement, unless otherwise provided in any related Supplement, is equal to the original Credit Enhancement for such Series), (ii) to change the definition of Eligible Account, (iii) to provide for the addition to the Trust of a Participation, (iv) to replace Funding as Transferor with an Affiliate of Funding as Transferor and to make such other revisions and amendments incidental to such replacement, or (v) to replace BACCS with FIA or another Affiliate of Funding as seller of Receivables to the Transferor under the Receivables Purchase Agreement and to make such other revisions and amendments incidental to such replacement; provided, that such action shall not, in the reasonable belief of the Transferor, as evidenced by an Officer's Certificate of the Transferor, adversely affect in any material respect the interests of any Investor Certificateholders; provided further, that each Rating Agency shall have notified the Transferor, the Servicer and the Trustee in writing that such action will not result in a reduction or withdrawal of the rating of any ontstanding Series or Class to which it is a Rating Agency.

(b) This Agreement or any Supplement may also be amended in writing from time to time by the Servicer, the Transferor and the Trustee (A) in the case of a significant change in the Permitted Activities of the Trust which is not materially adverse to Holders of Investor Certificates, with the consent of Holders of Investor Certificates evidencing Undivided Interests aggregating not less than 50% of the Investor Interest of each outstanding Series affected by such change, and (B) in all other cases with the consent of the Holders of Investor Certificates evidencing Undivided Interests aggregating not less than 66-2/3% of the Investor Interest of each outstanding Series adversely affected by such amendment for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Agreement or any Supplement or modifying in any manner the rights of Investor Certificateholders of any Series then issued and outstanding; provided, however, that no such amendment shall (i) reduce in any manner the amount of, or delay the timing of, distributions which are required to be made on any Investor Certificates of such Series without the consent of each Investor Certificateholders of such Series, (ii) change the definition of or the manner of calculating the Investor Interest, the Investor Percentage or the Investor Default Amount of such Series without the consent of each Investor Certificateholder of such Series or (iii) reduce the aforesaid percentage required to consent to any such amendment, without the consent of each

Investor Certificateholder of all Series adversely affected. The Trustee may, but shall not be obligated to, enter into any such amendment which affects the Trustee's rights, duties or immunities under this Agreement or otherwise.

(c) Notwithstanding anything in this Section 13.01 to the contrary, the Series Supplement with respect to any Series may be amended on the items and in accordance with the procedures provided in such Series Supplement.

(d) Promptly after the execution of any such amendment (other than an amendment pursuant to paragraph (a)), the Trustee shall furnish notification of the substance of such amendment to each Investor Certificateholder of each Series adversely affected and to each Rating Agency providing a rating for such Series.

(e) It shall not be necessary for the consent of Investor Certificateholders under this Section 13.01 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent shall approve the substance thereof. The manner of obtaining such consents and of evidencing the authorization of the execution thereof by Investor Certificateholders shall be subject to such reasonable requirements as the Trustee may prescribe.

(f) Any Series Supplement executed and delivered pursuant to Section 6.09 and any amendments regarding the addition to or removal of Receivables from the Trust as provided in Sections 2.06 and 2.07, executed in accordance with the provisions hereof, shall not be considered amendments to this Agreement for the purpose of subsections 13.01(a) and (b). For clarification purposes only, although any Series Supplement executed and delivered pursuant to Section 6.09, any transfer to the Trustee of Receivables in Additional Accounts pursuant to Section 2.06 and any designation and removal of Receivables in Removed Accounts from the Trust pursuant to Section 2.07 shall not be considered amendments that require satisfaction of the conditions specified in either subsection 13.01(a) or (b) above, any other amendment to this Agreement which changes or modifies any of the provisions of Section 6.09, 2.06 or 2.07 shall require satisfaction of the conditions specified in subsection 13.01(a) or (b) above, as applicable.

(g) In connection with any amendment, the Trustee may request an Opinion of Counsel from the Transferor to the effect that the amendment complies with all requirements of this Agreement.

Section 13.02. Protection of Right, Title and Interest to Trust.

(a) The Transferor shall cause this Agreement, all amendments hereto and/or all financing statements and continuation statements and any other necessary documents covering the Certificateholders and the Trustee's right, title and interest to the Trust to be promptly recorded, registered and filed, and at all times to be kept recorded, registered and filed, all in such manner and in such places as may be required by law fully to preserve and protect the right, title and interest of the Certificateholders or the Trustee, as the case may be, hereunder to all property comprising the Trust. The Transferor shall deliver to the Trustee file-stamped copies of, or filing receipts for, any document recorded, registered or filed as provided above, as soon as available following such recording, registration or filing.

(b) Within 30 days after the Transferor makes any change in its name, identity or corporate structure which would make any financing statement or continuation statement filed

in accordance with paragraph (a) above seriously misleading within the meaning of Section 9-506 of the Delaware UCC, the Transferor shall give the Trustee notice of any such change and shall file such financing statements or amendments as may be necessary to continue the perfection of the Trust's security interest in the Receivables and the proceeds thereof.

(c) The Transferor will give the Trustee and the Servicer prompt written notice of any relocation of its chief executive office and whether, as a result of such relocation, the applicable provisions of the UCC would require the filing of any amendment of any previously filed financing or continuation statement or of any new financing statement and shall file such financing statements or amendments as may be necessary to continue the perfection of the Trust's security interest in the Receivables and the proceeds thereof. Each of the Transferor and the Servicer will at all times maintain its principal executive office within the United States of America.

(d) The Transferor will deliver to the Trustee and with respect to clause (i) to Standard & Poor's and Fitch: (i) upon each date that any Additional Accounts are to be included in the Accounts pursuant to Section 2.06, an Opinion of Counsel substantially in the form of Exhibit E; and (ii) on or before March 31 of each year, beginning with March 31, 2007, an Opinion of Counsel, substantially in the form of Exhibit F.

Section 13.03. Limitation on Rights of Certificateholders.

(a) The death or incapacity of any Certificateholder shall not operate to terminate this Agreement or the Trust, nor shall such death or incapacity entitle such Certificateholder's legal representatives or heirs to claim an accounting or to take any action or commence any proceeding in any court for a partition or winding up of the Trust, nor otherwise affect the rights, obligations and liabilities of the parties hereto or any of them.

(b) No Certificateholder shall have any right to vote (except with respect to the Investor Certificateholders as provided in Section 13.01 hereof) or in any manner otherwise control the operation and management of the Trust, or the obligations of the parties hereto, nor shall anything herein set forth, or contained in the terms of the Certificates, be construed so as to constitute the Certificateholders from time to time as partners or members of an association; nor shall any Certificateholder be under any liability to any third person by reason of any action taken by the parties to this Agreement pursuant to any provision hereof.

(c) No Certificateholder shall have any right by virtue of any provisions of this Agreement to institute any suit, action or proceeding in equity or at law upon or under or with respect to this Agreement, unless such Certificateholder previously shall have given written notice to the Trustee, and unless the Holders of Certificates evidencing Undivided Interests aggregating more than 50% of the Investor Interest of any Series which may be adversely affected but for the institution of such suit, action or proceeding, shall have made written request upon the Trustee to institute such action, suit or proceeding in its own name as Trustee hereunder and shall have offered to the Trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee, for 60 days after its receipt of such notice, request and offer of indemnity, shall have neglected or refused to institute any such action, suit or proceeding; it being understood and intended, and being expressly covenanted by each Certificateholder with every other Certificateholder and the Trustee, that no one or more Certificateholders shall have the right in any manner whatever by

virtue or by availing itself or themselves of any provisions of this Agreement to affect, disturb or prejudice the rights of the Certificateholders of any other of the Certificates, or to obtain or seek to obtain priority over or preference to any other such Certificateholder, or to enforce any right under this Agreement, except in the manner herein provided and for the equal, ratable and common benefit of all Certificateholders. For the protection and enforcement of the provisions of this Section 13.03, each and every Certificateholder and the Trustee shall be entitled to such relief as can be given either at law or in equity.

