

BASE PROSPECTUS

EUR 5,000,000,000 LORALLY Multi-Issuer Asset-Backed Medium Term Note Programme

This Base Prospectus (the “**Base Prospectus**”) constitutes a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (the “**Prospectus Directive**”), as implemented in Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005 (the “**Prospectus Regulations**”). As such, the Base Prospectus does not contain information which was not known at the time of approval of the Base Prospectus and which can only be determined at the time of the individual issue of the relevant Notes (as defined herein).

Under the EUR 5,000,000,000 LORALLY Multi-Issuer Asset-Backed Medium Term Note Programme (the “**Programme**”) described in this Base Prospectus, LORALLY CDO Limited (“**LORALLY**”), a special purpose exempted company incorporated with limited liability under the laws of the Cayman Islands and Cortex Finance p.l.c., (“**Cortex**”) a public company incorporated with limited liability under the laws of Ireland (each, an “**Issuer**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue, borrow under, buy, sell or enter into secured obligations (the “**Obligations**”) in the form of notes (the “**Notes**”) including, without limitation, credit linked notes, loans (the “**Loans**”), options (the “**Options**”), derivative transactions (the “**Swaps**”) or a combination of the foregoing, denominated in any currency agreed upon by each of the Issuers and the relevant Dealer(s) (as defined herein) subject to compliance with relevant laws, regulations and directives, on the terms set out herein. In connection with the proposed creation of Obligations by each of the Issuers, each of the Issuers has entered into a principal trust deed dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time) (the “**Principal Trust Deed**”) with The Bank of New York Mellon, London Branch as trustee (the “**Trustee**”) and certain other Master Documents (as defined herein) and the other documents executed pursuant to or in connection with the creation of Obligations.

Under the Programme, certain other companies (including each of the Issuers, each a “**Specified Company**”) described in a deed executed by such Specified Company (each a “**Deed of Accession**”), subject to compliance with all relevant laws, regulations and directives, may also from time to time issue, borrow under, buy, sell or enter into Obligations in the form of Notes including, without limitation, credit linked notes, Loans, Options, Swaps or a combination of the foregoing, denominated in any currency agreed upon by the relevant Specified Company and the relevant Dealer(s) subject to compliance with relevant laws, regulations and directives, on the terms set out herein. In connection with the proposed creation of Obligations by a Specified Company, such Specified Company will have executed a Deed of Accession agreeing to be bound by all the terms of the Principal Trust Deed and certain other Master Documents and the other documents executed pursuant to or in connection with the creation of Obligations.

Every significant new factor or material change of information relating to each Specified Company which has executed a Deed of Accession will be contained in a supplemental base prospectus (the “**Supplemental Base Prospectus**”) and this Base Prospectus shall be read in conjunction with any Supplemental Base Prospectus.

From and after execution and delivery of a Deed of Accession, such Specified Company shall become and be treated as an Issuer for the purposes of the Master Documents and this Base Prospectus. References herein to “**Issuer**” are references to the relevant Specified Company in respect of (and only to the extent of) the Obligations created by it and in respect of the Master Documents only to the extent that it is bound by them and such references specifically exclude any other Specified Company. Each Specified Company shall be bound by the Master Documents only in respect of any Series (as defined herein) of Obligations created by it and matters relating thereto. The liability of the Specified Companies under the Obligations, each of the Master Documents and the Obligation Documents (as defined herein) is several and is separate in respect of each Series or other obligations. No Specified Company shall be responsible for the obligations of any other Specified Company under any Obligations created by such other Specified Company or any of the Master Documents or any Obligation Document relating to such other Specified Company.

The Base Prospectus has been approved by the Central Bank of Ireland (the “**Central Bank of Ireland**”), as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application will be made to the Irish Stock Exchange (the “**Irish Stock Exchange**”) for certain Notes issued under the Programme pursuant to the Principal Trust Deed for the period of 12 months from the date of this Base Prospectus to be admitted to the official list (the “**Official List**”) and trading on its regulated market. Such approval relates only to the Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange or other regulated markets for the purposes of Directive 2004/39/EC (the “**Markets in Financial Instruments Directive**”) or which are to be

offered to the public in any Member State of the European Economic Area. The Programme also permits Notes to be issued on an unlisted basis or to be listed on the Global Exchange Market operated and regulated by the Irish Stock Exchange (“**GEM**”) or such other or further stock exchanges or markets as may be agreed with the Issuer. Other secured Obligations entered into under the Programme, including Loans, Options and Swaps, cannot be listed on the Irish Stock Exchange.

