

FC 25272

060410/60

Chester Asset Securitisation Holdings No.2 Limited

Annual report for the year ended

31 December 2009

Registered no 87842

Branch no BR7628



Chester Asset Securitisation Holdings No.2 Limited

Annual report for the year ended 31 December 2009

	Page
Directors, secretary and registered office	1
Directors' report for the year ended 31 December 2009	2
Balance sheet as at 31 December 2009	4
Notes to the financial statements for the year ended 31 December 2009	5

Chester Asset Securitisation Holdings No.2 Limited

Directors, secretary and registered office

Directors

S Masson
M McDermott
J C Schroeder

Secretary and registered office

Bedell Secretaries Limited
26 New Street
St Helier
Jersey
JE2 3RA

Assistant secretary

Wilmington Trust SP Services (London) Limited
Fifth Floor
6 Broad Street Place
London
EC2M 7JH

Chester Asset Securitisation Holdings No.2 Limited

Directors' report for the year ended 31 December 2009

The directors present their report and the audited financial statements for the year ended 31 December 2009

Principal activity and review of business

The principal activity of the company is investment holding within a securitisation programme designed to provide long term financing for a portfolio of credit card receivables originated by MBNA Europe Bank Limited

During the year to 31 December 2009 the company's ultimate controlling party was Bank of America Corporation, a company registered in the United States of America

The company did not make a profit or a loss during the year as it has not traded (2008 £nil) The directors do not recommend the payment of a dividend (2008 £nil)

Future outlook

The directors consider the level of business, the results and future prospects of the company to be satisfactory

Key performance indicators ('KPIs')

Given the straightforward nature of the business, the company's directors are of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance and position of the business

Principal risks and uncertainties

The directors do not believe there are any significant price risk, credit risk, liquidity risk and cash flow risk due to the nature of the business

Directors

The names of the directors who were in office during the year and up to the date of signing of the financial statements are shown on page 1 There have been no movements in Directors since 1 January 2009

Chester Asset Securitisation Holdings No.2 Limited

Directors' report for the year ended 31 December 2009 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

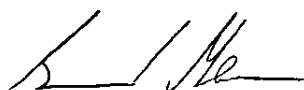
The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Audit

The company is a private company under the Companies (Jersey) Law 1991 and as such is not required to be audited.

On behalf of the board



S Masson
Director
29 April 2010

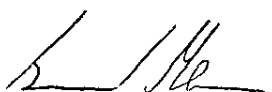
Chester Asset Securitisation Holdings No.2 Limited

Balance sheet as at 31 December 2009

	Notes	2009 £'000	2008 £'000
Fixed assets			
Investments	4	2	2
Net assets		<u>2</u>	<u>2</u>
Capital and reserves			
Called up share capital	5	2	2
Equity shareholder's funds		<u>2</u>	<u>2</u>

No profit and loss account or statement of cash flows has been presented as the company has received no income and incurred no expense during the current and prior year

The financial statements on pages 4 to 6 were approved by the board of directors on 29 April 2010 and were signed on its behalf by



S Masson
Director
Chester Asset Securitisation Holdings No 2 Limited
Registered no 87842

Chester Asset Securitisation Holdings No.2 Limited

Notes to the financial statements for the year ended 31 December 2009

1 Accounting policies for the year ended 31 December 2009

A summary of the principal accounting policies is set out below. All accounting policies have been applied consistently.

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with the Companies (Jersey) Law 1991 and applicable accounting standards in the United Kingdom.

1.2 Group financial statements

The company is a wholly owned subsidiary of MBNA Europe Bank Limited, a company incorporated in the United Kingdom. Consolidated financial statements are produced by MBNA Europe Bank Limited. Consequently, the company is exempt from preparing consolidated financial statements as permitted by the Companies (Jersey) Law 1991.

1.3 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted as at the balance sheet date.

2 Directors' emoluments

No directors' emoluments were paid by the company during the year (2008: £nil). The fees of the directors in respect of their services to Chester Asset Securitisation Holdings No 2 Limited are included in the fee expense payable to Wilmington Trust SP Services (London) Limited as borne by another group undertaking.

3 Employees

There were no people employed by the company during the year.

The average monthly number of directors of the company during the year was 3 (2008: 3).

Chester Asset Securitisation Holdings No.2 Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

4 Shares in group undertakings

The company holds an investment in the entire issued share capital the following entity

Name of undertaking	Nature of business
Chester Asset Receivables Dealings Issuer Limited	Provision of long term finance

Chester Asset Receivables Dealings Issuer Limited is incorporated in Jersey and has a year end of 31 December

5 Share capital

	2009 £	2008 £
Authorised		
2 (2008 2) ordinary shares of £1 each	<u>2</u>	<u>2</u>
Allotted, called up and fully paid		
2 (2008 2) ordinary shares of £1 each	<u>2</u>	<u>2</u>

6 Related party transactions

The issued share capital of the company is held under a declaration of trust by Wilmington Trust SP Services (London) Limited ('Wilmington') Administration and directorial services were provided to the company by Wilmington

Martin McDermott and Jean-Christophe Schroeder are directors of Wilmington

7 Ultimate controlling party

At 31 December 2009 the directors regarded Bank of America Corporation, a company incorporated in the United States of America, as the ultimate controlling party of the company The largest group into which the company's accounts are consolidated is that of Europe Card Services Partners (Scotland) Limited Partnership ('SLP') Copies of the consolidated financial statements of SLP are available from Europe Card Services Partners (Scotland) Limited Partnership, 1 Exchange Crescent, Conference Square, Edinburgh, EH3 8UL

The smallest group into which the company's accounts are consolidated is MBNA Europe Bank Limited ('MBNA Europe'), a private limited company incorporated in the United Kingdom Copies of the consolidated financial statements of MBNA Europe are available from MBNA Europe Bank Limited, Stansfield House, Chester Business Park, Chester CH4 9QQ