Section 13.04. Governing Law; Submission to Jurisdiction; Agent for Service of Process. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws. The parties hereto declare that it is their intention that this Agreement shall be regarded as made under the laws of the State of Delaware and that the laws of said State shall be applied in interpreting its provisions in all cases where legal interpretation shall be required. Each of the parties hereto agrees (a) that this Agreement involves at least $100,000.00, and (b) that this Agreement has been entered into by the parties hereto in express reliance upon 6 DEL. C. § 2708. Each of the parties hereto hereby irrevocably and unconditionally agrees (a) to be subject to the jurisdiction of the courts of the State of Delaware and of the federal courts sitting in the State of Delaware, and (b)(1) to the extent such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal process, and (2) that, to the fullest extent permitted by applicable law, service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service, and that service made pursuant to (b)(1) or (2) above shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

Section 13.05. Notices. All demands, notices and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered at, sent by facsimile or electronic transmission to, sent by courier at or mailed by registered mail, return receipt requested, to (a) in the case of the Transferor, to BA Credit Card Funding, LLC, 214 North Tryon Street, Suite # 21-39, NC1-027-21-04, Charlotte, North Carolina 28255, Attention: Marcie Copson-Hall, with a copy to Caroline Tsai, Bank of America, National Association,101 S. Tryon Street, NC1-002-29-01, Charlotte, North Carolina 28255, Attention: Caroline Tsai and BA Credit Card Funding, LLC, 1100 North King Street, Mail Code: DE5-003-0107, Wilmington, DE 19884, Attention: Marcie Copson-Hall, (b) in the case of the Servicer, to FIA Card Services, National Association, 1100 North King Street, Wilmington, Delaware 19884, Attention: Marcie Copson-Hall, with a copy to Caroline Tsai, Bank of America Corporation, 101 S. Tryon Street, NC1-002-29-01, Charlotte, North Carolina 28255, Attention: Caroline Tsai, (c) in the case of the Trustee, to the Corporate Trust Office, (d) in the case of the Credit Enhancement Provider for a particular Series, the address, if any, specified in the Supplement relating to such Series and (e) in the case of the Rating Agency for a particular Series, the address, if any, specified in the Supplement relating to such Series; or, as to each party, at such other address as shall be designated by such party in a written notice to each other party. Unless otherwise provided with respect to any Series in the related Supplement any notice required or permitted to be mailed to a Certificateholder

shall be given by first class mail, postage prepaid, sent by facsimile, sent by electronic transmission or personally delivered to each Certificateholder, at the address of such Certificateholder as shown in the Certificate Register, or with respect to any notice required or permitted to be made to the Holders of Bearer Certificates, by publication in the manner provided in the related Supplement. If and so long as any Series or Class is listed on the Luxembourg Stock Exchange and such Exchange shall so require, any Notice to Investor Certificateholders shall be published in an authorized newspaper of general circulation in Luxembourg within the time period prescribed in this Agreement. Any notice so mailed, sent by facsimile, electronic transmission or delivered in the manner herein provided and within the time prescribed in this Agreement shall be conclusively presumed to have been duly given, whether or not the Certificateholder receives such notice.

Section 13.06. Severability of Provisions. If any one or more of the covenants, agreements, provisions or terms of this Agreement shall for any reason whatsoever be held invalid, then such covenants, agreements, provisions or terms shall be deemed severable from the remaining covenants, agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement or of the Certificates or rights of the Certificateholders thereof.

Section 13.07. Assignment. Notwithstanding anything to the contrary contained herein, except as provided in Section 8.02, this Agreement may not be assigned by the Servicer without the prior consent of Holders of Investor Certificates evidencing Undivided Interests aggregating not less than 66 2/3% of the Investor Interest of each Series on a Series by Series basis.

Section 13.08. Certificates Non-Assessable and Fully Paid. It is the intention of the parties to this Agreement that the Certificateholders shall not be personally liable for obligations of the Trust, that the Undivided Interests represented by the Certificates shall be non-assessable for any losses or expenses of the Trust or for any reason whatsoever, and that Certificates upon authentication thereof by the Trustee pursuant to Sections 2.01 and 6.02 are and shall be deemed fully paid.

Section 13.09. Further Assurances. The Transferor and the Servicer agree to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the Trustee more fully to effect the purposes of this Agreement, including, without limitation, the authorization by the Transferor of any financing statements or continuation statements relating to the Receivables for filing under the provisions of the UCC of any applicable jurisdiction.

Section 13.10. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Trustee, any Credit Enhancement Provider or the Investor Certificateholders, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

Section 13.11. Counterparts. This Agreement may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

Section 13.12. Third-Party Beneficiaries. This Agreement will inure to the benefit of and be binding upon the parties hereto, the Certificateholders and, to the extent provided in the related Supplement, to the Credit Enhancement Provider named therein, and their respective successors and permitted assigns. Except as otherwise provided in this Article XIII and Section 8.04, no other Person will have any right or obligation hereunder.

Section 13.13. Actions by Certificateholders.

(a) Wherever in this Agreement a provision is made that an action may be taken or a notice, demand or instruction given by Investor Certificateholders, such action, notice or instruction may be taken or given by any Investor Certificateholder, unless such provision requires a specific percentage of Investor Certificateholders.

(b) Any request, demand, authorization, direction, notice, consent, waiver or other act by a Certificateholder shall bind such Certificateholder and every subsequent holder of such Certificate issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done or omitted to be done by the Trustee, the Transferor or the Servicer in reliance thereon, whether or not notation of such action is made upon such Certificate.

Section 13.14. Rule 144A Information. For so long as any of the Investor Certificates of any Series or any Class are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, each of the Transferor, the Servicer, the Trustee and the Credit Enhancement Provider for such Series agree to cooperate with each other to provide to any Investor Certificateholders of such Series or Class and to any prospective purchaser of Certificates designated by such an Investor Certificateholder upon the request of such Investor Certificateholder or prospective purchaser, any information required to be provided to such holder or prospective purchaser to satisfy the condition set forth in Rule 144A(d)(4) under the Securities Act.

Section 13.15. Merger and Integration. Except as specifically stated otherwise herein, this Agreement sets forth the entire understanding of the parties relating to the subject matter hereof, and all prior understandings, written or oral, are superseded by this Agreement. This Agreement may not be modified, amended, waived or supplemented except as provided herein.

Section 13.16. Headings. The headings herein are for purposes of reference only and shall not otherwise affect the meaning or interpretation of any provision hereof.

Section 13.17. Nonpetition Covenant. To the fullest extent permitted by applicable law, notwithstanding any prior termination of this Agreement, neither the Servicer, the Trustee, the Certificateholders nor the Transferor shall, prior to the date which is one year and one day after the termination of this Agreement, acquiesce, petition

or otherwise invoke or cause the Trust to invoke the process of any Governmental Authority for the purpose of commencing or sustaining a case against the Trust under any Debtor Relief Law or appointing a receiver, conservator, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Trust or any substantial part of its property or ordering the winding-up or liquidation of the affairs of the Trust.

To the fullest extent permitted by applicable law, notwithstanding any prior termination of this Agreement, neither the Servicer, the Trustee nor the Certificateholders shall institute, or join in instituting a proceeding against the Transferor under any Debtor Relief Law or other proceedings under any United States federal or state bankruptcy or similar law.

Section 13.18. Intention of Parties. For purposes of complying with the requirements of the Asset-Backed Securities Facilitation Act of the State of Delaware, 6 Del. C. § 2701A, et seq. (the "Securitization Act"), each of the parties hereto hereby agrees that:

(a) Any property, assets or rights purported to be transferred, in whole or in part, by the Transferor pursuant to this Agreement (including each Assignment) shall be deemed to no longer be the property, assets or rights of the Transferor;

(b) None of the Transferor, its creditors or, in any insolvency proceeding with respect to the Transferor or the Transferor's property, a bankruptcy trustee, receiver, debtor, debtor in possession or similar person, to the extent the issue is governed by Delaware law, shall have any rights, legal or equitable, whatsoever to reacquire (except pursuant to a provision of this Agreement), reclaim, recover, repudiate, disaffirm, redeem or recharacterize as property of the Transferor any property, assets or rights purported to be transferred, in whole or in part, by the Transferor pursuant to this Agreement (including each Assignment);

(c) In the event of a bankruptcy, receivership or other insolvency proceeding with respect to the Transferor or the Transferor's property, to the extent the issue is governed by Delaware law, such property, assets and rights shall not be deemed to be part of the Transferor's property, assets, rights or estate; and

(d) The transactions contemplated by this Agreement shall constitute a "securitization transaction" as such term is used in the Securitization Act.

Section 13.19. Fiscal Year. The fiscal year of the Trust will end on the last day of June of each year.

[End of Article XIII]

ARTICLE XIV

SERIES SUPPLEMENTS AND CREDIT ENHANCEMENT MATTERS

Section 14.01. Updates to Series Supplements, Credit Enhancement Agreements and Related Documents. The Series Supplements listed on Schedule 2, any agreements relating to any Credit Enhancement with respect to any Series and any documents executed in connection with this Agreement, any such Series Supplements or any such Credit Enhancement agreements shall be and hereby are updated by deleting the terms listed below under the heading "Old Defined Term" wherever such terms appear and by replacing each such term in all such places where it appears with the term listed opposite such term under the heading "New Defined Term":

OLD DEFINED TERM	**NEW DEFINED TERM**
"MBNA" or "MBNA America Bank, National Association"	"FIA" or "FIA Card Services, National Association"
"MBNA Master Credit Card Trust II"	"BA Master Credit Card Trust II"

[End of Article XIV]

IN WITNESS WHEREOF, the Transferor, the Servicer and the Trustee have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

BA CREDIT CARD FUNDING, LLC,
Transferor

By: [signature]
Name: Marcie Copson Hall
Title: President

FIA CARD SERVICES, NATIONAL ASSOCIATION (formerly known as MBNA America Bank, National Association),
Servicer

By:____________________________
Name:
Title:

THE BANK OF NEW YORK,
Trustee

By:____________________________
Name:
Title:

[Signature Page to Second Amended and Restated Pooling and Servicing Agreement.]