This Base Prospectus constitutes Base Listing Particulars (the “**Base Listing Particulars**”) where Notes are to be listed or admitted to trading on the GEM. Application has been made to the Irish Stock Exchange for the approval of this document as Base Listing Particulars. Application may be made for the Notes to be admitted to trading on the Global Exchange Market of the Irish Stock Exchange. Where Notes are to be admitted to trading on the regulated market of the Irish Stock Exchange, “Base Prospectus” should be taken to mean “Base Prospectus” and where Notes are to be admitted to trading on the Global Exchange Market of the Irish Stock Exchange, “Base Prospectus” should be taken to mean “Base Listing Particulars”.

For the avoidance of doubt, this Base Prospectus supersedes any previous base prospectus or registration document in relation to the issue of Notes under the Programme by each of the Issuers including the registration document in respect of the Issuers dated 19 September 2007. Further, in connection with the accession of any other Specified Company to the Programme from time to time, each of the Issuers and such Specified Company will prepare a new base prospectus which will amend and replace this Base Prospectus (subject to approval thereof by the Central Bank of Ireland).

The aggregate Principal Amount (as defined herein) of Obligations outstanding in relation to each Specified Company will not at any time exceed EUR 5,000,000,000 (or the equivalent in other currencies) at the date of incurring the relevant Obligation. Notes will be secured as described herein and denominated in such currencies as may be agreed with the dealer specified below (the “**Dealer**”, which expression shall include any additional Dealer appointed under the Programme from time to time, each a “**Dealer**” and together, the “**Dealers**”) which appointment may be for a specific Series or Tranche (as defined herein) of Notes or generally in respect of the Programme).

A specified pool of assets (the “**Underlying Assets**”) and other rights (together with the Underlying Assets, the “**Charged Assets**”) will be available to meet the obligations of each of the Issuers to the holders of a Series or Tranche of Notes or Obligations and all other obligations of each of the Issuers attributable to that Series or Tranche (including obligations under any Related Agreement (as defined below)). If the amounts received from the Charged Assets (whether or not any security granted in respect thereof has been enforced) are insufficient to make payment of all amounts due in respect of the Notes or other Obligations of the relevant Series or Tranche and all other obligations attributable to that Series or Tranche, no other assets of any Issuer will be available to meet that shortfall and all further claims of the holders in respect of such Notes or other Obligations will be extinguished. Obligations other than Notes will be secured in the manner described in the relevant Obligation Documents; but, in each case, recourse against the Issuer in respect of such Obligations will be limited to the assets of the relevant Issuer that forms the security for such Obligations. Such Obligations may be credit enhanced by a guarantee, insurance or other support agreement as specified in the relevant Supplemental Trust Deed (as defined herein).

It is anticipated that certain Notes to be issued under the Programme will be rated by Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc. (“**S&P**”), Moody’s Investors Service, Inc. (“**Moody’s**”), Fitch Ratings Limited (“**Fitch**”) and/or by such other Rating Agency (as defined below) as may be chosen by the relevant Dealer(s) in respect of such Notes. Each rating will address the Issuer’s ability to perform its obligations under the terms of the relevant rated Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by any Rating Agency. A suspension, reduction or withdrawal of the rating assigned to any rated Notes may adversely affect the market price of such Notes.