IN WITNESS WHEREOF, the Transferor, the Servicer and the Trustee have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

BA CREDIT CARD FUNDING, LLC,
Transferor

By:____________________________
Name:
Title:

FIA CARD SERVICES, NATIONAL ASSOCIATION (formerly known as MBNA America Bank, National Association),
Servicer

By:____________________________
Name:
Title:

THE BANK OF NEW YORK,
Trustee

By:____________________________
Name:
Title:

[Signature Page to Second Amended and Restated Pooling and Servicing Agreement.]

IN WITNESS WHEREOF, the Transferor, the Servicer and the Trustee have caused this Agreement to be duly executed by their respective officers as of the day and year first above written.

BA CREDIT CARD FUNDING, LLC,
Transferor

By:______________________________
Name:
Title:

FIA CARD SERVICES, NATIONAL ASSOCIATION (formerly known as MBNA America Bank, National Association),
Servicer

By:______________________________
Name:
Title:

THE BANK OF NEW YORK,
Trustee

By:______________________________
Name: CATHERINE L. CERILLES
Title: ASSISTANT VICE PRESIDENT

[Signature Page to Second Amended and Restated Pooling and Servicing Agreement.]

EXHIBIT A

TRANSFEROR CERTIFICATE

No. 1 One Unit

BA MASTER CREDIT CARD TRUST II
ASSET BACKED CERTIFICATE

THIS CERTIFICATE WAS ISSUED PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY BE SOLD ONLY PURSUANT TO A REGISTRATION STATEMENT EFFECTIVE UNDER THE ACT OR AN EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE ACT. IN ADDITION, THE TRANSFER OF THIS CERTIFICATE IS SUBJECT TO RESTRICTIONS SET FORTH IN THE POOLING AND SERVICING AGREEMENT REFERRED TO HEREIN. A COPY OF THE POOLING AND SERVICING AGREEMENT WILL BE FURNISHED TO THE HOLDER OF THIS CERTIFICATE BY THE TRUSTEE UPON WRITTEN REQUEST.

This Certificate represents an
Undivided Interest in the
BA Master Credit Card Trust II

Evidencing an Undivided Interest in a trust, the corpus of which consists of a portfolio of MasterCard®, VISA® and American Express®*/ credit card receivables generated or acquired by FIA Card Services, National Association and other assets and interests constituting the Trust under the Pooling and Servicing Agreement described below.

(Not an interest in or an obligation of
FIA Card Services, National Association
or any Affiliate thereof.)

This certifies that BA CREDIT CARD FUNDING, LLC (the "Holder") is the registered owner of an undivided interest in BA Master Credit Card Trust II (the "Trust"), the corpus of which consists of a portfolio of receivables (the "Receivables") now existing or hereafter created under selected MasterCard®, VISA® and American Express® credit card accounts (the "Accounts") of FIA Card Services, National Association (formerly known as MBNA America Bank, National Association) (the "Servicer") a national banking association organized under the laws of the United States, all monies due or to become due in payment of the Receivables (including all Finance Charge Receivables), all proceeds of such Receivables and

*/ MasterCard, VISA and American Express are registered trademarks of MasterCard International Incorporated, VISA USA, Inc., and American Express Company, respectively.

Insurance Proceeds relating to the Receivables, the other assets and interests constituting the Trust and the proceeds thereof pursuant to a Second Amended and Restated Pooling and Servicing Agreement dated as of October 20, 2006, as supplemented by any Supplement relating to a Series of Investor Certificates (the "Pooling and Servicing Agreement"), by and among BA Credit Card Funding, LLC, as Transferor, FIA Card Services, National Association (formerly known as MBNA America Bank, National Association), as Servicer, and The Bank of New York, as Trustee (the "Trustee"), a summary of certain of the pertinent provisions of which is set forth hereinbelow.

To the extent not defined herein, the capitalized terms used herein have the meanings assigned to them in the Pooling and Servicing Agreement. This Certificate is issued under and is subject to the terms, provisions and conditions of the Pooling and Servicing Agreement, to which Pooling and Servicing Agreement, as amended from time to time, the Holder by virtue of the acceptance hereof assents and by which the Holder is bound.

This Certificate has not been registered or qualified under the Securities Act of 1933, as amended, or any state securities law. No sale, transfer or other disposition of this Certificate shall be permitted other than in accordance with the provisions of Section 6.03, 6.09 or 7.02 of the Pooling and Servicing Agreement.

The Receivables consist of Principal Receivables which arise generally from the purchase of goods and services and of amounts advanced to cardholders as cash advances, and of Finance Charge Receivables which arise generally from Periodic Finance Charges and other fees and charges, as more fully specified in the Pooling and Servicing Agreement.

This Certificate is the Transferor Certificate (the "Certificate"), which represents an Undivided Interest in the Trust, including the right to receive the Collections and other amounts at the times and in the amounts specified in the Pooling and Servicing Agreement to be paid to the Holder of the Transferor Certificate. The aggregate interest represented by this Certificate in the Principal Receivables in the Trust shall not at any time exceed the Transferor Interest at such time. In addition to this Certificate, Series of Investor Certificates will be issued to investors pursuant to the Pooling and Servicing Agreement, each of which will represent an Undivided Interest in the Trust. This Certificate shall not represent any interest in the Investor Accounts, any Series Accounts or any Credit Enhancement, except to the extent provided in the Pooling and Servicing Agreement. The Transferor Interest on any date of determination will be an amount equal to the aggregate amount of Principal Receivables at the end of the day immediately prior to such date of determination <u>minus</u> the Aggregate Investor Interest at the end of such day.

The Servicer shall deposit all Collections in the Collection Account as promptly as possible after the Date of Processing of such Collections, but in no event later than the second Business Day following such Date of Processing (except as provided below and except as provided in any Supplement to the Pooling and Servicing Agreement). Unless otherwise stated in any Supplement, throughout the existence of the Trust, the Servicer shall allocate to the Holder of the Certificate an amount equal to the product of (A) the Transferor Percentage and (B) the aggregate amount of such Collections allocated to Principal Receivables and Finance Charge Receivables, respectively, in respect of each Monthly Period. Notwithstanding the first sentence of this paragraph, the Servicer need not deposit this amount or any other amounts so

allocated to the Certificate pursuant to the Pooling and Servicing Agreement into the Collection Account and shall pay, or be deemed to pay, such amounts as collected to the Holder of the Certificate.

FIA Card Services, National Association, as Servicer, is entitled to receive as servicing compensation a monthly servicing fee. The portion of the servicing fee which will be allocable to the Holder of the Certificate pursuant to the Pooling and Servicing Agreement will be payable by the Holder of the Certificate and neither the Trust nor the Trustee or the Investor Certificateholders will have any obligations to pay such portion of the servicing fee.

This Certificate does not represent an obligation of, or any interest in, the Transferor or the Servicer, and neither the Certificates nor the Accounts or Receivables are insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. This Certificate is limited in right of payment to certain Collections respecting the Receivables, all as more specifically set forth hereinabove and in the Pooling and Servicing Agreement.

Upon the termination of the Trust pursuant to Section 12.01 of the Pooling and Servicing Agreement, the Trustee shall assign and convey to the Holder of the Certificate (without recourse, representation or warranty) all right, title and interest of the Trustee in the Receivables, whether then existing or thereafter created, all monies due or to become due with respect thereto (including all accrued interest theretofore posted as Finance Charge Receivables) and all proceeds thereof and Insurance Proceeds relating thereto and Interchange allocable to the Trust pursuant to any Supplement, except for amounts held by the Trustee pursuant to Section 12.03(b) of the Pooling and Servicing Agreement. The Trustee shall execute and deliver such instruments of transfer and assignment, in each case without recourse, as shall be reasonably requested by the Holder of the Certificate to vest in such Holder all right, title and interest which the Trustee had in the Receivables.

Unless the certificate of authentication hereon has been executed by or on behalf of the Trustee, by manual signature, this Certificate shall not be entitled to any benefit under the Pooling and Servicing Agreement, or be valid for any purpose.

This Certificate shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflict of law principles thereof.

IN WITNESS WHEREOF BA Credit Card Funding, LLC has caused this Certificate to be duly executed under its official seal.

By:__________________________
Authorized Officer

[SEAL]

Trustee's Certificate of Authentication

CERTIFICATE OF AUTHENTICATION

This is the Transferor Certificate referred to in the within-mentioned Pooling and Servicing Agreement.

THE BANK OF NEW YORK,
as Trustee

By:______________________________
Authorized Officer

EXHIBIT B

FORM OF ASSIGNMENT OF RECEIVABLES IN ADDITIONAL ACCOUNTS

ASSIGNMENT No. ____ OF RECEIVABLES IN ADDITIONAL ACCOUNTS, dated as of ____________ ______, _____ (this "Assignment"), by and among FIA Card Services, National Association, a national banking association, as Servicer (the "Servicer"), BA CREDIT CARD FUNDING, LLC, a Delaware limited liability company ("Funding"), and THE BANK OF NEW YORK, a banking corporation organized and existing under the laws of the State of New York (the "Trustee"), pursuant to the Pooling and Servicing Agreement referred to below.

W I T N E S S E T H:

WHEREAS, Funding, the Servicer and the Trustee are parties to the Second Amended and Restated Pooling and Servicing Agreement, dated as of October 20, 2006 (hereinafter as such agreement may have been, or may from time to time be, amended, supplemented or otherwise modified, the "Pooling and Servicing Agreement");

WHEREAS, pursuant to the Pooling and Servicing Agreement, Funding wishes to designate Additional Accounts of Funding to be included as Accounts and to convey the Receivables of such Additional Accounts, whether now existing or hereafter created, to the Trustee as part of the corpus of the Trust (as each such term is defined in the Pooling and Servicing Agreement); and

WHEREAS, the Trustee is willing to accept such designation and conveyance subject to the terms and conditions hereof;

NOW, THEREFORE, Funding, the Servicer and the Trustee hereby agree as follows:

1. Defined Terms. All terms defined in the Pooling and Servicing Agreement and used herein shall have such defined meanings when used herein, unless otherwise defined herein.

"Addition Date" shall mean, with respect to the Additional Accounts designated hereby, ____________, _____.

"Notice Date" shall mean, with respect to the Additional Accounts designated hereby, ____________, _____ (which shall be a date on or prior to the fifth Business Day prior to the Addition Date with respect to additions pursuant to subsection 2.06(a) of the Pooling and Servicing Agreement and the tenth Business Day prior to the Addition Date with respect to additions pursuant to subsection 2.06(b) of the Pooling and Servicing Agreement).

2. Designation of Additional Accounts. Funding shall deliver to the Trustee not later than five Business Days after the Addition Date, an Account Schedule containing a true and complete list of each MasterCard®, VISA® and American Express® account which as of the Addition Date shall be deemed to be an Additional Account, such accounts being identified by account number and by the amount of Receivables in such accounts as of the close of business

on the Addition Date. Such list shall be delivered five Business Days after the date of this Agreement and shall be marked as Schedule 1 to this Assignment and, as of the Addition Date, shall be incorporated into and made a part of this Assignment and the Pooling and Servicing Agreement.

3. Conveyance of Receivables.

(a) Funding does hereby transfer, assign, set-over and otherwise convey to the Trustee for the benefit of the Certificateholders, without recourse on and after the Addition Date, all right, title and interest of Funding in and to the Receivables now existing and hereafter created in the Additional Accounts (including all related Transferred Accounts) designated hereby, all monies due or to become due with respect thereto (including all Finance Charge Receivables) all Interchange allocable to the Trust as provided in the Pooling and Servicing Agreement, and all proceeds of such Receivables, Insurance Proceeds and Recoveries relating to such Receivables and the proceeds thereof.

(b) In connection with such transfer, Funding agrees to record and file, at its own expense, a financing statement with respect to the Receivables now existing and hereafter created in the Additional Accounts designated hereby (which may be a single financing statement with respect to all such Receivables) for the transfer of accounts as defined in the Delaware UCC meeting the requirements of applicable state law in such manner and such jurisdictions as are necessary to perfect the assignment of such Receivables to the Trustee, and to deliver a file-stamped copy of such financing statement or other evidence of such filing (which may, for purposes of this Section 3, consist of telephone confirmation of such filing) to the Trustee on or prior to the date of this Agreement.

(c) In connection with such transfer, Funding further agrees, at its own expense, on or prior to the date of this Assignment to indicate in its books and records (including the appropriate computer files) that Receivables created in connection with the Additional Accounts designated hereby and the related Trust assets have been transferred to the Trustee pursuant to this Assignment for the benefit of the Certificateholders.

(d) In connection with such transfer, the Servicer, as Account Owner, agrees to identify the Additional Accounts in the Pool Index File with the designation "1994-MT".

(e) The parties hereto intend that each transfer of Receivables and other property pursuant to this Assignment constitute a sale, and not a secured borrowing, for accounting purposes. If, and to the extent that, notwithstanding such intent the transfer pursuant to this Assignment is not deemed to be a sale, the Transferor shall be deemed hereunder to have granted and does hereby grant to the Trustee a first priority perfected security interest in all of the Transferor's right, title and interest in, to and under the Receivables now existing and hereafter created in the Additional Accounts designated hereby, all moneys due or to become due with respect thereto (including all Finance Charge Receivables) and all proceeds of such Receivables, all Insurance Proceeds and

Recoveries relating to such Receivables and the proceeds thereof, and this Assignment shall constitute a security agreement under applicable law.

4. Acceptance by Trustee. The Trustee hereby acknowledges its acceptance on behalf of the Trust for the benefit of the Certificateholders of all right, title and interest previously held by Funding in and to the Receivables now existing and hereafter created, and declares that it shall maintain such right, title and interest, upon the Trust herein set forth, for the benefit of all Certificateholders.

5. Representations and Warranties of Funding. Funding hereby represents and warrants to the Trustee as of the Addition Date:

(a) Legal Valid and Binding Obligation. This Assignment constitutes a legal, valid and binding obligation of Funding enforceable against Funding in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting the enforcement of creditors' rights in general and the rights of creditors in general and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(b) Eligibility of Accounts and Receivables. Each Additional Account designated hereby is an Eligible Account and each Receivable in such Additional Account is an Eligible Receivable.

(c) Selection Procedures. No selection procedures believed by Funding to be materially adverse to the interests of the Investor Certificateholders were utilized in selecting the Additional Accounts designated hereby from the available Eligible Accounts.

(d) Insolvency. Funding is not insolvent and, after giving effect to the conveyance set forth in Section 3 of this Assignment, will not be insolvent.

(e) Security Interest. This Assignment constitutes either: (i) a valid sale to the Trustee of the Receivables in the Additional Accounts or (ii) a grant of a security interest in favor of the Trustee in the Receivables in the Additional Accounts, and that sale or security interest is perfected under the Delaware UCC.

(f) Additional Representations and Warranties of Funding. Funding, as Transferor, hereby makes the following additional representations and warranties. Such representations and warranties shall survive until the termination of the Pooling and Servicing Agreement. Such representations and warranties speak as of the date that the Collateral (as defined below) is transferred to the Trustee but shall not be waived by any of the parties to this Assignment unless each Rating Agency shall have notified Funding, the Servicer and the Trustee in writing that such waiver will not result in a reduction or withdrawal of the rating of any outstanding Series or Class to which it is a Rating Agency.

(i) This Assignment creates a valid and continuing security interest (as defined in the Delaware UCC) in favor of the Trustee in the Receivables described in Section 3(a) hereof (the "Collateral"), which security interest is prior to all other liens, and is enforceable as such as against creditors of and purchasers from Funding.

(ii) The Collateral constitutes "accounts" within the meaning of the Delaware UCC.

(iii) At the time of the transfer and assignment of the Collateral to the Trustee pursuant to this Assignment, Funding owned and had good and marketable title to such Collateral free and clear of any lien, claim or encumbrance of any Person.

(iv) Funding has caused or will have caused, within ten days of the initial execution of this Assignment, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the related Collateral granted to the Trustee pursuant to this Assignment.

(v) Other than the security interest granted to the Trustee pursuant to this Assignment, Funding has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed the Collateral. Funding has not authorized the filing of and is not aware of any financing statements against Funding that include a description of the Collateral other than any financing statement relating to the security interest granted to the Trustee pursuant to this Assignment or that has been terminated. Funding is not aware of any judgment or tax lien filings against Funding.

6. Conditions Precedent. The acceptance by the Trustee set forth in Section 4 and the amendment of the Pooling and Servicing Agreement set forth in Section 7 are subject to the satisfaction, on or prior to the Addition Date, of the following conditions precedent:

(a) Officer's Certificate. Funding shall have delivered to the Trustee a certificate of a Vice President or more senior officer substantially in the form of Schedule 2 hereto, certifying that (i) all requirements set forth in Section 2.06 of the Pooling and Servicing Agreement for designating Additional Accounts and conveying the Principal Receivables of such Account, whether now existing or hereafter created, have been satisfied and (ii) each of the representations and warranties made by Funding in Section 5 is true and correct as of the Addition Date. The Trustee may conclusively rely on such Officer's Certificate, shall have no duty to make inquiries with regard to the matters set forth therein, and shall incur no liability in so relying.

(b) Opinion of Counsel. Funding shall have delivered to the Trustee an Opinion of Counsel with respect to the Additional Accounts designated hereby substantially in the form of Exhibit E to the Pooling and Servicing Agreement.

(c) Additional Information. Funding shall have delivered to the Trustee such information as was reasonably requested by the Trustee to satisfy itself as to

the accuracy of the representation and warranty set forth in subsection 5(d) to this Assignment.

7. Amendment of the Pooling and Servicing Agreement. The Pooling and Servicing Agreement is hereby amended to provide that all references therein to the "Pooling and Servicing Agreement," to "this Agreement" and "herein" shall be deemed from and after the Addition Date to be a dual reference to the Pooling and Servicing Agreement as supplemented by this Assignment. Except as expressly amended hereby, all of the representations, warranties, terms, covenants and conditions to the Pooling and Servicing Agreement shall remain unamended and shall continue to be, and shall remain, in full force and effect in accordance with its terms and except as expressly provided herein shall not constitute or be deemed to constitute a waiver of compliance with or a consent to noncompliance with any term or provisions of the Pooling and Servicing Agreement.