If so specified in the Applicable Transaction Terms (as defined below), application will be made on or, after the relevant date of issue, for the Notes to be listed and admitted to trading on the regulated market (for the purposes of the Markets in Financial Instruments Directive) of the Irish Stock Exchange (and/or any other stock exchange or the GEM). Details of the aggregate Principal Amount, interest (if any) payable, the issue price, the Underlying Assets and any other terms and conditions not contained herein, including any security, which are applicable to each Series or Tranche of Notes will be, with respect to Notes to be listed and admitted to trading on the regulated market of the Irish Stock Exchange (and/or any other stock exchange), set forth in a set of transaction terms hereto which comprise a drawdown prospectus (the “**Drawdown Prospectus**”) and will be delivered to the Irish Stock Exchange (and/or such other stock exchange) on or after the date of issue of such Series or, in the case of Notes which are to be neither (i) so listed or admitted to trading nor (ii) offered to the public in a Member State of the European Economic Area in

circumstances which require the publication of a prospectus under the Prospectus Directive, contained in a pricing supplement (each a “**Pricing Supplement**”, together with a Drawdown Prospectus referred to as an “**Applicable Transaction Terms**”). Certain other terms applicable to each Series or each Tranche of Notes will be specified in a supplement to the Principal Trust Deed (each a “**Supplemental Trust Deed**”).

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY STATE SECURITIES LAWS AND ARE BEING OFFERED AND SOLD IN RELIANCE ON REGULATIONS UNDER THE SECURITIES ACT TO CERTAIN PERSONS IN OFFSHORE TRANSACTIONS AND THAT SUCH PURCHASERS MAY HAVE TO MAKE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND WARRANTIES IN CONNECTION THEREWITH. PROSPECTIVE PURCHASERS ARE HEREBY NOTIFIED THAT THE SELLER OF ANY NOTES MAY BE RELYING ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY REGULATIONS. THE NOTES ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFERABILITY AND RESALE. SEE “*SUBSCRIPTION AND SALE*” AND “*TRANSFER RESTRICTIONS*” BELOW.

Notes may be issued in bearer or registered form. Unless otherwise specified in the relevant Applicable Transaction Terms, Bearer Notes (as defined herein) will each be represented on issue by a Temporary Global Note (as defined herein) exchangeable, in accordance with its terms, for interests in a Permanent Global Note (as defined herein). Unless specified otherwise in the relevant Applicable Transaction Terms, Registered Notes (as defined herein) will each be represented on issue by a Registered Global Note (as defined herein). Unless specified otherwise in the relevant Applicable Transaction Terms, Notes in definitive form will be issued in exchange for Global Notes (as defined herein) only in limited circumstances. See “*Summary of Conditions relating to the Notes whilst in Global Form*” and “*Book-Entry Clearance Procedures*” below.

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

THE OBLIGATION WILL BE OBLIGATIONS SOLELY OF EACH OF THE SPECIFIED COMPANIES AND WILL NOT BE GUARANTEED BY, OR BE THE RESPONSIBILITY OF, ANY OTHER ENTITY.

Arranger and Dealer

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK

6 December 2010

Each Existing Issuer accepts responsibility for the information contained in this document (other than the section entitled “Description of Crédit Agricole Corporate and Investment Bank”) and to the best of the knowledge and belief of each of the Issuers (having taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information, provided that LORALLY does not accept responsibility for information contained in the section entitled “Description of Cortex” and Cortex does not accept responsibility for information contained in the sections entitled “Description of LORALLY”. Each set of Applicable Transaction Terms will contain a statement to this effect by and in relation to each relevant Issuer. Any website address referred to herein does not form part of this Base Prospectus.

Crédit Agricole Corporate and Investment Bank accepts responsibility for the information directly relating to it contained in this Base Prospectus in the section entitled “Description of Crédit Agricole Corporate and Investment Bank”. To the best of the knowledge and belief of Crédit Agricole Corporate and Investment Bank, the information in respect of which it accepts responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information. Crédit Agricole Corporate and Investment Bank does not accept any responsibility for the accuracy and completeness of any other information contained in this Base Prospectus.

This Base Prospectus should be read and construed together with any amendments hereto or restatement hereof and with any other document(s) incorporated by reference to herein and, in relation to any Series or Tranche of Notes, should be read and construed together with the relevant Applicable Transaction Terms and, as the case may be, any document(s) incorporated by reference therein.

Each of the Issuers has confirmed to the Dealers named under “Subscription and Sale” below that this Base Prospectus (including for this purpose, each relevant set of Applicable Transaction Terms) contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

The Arranger, the Dealers and the Trustee have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arranger, the Dealers or the Trustee or any of their respective affiliates as to the accuracy or completeness of the financial information contained in this Base Prospectus, any other financial statements or any further information supplied in connection with the Programme, the Obligations or their distribution. The statements made in this paragraph are without prejudice to the responsibility of any Issuer under the Programme. Each set of Applicable Transaction Terms will contain a statement to this effect by and in relation to each of the Issuers or Specified Company.