8. Counterparts. This Assignment may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

9. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws. The parties hereto declare that it is their intention that this Assignment shall be regarded as made under the laws of the State of Delaware and that the laws of said State shall be applied in interpreting its provisions in all cases where legal interpretation shall be required. Each of the parties hereto agrees (a) that this Assignment involves at least $100,000.00, and (b) that this Assignment has been entered into by the parties hereto in express reliance upon 6 DEL. C. § 2708. Each of the parties hereto hereby irrevocably and unconditionally agrees (a) to be subject to the jurisdiction of the courts of the State of Delaware and of the federal courts sitting in the State of Delaware, and (b)(1) to the extent such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal process, and (2) that, to the fullest extent permitted by applicable law, service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service, and that service made pursuant to (b)(1) or (2) above shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

IN WITNESS WHEREOF, the undersigned have caused this Assignment of Receivables in Additional Accounts to be duly executed and delivered by their respective duly authorized officers on the day and year first above written.

FIA CARD SERVICES, NATIONAL ASSOCIATION

By: ______________________________
Name:
Title:

BA CREDIT CARD FUNDING, LLC

By: ______________________________
Name:
Title:

THE BANK OF NEW YORK,
as Trustee

By: ______________________________
Name:
Title:

Schedule 1
to Assignment of
Receivables in
Additional Accounts

ADDITIONAL ACCOUNTS

Schedule 2
to Assignment of
Receivables in
Additional Accounts

BA Credit Card Funding, LLC
BA Master Credit Card Trust II
Officer's Certificate

______________________, a duly authorized officer of BA Credit Card Funding, LLC, a Delaware limited liability company ("Funding"), hereby certifies and acknowledges on behalf of Funding that to the best of his knowledge the following statements are true on ___________, _____, (the "Addition Date"), and acknowledges on behalf of Funding that this Officer's Certificate will be relied upon by The Bank of New York as Trustee (the "Trustee") of the BA Master Credit Card Trust II in connection with the Trustee entering into Assignment No. _____ of Receivables in Additional Accounts, dated as of the Addition Date (the "Assignment"), by and among FIA Card Services, National Association, a national banking association, as Servicer (the "Servicer") Funding and the Trustee, in connection with the Second Amended and Restated Pooling and Servicing Agreement, dated as of October 20, 2006, as heretofore supplemented and amended (the "Pooling and Servicing Agreement") pursuant to which Funding, as Transferor, the Servicer, and the Trustee are parties. The undersigned hereby certifies and acknowledges on behalf of Funding that:

(a) On or prior to the Addition Date, Funding has delivered to the Trustee the Assignment (including an acceptance by the Trustee on behalf of the Trust for the benefit of the Investor Certificateholders) and Funding has indicated in its computer files that the Receivables created in connection with the Additional Accounts have been transferred to the Trustee and within five Business Days after the Addition Date Funding shall deliver to the Trustee an Account Schedule containing a true and complete list of all Additional Accounts identified by account number and the aggregate amount of the Receivables in such Additional Accounts as of the Addition Date, which Account Schedule shall be as of the date of such Assignment, incorporated into and made a part of such Assignment and the Pooling and Servicing Agreement.

(b) Legal, Valid and Binding Obligation. The Assignment constitutes a legal, valid and binding obligation of Funding, enforceable against Funding in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting the enforcement of creditors' rights in general and the rights-of-creditors in general and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(c) Eligibility of Accounts. Each Additional Account designated pursuant to the Assignment is an Eligible Account and each Receivable in such Additional Account is an Eligible Receivable.

(d) Selection Procedures. No selection procedures believed by Funding to be

materially adverse to the interests of the Investor Certificateholders were utilized in selecting the Additional Accounts designated hereby from the available Eligible Accounts.

(e) Insolvency. Funding is not insolvent and, after giving effect to the conveyance set forth in Section 3 of the Assignment, will not be insolvent.

(f) Security Interest. This Assignment constitutes either: (i) a valid sale to the Trustee of the Receivables in the Additional Accounts; or (ii) a grant of a security interest in favor of the Trustee in the Receivables in the Additional Accounts, and that sale or security interest is perfected under the Delaware UCC.

(g) Requirements of Pooling and Servicing Agreement. All requirements set forth in Section 2.06 of the Pooling and Servicing Agreement for designating Additional Accounts and conveying the Principal Receivables of such Accounts, whether now existing or hereafter created, have been satisfied.

Initially capitalized terms used herein and not otherwise defined are used as defined in the Pooling and Servicing Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____________, _____.

BA Credit Card Funding, LLC

By: ___________________________
Name:
Title:

EXHIBIT C

FORM OF MONTHLY SERVICER'S CERTIFICATE

BA CREDIT CARD FUNDING, LLC

BA MASTER CREDIT CARD TRUST II

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1. Capitalized terms used in this Certificate have their respective meanings set forth in the Pooling and Servicing Agreement; provided, that the "preceding Monthly Period" shall mean the Monthly Period immediately preceding the calendar month in which this Certificate is delivered. This Certificate is delivered pursuant to subsection 3.04(b) of the Pooling and Servicing Agreement. References herein to certain sections and subsections are references to the respective sections and subsections of the Pooling and Servicing Agreement.

2. FIA is Servicer under the Pooling and Servicing Agreement.

3. The undersigned is a Servicing Officer.

4. The date of this Certificate is a Determination Date under the Pooling and Servicing Agreement.

5. The aggregate amount of Collections processed during the preceding Monthly Period was equal to (excluding [Annual Membership Fees and] Interchange) .... $________

6. The Aggregate Investor Percentage of Receivables processed by the Servicer during the preceding Monthly Period was equal to $________

7. The Aggregate Investor Percentage of Collections of Finance Charge Receivables processed by the Servicer during the preceding Monthly Period was equal to (excluding [Annual Membership Fees and] Interchange) .... $________

8. The aggregate amount of Receivables processed by the Servicer as of the end of the last day of the preceding Monthly Period $________

9. Of the balance on deposit in the Finance Charge Account, the amount attributable to the Aggregate Investor Percentage of Collections processed by the Servicer during the preceding Monthly Period.. $________

10. Of the balance on deposit in the Principal Account, the amount attributable to the Aggregate Investor Percentage of Collections processed by the Servicer during the preceding Monthly Period.. $__________

11. The aggregate amount, if any, of withdrawals, drawings or payments under any Credit Enhancement, if any, required to be made with respect to any Series outstanding for the preceding Monthly Period.. $__________

12. The Aggregate Investor Percentage of Collections of Principal Receivables processed by the Servicer during the current month is equal to $__________

13. The aggregate amount of Interchange to be deposited in the Finance Charge Account on the Transfer Date of the current month is equal to $__________

14. The aggregate amount of all sums payable to the Investor Certificateholder of each Series on the succeeding Distribution Date with respect to Certificate Principal.................................. $__________

15. The aggregate amount of all sums payable to the Investor Certificateholder of each Series on the succeeding Distribution Date with respect to Certificate Interest .... $__________

16. To the knowledge of the undersigned, there are no Liens on any Receivables in the Trust except as described below:

[If applicable, insert "None."]

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this certificate this ____ day of ___________, ____.

FIA CARD SERVICES,
NATIONAL ASSOCIATION,
Servicer

By: ______________________________
Name:
Title:

Schedule to Monthly
Servicer's Certificate*

BA CREDIT CARD FUNDING, LLC

BA MASTER CREDIT CARD TRUST II

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* A separate schedule is to be attached for each Series, with appropriate changes and additions to reflect the specifics of the related Series Supplement.

EXHIBIT D

FORM OF ANNUAL SERVICER'S CERTIFICATE

BA CREDIT CARD FUNDING, LLC

BA MASTER CREDIT CARD TRUST II

The undersigned, a duly authorized representative of FIA Card Services, National Association (formerly known as MBNA America Bank, National Association) ("FIA"), as Servicer pursuant to the Second Amended and Restated Pooling and Servicing Agreement dated as of June 10, 2006 (the "Pooling and Servicing Agreement") by and among FIA, as Servicer, BA Credit Card Funding, LLC, as Transferor, and The Bank of New York, as trustee (the "Trustee") does hereby certify that:

1. FIA is Servicer under the Pooling and Servicing Agreement.

2. The undersigned is duly authorized pursuant to the Pooling and Servicing Agreement to execute and deliver this Certificate to the Trustee.

3. This Certificate is delivered pursuant to Section 3.05 of the Pooling and Servicing Agreement.

4. A review of the activities of the Servicer's activities during [the period from the Closing date until] [the twelve-month period ended] June 30, ____ and of its performance under the Pooling and Servicing Agreement has been conducted under my supervision.

5. To the best of my knowledge, based on such review, the Servicer has fulfilled all its obligations under the Pooling and Servicing Agreement in all material respects throughout such period [and no default in the performance of such obligations has occurred or is continuing except as set forth in paragraph 6 below].

6. [The following is a description of each default in the performance of the Servicer's obligations under the provisions of the Pooling and Servicing Agreement, including any Supplement, known to the undersigned to have been made during such period which sets forth in detail (i) the nature of each such default, (ii) the action taken by the Servicer, if any, to remedy each such default and (iii) the current status of each such default:

[If applicable, insert "None."]]

IN WITNESS WHEREOF, the undersigned has duly executed this certificate this _____ day of _______________, _____.

____
Name:
Title:

EXHIBIT E

FORM OF OPINION OF COUNSEL REGARDING ADDITIONAL ACCOUNTS

PROVISIONS TO BE INCLUDED IN OPINION OF COUNSEL
TO BE DELIVERED PURSUANT TO SECTION 2.06(c)(vi)
OF THE AMENDED AND RESTATED POOLING AND SERVICING AGREEMENT

The opinions set forth below may be subject to certain qualifications, assumptions, limitations and exceptions taken or made in the opinion of Transferor's counsel with respect to similar matters delivered on the Closing Date.

1. The Assignment has been duly authorized, executed and delivered by the Transferor and constitutes the legal, valid and binding agreement of the Transferor, enforceable against the Transferor in accordance with its terms subject to (A) the effect of bankruptcy, insolvency, moratorium, receivership, reorganization, liquidation and other similar laws relating to or affecting the rights and remedies of creditors generally, and (B) the application of principles of equity (regardless of whether considered and applied in a proceeding in equity or at law).

2. The financing statement(s) referred to in such opinion (the "Financing Statement") is in an appropriate form for filing in the State of Delaware (the "State") and has been duly filed in the appropriate filing office in the State and the fees and document taxes, if any, payable in connection with the said filing of the Financing Statement have been paid in full.

3. If the Assignment does not constitute a sale of the Receivables in the Additional Accounts designated by the Assignment, (A) the Pooling and Servicing Agreement creates a valid security interest (as defined in the Uniform Commercial Code of the State (the "UCC")) in favor of the Trustee for the benefit of the Investor Certificateholders in such Receivables, (B) the security interest created under the Pooling and Servicing Agreement by the conveyance of the Receivables in Additional Accounts designated by the Assignment and in the proceeds thereof (as defined in the UCC), is a first priority perfected security interest in and against such Receivables now existing and hereafter created in the Additional Accounts designated by the Assignment and all monies due or to become due with respect thereto, including proceeds thereof, and (C) such perfection and priority of the Trustee for the benefit of the Investor Certificateholders in such Receivables, and the proceeds thereof, would not be affected by an increase or decrease in the relative interests in the Receivables in the Additional Accounts designated by the Assignment of the holder of the Transferor Certificate and of the Investor Certificateholders.

In connection with the opinion set forth in this paragraph 3 relating to the priority of security interests, such counsel may express no opinion as to the priority of any security interest over (i) any lien, claim or other interest that arises by operation of law or does not require any filing with the Secretary of State of the State in order to take priority over any security interest which is perfected by filing with the Secretary of State of the State, and (ii) any claim or lien in favor of any government or any agency or instrumentality thereof.

4. If the Assignment constitutes a sale of the Receivables in the Additional Accounts designated by the Assignment, based upon a certificate of an officer of the Transferor that (i) the Transferor originated the Receivables in the Additional Accounts designated by the Assignment, (ii) the Transferor has not transferred any interest in or caused any Lien to be imposed upon the Receivables in the Additional Accounts designated by the Assignment, and (iii) the Transferor will originate all Receivables to be subsequently created in the Additional Accounts designated by the Assignment, then (A) the Trustee has acquired, or will acquire in the case of the Receivables hereafter created in Additional Accounts designated by the Assignment, all right, title and interest of the Transferor in and to the Receivables now existing and hereafter created in Additional Accounts designated by the Assignment, and all proceeds thereof (as defined in the UCC), and (B) such property will be held by the Trustee free and clear of any Lien or interest of any Person claiming through or under the Transferor, and the Trustee owns such Receivables in the Additional Accounts designated by the Assignment and the proceeds thereof free of any lien or interest, in each case, except for (x) Liens permitted under subsection 2.05(b) of the Pooling and Servicing Agreement, (y) the interest of the holder of the Transferor Certificate, and (z) the Transferor's right to receive interest accruing on, and investment earnings in respect of, the Finance Charge Account and the Principal Account [or any Series Account] as provided in the Pooling and Servicing Agreement.

In addition, in connection with the opinions set forth in paragraph 3 and this paragraph 4, no opinion is expressed herein with respect to Receivables or the proceeds thereof other than the Receivables in the Additional Accounts designated by the Assignment and the proceeds thereof, or with respect to the perfection or priority of security interests in the proceeds of, or Insurance Proceeds relating to, the Receivables in the Additional Accounts designated by the Assignment, except to the extent such proceeds (as defined in the UCC) consist of amounts held by the Transferor in accordance with the terms of the Pooling and Servicing Agreement for less than twenty days following receipt of such proceeds by the Transferor, and except to the extent that such proceeds consist of either (i) amounts held in an Investor Account [or a Series Account] maintained by the Trustee in the name of the Trust in accordance with the terms of the Pooling and Servicing Agreement, or (ii) Permitted Investments held by or on behalf of the Trustee in accordance with the terms of the Pooling and Servicing Agreement and any Supplement. Further, in connection with the opinions set forth in paragraph 3 and this paragraph 4, no opinion is expressed with respect to the perfection or priority of security interests in the proceeds of, or Insurance Proceeds relating to, the Receivables in the Additional Accounts designated by the Assignment until such proceeds are deposited in the Collection Account in accordance with the terms of the Pooling and Servicing Agreement. Amounts that are payments by or on behalf of Obligors in respect of the Receivables, and held in the Collection Account or in an Investor Account or invested in Permitted Investments, and maintained or held in accordance with the terms of the Pooling and Servicing Agreement, are "proceeds" of Receivables within the meaning of Section 9-102(a)(64) of the UCC.

With respect to the opinions expressed in paragraph 3 and this paragraph 4, we note that the effectiveness of the Financing Statement will terminate (i) unless appropriate continuation statements are filed within the period of six months prior to the expiration of five year anniversary dates from the date of the original filing of the Financing Statement, (ii) if the Transferor changes its name, identity or corporate structure, unless new appropriate financing statements or amendments indicating the new name, identity or corporate structure of the Transferor are properly filed before the expiration of four months after the Transferor changes its

name, identity or corporate structure, and (iii) four months after the Transferor changes its location to a jurisdiction outside the State, unless such security interest is perfected in such new jurisdiction within such time. Other than as discussed in this paragraph, no action is required to maintain the perfection, as described in paragraph 3 and this paragraph 4, of the interests of the Trustee on behalf of the Investor Certificateholders in the Receivables in the Additional Accounts designated by the Assignment and the proceeds thereof (as defined in the UCC).

The opinions expressed in paragraph 3 and this paragraph 4 are limited to the interests of the Investor Certificateholders under the Pooling and Servicing Agreement and the related Supplement. In connection with paragraph 3 and this paragraph 4, we express no opinion as to the interests of the Transferor under the Pooling and Servicing Agreement or any Supplement. The opinions expressed in paragraph 3 and this paragraph 4 are subject to the interests of the Transferor or the holder of the Transferor Certificate arising under the Pooling and Servicing Agreement, which interests of the Transferor will not detract from the interest and priority of the interest held by the Trustee for the benefit of the Investor Certificateholders.

5. In the course of such counsel's representation of the Transferor in connection with the matter to which this opinion relates, and without independent investigation, under the laws of the State, such counsel has not become aware of any right, lien or interest which has been asserted against the Receivables in the Additional Accounts designated by the Assignment and the proceeds thereof, other than under the Pooling and Servicing Agreement.

EXHIBIT F

FORM OF ANNUAL OPINION OF COUNSEL

The opinions set forth below, which are to be delivered pursuant to subsection 13.02(d)(ii) of the Pooling and Servicing Agreement, may be subject to certain qualifications, assumptions, limitations and exceptions taken or made in the opinion of counsel to the Transferor with respect to similar matters delivered on the Closing Date.

1. The financing statement is in an appropriate form for filing in the State of Delaware (the "State") and has been duly filed in the appropriate filing office in the State and the fees and document taxes, if any, payable in connection with the said filing of the financing statement have been paid in full.

2. If the Pooling and Servicing Agreement does not constitute a sale of the Receivables, (A) the Pooling and Servicing Agreement creates a security interest (as defined in the Uniform Commercial Code as in effect in the State (the "UCC")) in favor of the Trustee, (B) the security interest created under the Pooling and Servicing Agreement by the conveyance of the Receivables (other than Receivables in Additional Accounts) and in the proceeds thereof (as defined in the UCC), is a first priority perfected security interest in and against such Receivables and proceeds, and (C) changes under the Pooling and Servicing Agreement in the percentage of the Receivables and the proceeds thereof securing the Investor Certificates will not affect the said perfection and priority.