No person is or has been authorised directly or indirectly to give any information or to make any representation not contained in this Base Prospectus or any other financial statements or further information supplied pursuant to the terms of the Programme or the Obligations and, if given or made, such information or representation must not be relied upon as having been authorised by any Existing Issuer, the Trustee, the Arranger, the Dealer or any of their respective affiliates.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus or any set of Applicable Transaction Terms nor the offering, sale or delivery of any Obligation shall, in any circumstances, create any

implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of any Existing Issuer since the date thereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and the offer or sale of any of the Obligations may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Obligations come must inform themselves about, and observe, any such restrictions.

None of the Issuers, the Arranger, the Dealers and the Trustee represent that this Base Prospectus may be lawfully distributed, or that Obligations may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by any Issuer, the Arranger, the Dealers (save for the approval of this Base Prospectus by the Irish Stock Exchange) or the Trustee which would permit a public offering of any Obligations or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, Obligations may not lawfully be offered or sold, directly or indirectly, and none of this Base Prospectus or any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations and the Dealers have represented that all offers and sales by it will be made on the same terms.

*The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction of the United States. Accordingly, the Notes may not be offered, sold or otherwise transferred except in a transaction outside the United States to persons that are not U.S. persons in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act in accordance with applicable law. All purchasers of the Notes are deemed, by acceptance of the Notes, to agree that they will transfer the Notes only in the manner set forth under “Subscription and Sale” and “Transfer Restrictions”. In addition, none of the Issuers have been and will be registered as an investment company under the Investment Company Act. The Notes may include Notes that are in bearer form that are subject to U.S. tax law requirements. See “Subscription and Sale” and “Transfer Restrictions” below.*

Neither this Base Prospectus nor any other financial statements or any further information supplied pursuant to the terms of the Programme or the Obligations should be considered as a recommendation or constituting an invitation, offer or recommendation by or on behalf of any Issuer, the Trustee, the Arranger, the Dealers or any of their respective affiliates that any recipient of this Base Prospectus, any other financial statements or any further information supplied pursuant to the terms of the Programme or the Obligations should subscribe for or purchase any of the Obligations. Each investor contemplating purchasing Obligations should make their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness, of each of the Issuers.

Purchasers of Obligations should have sufficient knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources to evaluate the information contained in this Base Prospectus and the Applicable Transaction Terms and the merits and risks of investing in the Obligations in the context of their financial position and circumstances. Each person receiving this Base Prospectus acknowledges that such person has been afforded an opportunity to request from each of the Issuers and to review, and has received, all additional information considered by such person to be necessary to verify the accuracy and completeness of the information contained herein.

The delivery of this Base Prospectus does not at any time imply that the information contained herein in respect of each of the Issuers is correct at any time subsequent to the date hereof or that any other financial statements or any further information supplied pursuant to the terms of the Programme or the Obligations is correct as of any time subsequent to the date indicated in the document containing the same. The Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of each of the Issuers during the life of the Programme or while any Notes are outstanding. Investors should review, among others, the most recent financial statements of each of the Issuers (if any) when deciding whether or not to purchase any Obligations.

In making an investment decision, investors must rely on their own examination of the terms of any offering of Obligations. Prior to the offering and sale of the Obligations, there will be no secondary market for the Obligations and there can be no assurance that a secondary market will develop or, if it does develop, that it will continue.

The Obligations will be obligations solely of each of the Issuers and will not be guaranteed by, or be the responsibility of, any other entity. In particular the Obligations will not be obligations of, and will not be guaranteed by, the Trustee, the Arranger, any Dealer, any Agent or any Counterparty.

All Obligations created and issued pursuant to the provisions of the Principal Trust Deed shall be constituted by, and subject to, a Supplemental Trust Deed. The Issuer shall execute and deliver such Supplemental Trust Deed to the Trustee (duly stamped or denoted with any applicable stamp duties or other documentation taxes) containing such provisions (whether or not corresponding to any of the provisions contained in the Principal Trust Deed) as the Trustee may require.