In connection with the opinion set forth in paragraph 2 relating to the priority of security interests, no opinion need be expressed as the priority of any security interest over (i) any lien, claim or other interest that arises by operation of law or does not require any filing with the Secretary of State of the State in order to take priority over any security interest which is perfected by filing with the Secretary of State of the State, and (ii) any claim or lien in favor of any government or any agency or instrumentality thereof.

3. If the Pooling and Servicing Agreement constitutes a sale of the Receivables, (A) the Trustee has acquired, or will acquire in the case of the Receivables hereafter created (other than Receivables in Additional Accounts), all right, title and interest of the Transferor in and to the Receivables now existing and hereafter created (other than Receivables in Additional Accounts), and all proceeds thereof (as defined in the UCC), and (B) such property will be held by the Trustee free and clear of any lien or interest of any Person claiming through or under the Transferor, and the Trustee owns such Receivables and the proceeds thereof free of any lien or interest, in each case, except for (x) Liens permitted under subsection 2.05(b) of the Pooling and Servicing Agreement, (y) the interest of the holder of the Transferor Certificate, and (z) the Transferor's right to receive interest accruing on, and investment earnings in respect of, the Finance Charge Account and the Principal Account [or any Series Account] as provided in the Pooling and Servicing Agreement. The opinion with respect to Receivables and proceeds thereof hereafter created which do not arise from the sale of goods or the rendering of services may be qualified in its entirety by the qualifications set forth in the opinion of counsel rendered on the Closing Date.

In addition, in connection with the opinions set forth in paragraph 2 and this paragraph 3, no opinion is expressed herein with respect to Receivables in Additional Accounts or the proceeds thereof, or with respect to the perfection or priority of security interests in the proceeds of, or Insurance Proceeds relating to, the Receivables, except to the extent such proceeds (as defined in the UCC) consist of amounts held by the Transferor in accordance with the terms of the Pooling and Servicing Agreement for less than twenty days following receipt of such proceeds by the Transferor, and except to the extent that such proceeds consist of either (i) amounts held in an Investor Account [or a Series Account] maintained by the Trustee in the name of the Trust in accordance with the terms of the Pooling and Servicing Agreement and any Supplement or (ii) Permitted Investments held by or on behalf of the Trustee in accordance with the terms of the Pooling and Servicing Agreement and any Supplement. Further, in connection with the opinions set forth in paragraph 2 and this paragraph 3, no opinion is expressed with respect to the perfection or priority of security interests in the proceeds of, or Insurance Proceeds relating to, the Receivables until such proceeds are deposited in the Collection Account in accordance with the terms of the Pooling and Servicing Agreement. Amounts that are payments by or on behalf of Obligors in respect of the Receivables, and held in the Collection Account, an Investor Account or a Series Account or invested in Permitted Investments, and maintained or held in accordance with the terms of the Pooling and Servicing Agreement and any Supplement, are "proceeds" of Receivables within the meaning of Section 9-102(a)(64) of the UCC (such counsel may note, however, that, subject to the discussion elsewhere in this paragraph 3, the UCC does not apply to the sale of general intangibles or proceeds thereof).

Further, in connection with the opinions set forth in paragraph 2 and this paragraph 3, no opinion is expressed concerning (i) Interchange and the proceeds (as defined in the UCC) relating to Interchange, (ii) Receivables and the proceeds (as defined in the UCC) thereof in Defaulted Accounts or Zero Balance Accounts, (iii) Receivables that have been charged-off as uncollectible and the proceeds (as defined in the UCC) of such Receivables, including recoveries, or (iv) Receivables and the proceeds (as defined in the UCC) thereof that are removed from the Trust and reassigned to the Transferor pursuant to the Pooling and Servicing Agreement.

With respect to the opinions expressed in paragraph 2 and this paragraph 3, we note that the effectiveness of the financing statement will terminate (i) unless appropriate continuation statements are filed within the period of six months prior to the expiration of five year anniversary dates from the date of the original filing of the financing statement, (ii) if the Transferor changes its name, identity or corporate structure, unless new appropriate financing statements or amendments indicating the new name, identity or corporate structure of the Transferor are properly filed before the expiration of four months after the Transferor changes its name, identity or corporate structure, and (iii) four months after the Transferor changes its location to a jurisdiction outside the State, unless such security interest is perfected in such new jurisdiction within such time. Other than as discussed in this paragraph and compliance with the Pooling and Servicing Agreement, no action is required to maintain the perfection, as described in paragraph 2 and this paragraph 3, of the interests of the Trustee on behalf of the Investor Certificateholders in the Receivables (other than Receivables in Additional Accounts) and the proceeds thereof (as defined in the UCC). We note that the provisions of Section 13.02 of the Pooling and Servicing Agreement require the Transferor to give certain notices and to take certain actions upon the occurrence of certain events discussed in this paragraph so as to preserve

and protect the right, title and interest of the Trustee under the Pooling and Servicing Agreement to all property comprising the Trust.

The opinions expressed in paragraph 2 and this paragraph 3 are limited to the interests of the Investor Certificateholders under the Pooling and Servicing Agreement. In connection with paragraph 2 and this paragraph 3, we express no opinion as to the interests of the Transferor or the holder of the Transferor Certificate under the Pooling and Servicing Agreement. The opinions expressed in paragraph 2 and this paragraph 3 are subject to the interests of the Transferor arising under the Pooling and Servicing Agreement, which interests of the Transferor will not detract from the interest and priority of the interest held by the Trustee for the benefit of the Investor Certificateholders.

[4. Except for the financing statement referenced above, no other financing statement covering the Accounts (other than Receivables in Additional Accounts) or the Trustee's interest in the Accounts (other than Receivables in Additional Accounts) is on file in the office of the Secretary of State of the State (Uniform Commercial Code Division).]

[5. In the course of such counsel acting as special counsel to the Transferor in connection with the matter to which this opinion relates, and without independent investigation, under the laws of the State, such counsel has not become aware of any right, lien or interest which has been asserted against the Receivables and the proceeds thereof, other than under the Pooling and Servicing Agreement.]

EXHIBIT G

FORM OF REASSIGNMENT OF RECEIVABLES

REASSIGNMENT NO. ____ OF RECEIVABLES, dated as of __________ ________ (this "Reassignment"), by and among FIA CARD SERVICES, NATIONAL ASSOCIATION, a national banking association, as Servicer (the "Servicer"), BA CREDIT CARD FUNDING, LLC, a Delaware limited liability company ("Funding"), and THE BANK OF NEW YORK, a banking corporation organized under the laws of the State of New York (the "Trustee") pursuant to the Pooling and Servicing Agreement referred to below.

W I T N E S S E T H:

WHEREAS, Funding, the Servicer, and the Trustee are parties to the Second Amended and Restated Pooling and Servicing Agreement, dated as of October 20, 2006 (hereinafter as such agreement may have been, or may from time to time be, amended, supplemented or otherwise modified, the "Pooling and Servicing Agreement");

WHEREAS, pursuant to the Pooling and Servicing Agreement, Funding wishes remove all Receivables from certain designated Accounts of Funding (the "Removed Accounts") and to cause the Trustee to reconvey the Receivables of such Removed Accounts, whether now existing or hereafter created, from the Trustee to Funding (as each such term is defined in the Pooling and Servicing Agreement); and

WHEREAS, the Trustee is willing to accept such designation and to reconvey the Receivables in the Removed Accounts subject to the terms and conditions hereof;

NOW, THEREFORE, Funding and the Trustee hereby agree as follows:

1. Defined Terms. All terms defined in the Pooling and Servicing Agreement and used herein shall have such defined meanings when used herein, unless otherwise defined herein.

"Removal Date" shall mean, with respect to the Removed Accounts designated hereby, __________, _____.

"Removal Notice Date" shall mean, with respect to the Removed Accounts designated hereby, __________, _____ (which shall be a date on or prior to the fifth Business Day prior to the Removal Date).

2. Designation of Removed Accounts. Funding shall deliver to the Trustee, not later than five Business Days after the Removal Date, a computer file or microfiche list containing a true and complete list of each MasterCard®, VISA® and American Express® account which as of the Removal Date shall be deemed to be a Removed Account, such accounts being identified by account number and by the aggregate amount of Receivables in such accounts as of the close of business on the Removal Date. Such list shall be marked as Schedule 1 to this

Reassignment and shall be incorporated into and made a part of this Reassignment and the Pooling and Servicing Agreement as of the Removal Date.

3. Conveyance of Receivables.

(a) The Trustee does hereby reconvey to Funding, without recourse on and after the Removal Date, all right, title and interest of the Trustee in and to the Receivables now existing and hereafter created in the Removed Accounts designated hereby, all monies due or to become due with respect thereto (including all Finance Charge Receivables), all proceeds (as defined in the Delaware UCC) of such Receivables, Insurance Proceeds relating to such Receivables and the proceeds thereof.

(b) In connection with such transfer, the Trustee agrees to authorize and deliver to Funding on or prior to the date of this Reassignment, a termination statement with respect to the Receivables now existing and hereafter created in the Removed Accounts designated hereby (which may be a single termination statement with respect to all such Receivables) evidencing the release by the Trustee of its Lien on the Receivables in the Removed Accounts, and meeting the requirements of applicable state law, in such manner and such jurisdictions as are necessary to remove such Lien.

4. Representations and Warranties of Funding. Funding hereby represents and warrants to the Trust as of the Removal Date:

(a) Legal Valid and Binding Obligation. This Reassignment constitutes a legal, valid and binding obligation of Funding enforceable against Funding in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereafter in effect affecting the enforcement of creditors' rights in general and except as such enforceability may be limited by general principles of equity (whether considered in a suit at law or in equity).

(b) Selection Procedures. No selection procedures believed by Funding to be materially adverse to the interests of the Investor Certificateholders were utilized in selecting the Removed Accounts designated hereby.

5. Conditions Precedent. The amendment of the Pooling and Servicing Agreement set forth in Section 6 hereof is subject to the satisfaction, on or prior to the Removal Date, of the following condition precedent:

Funding shall have delivered to the Trustee an Officer's Certificate certifying that (i) as of the Removal Date, all requirements set forth in Section 2.07 of the Pooling and Servicing Agreement for designating Removed Accounts and reconveying the Receivables of such Removed Accounts, whether now existing or hereafter created, have been satisfied, and (ii) each of the representations and warranties made by Funding in Section 4 hereof is true and correct as of the Removal Date. The Trustee may conclusively rely on such Officer's Certificate, shall have no duty to make inquiries with regard to the matters set forth therein, and shall incur no liability in so relying.

6. Amendment of the Pooling and Servicing Agreement. The Pooling and Servicing Agreement is hereby amended to provide that all references therein to the "Pooling and Servicing Agreement," to "this Agreement" and "herein" shall be deemed from and after the Removal Date to be a dual reference to the Pooling and Servicing Agreement as supplemented by this Reassignment. Except as expressly amended hereby, all of the representations, warranties, terms, covenants and conditions to the Pooling and Servicing Agreement shall remain unamended and shall continue to be, and shall remain, in full force and effect in accordance with its terms and except as expressly provided herein shall not constitute or be deemed to constitute a waiver of compliance with or a consent to non-compliance with any term or provision of the Pooling and Servicing Agreement.

7. Counterparts. This Reassignment may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

8. Governing Law. This Reassignment shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws. The parties hereto declare that it is their intention that this Reassignment shall be regarded as made under the laws of the State of Delaware and that the laws of said State shall be applied in interpreting its provisions in all cases where legal interpretation shall be required. Each of the parties hereto agrees (a) that this Reassignment involves at least $100,000.00, and (b) that this Reassignment has been entered into by the parties hereto in express reliance upon 6 DEL. C. § 2708. Each of the parties hereto hereby irrevocably and unconditionally agrees (a) to be subject to the jurisdiction of the courts of the State of Delaware and of the federal courts sitting in the State of Delaware, and (b)(1) to the extent such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal process, and (2) that, to the fullest extent permitted by applicable law, service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service, and that service made pursuant to (b)(1) or (2) above shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

IN WITNESS WHEREOF, the undersigned have caused this Reassignment of Receivables to be duly executed and delivered by their respective duly authorized officers on the day and year first above written.

BA CREDIT CARD FUNDING, LLC

By: ______________________________
Name:
Title:

THE BANK OF NEW YORK,
as Trustee

By: ______________________________
Name:
Title:

Schedule I
to Reassignment
of Receivables

REMOVED ACCOUNTS

EXHIBIT H

FORM OF RECONVEYANCE OF RECEIVABLES

RECONVEYANCE OF RECEIVABLES, dated as of ______________, ____ (this "Reconveyance"), by and among FIA Card Services, National Association, a national banking association, as Servicer (the "Servicer"), BA Credit Card Funding, LLC, a Delaware limited liability company (the "Transferor"), and The Bank of New York, a banking corporation organized and existing under the laws of New York (the "Trustee") pursuant to the Pooling and Servicing Agreement referred to below.

W I T N E S S E T H:

WHEREAS, the Transferor, the Servicer, and the Trustee are parties to the Second Amended and Restated Pooling and Servicing Agreement dated as of October 20, 2006 (hereinafter as such agreement may have been, or may from time to time be, amended, supplemented or otherwise modified, the "Pooling and Servicing Agreement");

WHEREAS, pursuant to the Pooling and Servicing Agreement, the Transferor wishes to cause the Trustee to reconvey all of the Receivables and proceeds thereof, whether now existing or hereafter created, from the Trust to the Transferor pursuant to the terms of Section 12.04 of the Pooling and Servicing Agreement upon termination of the Trust pursuant to subsection 12.01(a) of the Pooling and Servicing Agreement (as each such term is defined in the Pooling and Servicing Agreement);

WHEREAS, the Trustee is willing to reconvey Receivables subject to the terms and conditions hereof;

NOW, THEREFORE, the Transferor and the Trustee hereby agree as follows:

1. Defined Terms. All terms defined in the Pooling and Servicing Agreement and used herein shall have such defined meanings when used herein, unless otherwise defined herein.

"Reconveyance Date" shall mean ______________, ____.

2. Return of Lists of Accounts. The Trustee shall deliver to the Transferor, not later than three Business Days after the Reconveyance Date, each and every computer file or microfiche list of Accounts delivered to the Trustee pursuant to the terms of the Pooling and Servicing Agreement.

3. Conveyance of Receivables. (a) The Trustee does hereby reconvey to the Transferor, without recourse, on and after the Reconveyance Date, all right, title and interest of the

Trust in and to each and every Receivable now existing and hereafter created in the Accounts, all monies due or to become due with respect thereto (including all Finance Charge Receivables), all proceeds (as defined in the Delaware UCC) of such Receivables and Insurance Proceeds relating to such Receivables and any Interchange, except for amounts, if any, held by the Trustee pursuant to subsection 12.03(b) of the Pooling and Servicing Agreement.

(b) In connection with such transfer, the Trustee agrees to authorize and deliver to the Transferor on or prior to the date of this Reconveyance, such UCC termination statements as the Transferor may reasonably request, evidencing the release by the Trustee of its lien on the Receivables.

4. Counterparts. This Reconveyance may be executed in two or more counterparts (and by different parties on separate counterparts), each of which shall be an original, but all of which together shall constitute one and the same instrument.

5. Governing Law. This Reconveyance shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflict of laws. The parties hereto declare that it is their intention that this Reconveyance shall be regarded as made under the laws of the State of Delaware and that the laws of said State shall be applied in interpreting its provisions in all cases where legal interpretation shall be required. Each of the parties hereto agrees (a) that this Reconveyance involves at least $100,000.00, and (b) that this Reconveyance has been entered into by the parties hereto in express reliance upon 6 DEL. C. § 2708. Each of the parties hereto hereby irrevocably and unconditionally agrees (a) to be subject to the jurisdiction of the courts of the State of Delaware and of the federal courts sitting in the State of Delaware, and (b)(1) to the extent such party is not otherwise subject to service of process in the State of Delaware, to appoint and maintain an agent in the State of Delaware as such party's agent for acceptance of legal process, and (2) that, to the fullest extent permitted by applicable law, service of process may also be made on such party by prepaid certified mail with a proof of mailing receipt validated by the United States Postal Service constituting evidence of valid service, and that service made pursuant to (b)(1) or (2) above shall, to the fullest extent permitted by applicable law, have the same legal force and effect as if served upon such party personally within the State of Delaware.

IN WITNESS WHEREOF, the undersigned have caused this Reconveyance of Receivables to be duly executed and delivered by their respective duly authorized officers on the day and year first above written.

BA CREDIT CARD FUNDING, LLC

By: ___________________________
Name:
Title:

THE BANK OF NEW YORK,
as Trustee

By: ___________________________
Name:
Title:

LIST OF ACCOUNTS

Delivered to Trustee only

[Deemed Incorporated]

Series Supplements

Series 1996-M Supplement dated as of November 26, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 1997-B Supplement dated as of February 27, 1997, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 1997-D Supplement dated as of May 22, 1997, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 1997-H Supplement dated as of August 6, 1997, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 1997-O Supplement dated as of December 23, 1997, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 1998-B Supplement dated as of April 14, 1998, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 1998-E Supplement dated as of August 11, 1998, between MBNA, as Seller and Servicer, and the Master Trust Trustee, as amended, supplemented or otherwise modified from time to time

Series 1999-B Supplement dated as of March 26, 1999, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 1999-J Supplement dated as of September 23, 1999, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 2000-D Supplement dated as of May 11, 2000, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 2000-E Supplement dated as of June 1, 2000, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 2000-H Supplement dated as of August 23, 2000, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 2000-J Supplement dated as of October 12, 2000, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 2000-L Supplement dated as of December 13, 2000, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 2001-B Supplement dated as of March 8, 2001, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time

Series 2001-C Supplement dated as of April 25, 2001, between MBNA, as Seller and Servicer, and the Trustee, as amended, supplemented or otherwise modified from time to time