Save where the context otherwise requires, references in this Base Prospectus and any set of Applicable Transaction Terms to any statutory provision shall be deemed also to refer to any statutory modification or re-enactment thereof or to any statutory instrument, order or regulation made thereunder or under any such re-enactment.

If any potential investor in any Notes is in any doubt about the contents of this document such potential investor should consult its stockbroker, bank manager, solicitor, accountant or other financial adviser.

See "Risk Factors" in this Base Prospectus for a description of certain factors that should be considered by prospective investors in connection with an investment in any of the Notes.

This Base Prospectus has been filed with the Central Bank of Ireland as required by the Prospectus Regulations and Cortex or any other Issuer incorporated in Ireland will file this Base Prospectus with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Regulations.

It should be remembered that the price of securities and the income from them can go down as well as up.

Each Issuer incorporated in Ireland is not and will not be regulated by the Central Bank of Ireland as a result of issuing the Notes. Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland. Where an Issuer incorporated in Ireland wishes to issue Notes with a maturity of less than one year, it shall ensure that it is in full compliance with the notice of the Central Bank of Ireland of exemptions granted under section 8(2) of the Central Bank Act 1971 (as amended), of Ireland.

IN CONNECTION WITH THE ISSUE OF ANY SERIES OR TRANCHE OF NOTES UNDER THE PROGRAMME, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE TRANSACTION TERMS MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL, HOWEVER, THERE IS NO ASSURANCE THAT THE

STABILISING MANAGER(S) (OR PERSONS ACTING ON BEHALF OF A STABILISING MANGER) WILL UNDERTAKE STABILISATION ACTION, ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE RELEVANT SERIES OR TRANCHE OF NOTES IS MADE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE RELEVANT SERIES OR TRANCHE OF NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE RELEVANT SERIES OR TRANCHE OF NOTES, ANY STABILISATION ACTION OR OVER-ALLOTMENT SHALL BE CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE LAWS, REGULATIONS AND RULES.

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RISK FACTORS

Investing in the Notes involves certain risks. Prospective investors/counterparties should carefully consider the following factors, prior to investing in Notes. These factors are of a general nature and are intended to describe various risk factors associated with an investment. The following is not intended to be an exhaustive list of such risks.

GENERAL RISK FACTORS

1. Investor Suitability

Prospective investors should determine whether an investment in the Notes is appropriate in their particular circumstances and should consult with their legal, business and tax advisers and such other advisers as they deem necessary to determine the appropriateness, effect, risks and consequences of an investment in the Notes. Any decision by prospective investors to make an investment in the Notes should be based upon their own judgement and upon any advice from such advisers, and not upon any view expressed by any Issuer, the Arranger and the Dealers.

Given the highly specialised nature of these Notes, each of the Issuers, the Arranger and the Dealers consider that they are only suitable for investors who:

- (a) are highly sophisticated and have the requisite knowledge and experience in financial and business matters to evaluate the merits and considerable risks of an investment in the Notes;
- (b) are capable of bearing the economic risk of an investment in the Notes for an indefinite period of time, which may involve a partial or complete loss of principal and interest;
- (c) are acquiring the Notes for their own account for investment, not with a view to resale, distribution or other disposition of the Notes (subject to any applicable law requiring that the disposition of the investor's property be within its control); and
- (d) recognise that it may not be possible to make any transfer of the Notes for a substantial period of time, if at all.

Consequently, a prospective investor who does not fall within the description above should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Prospective investors should note that the market value of the Notes is affected by supply and demand for the Notes, and that, accordingly, it should not be assumed that there will be a significant correlation between such market value and the market value of the Charged Assets or any Reference Entities (as defined herein) (or Notional Reference Entities (as defined herein), as applicable) or Reference Obligations (as defined herein).

Prospective investors should also appreciate that:

- (a) they cannot rely, and will not at any time in the future be able to rely, on any Issuer, the CDS Counterparty (as defined herein), the IRS Counterparty (as defined herein), the TRS Counterparty (as defined herein) (if any), the Arranger, the Dealers or any other member of the group of companies of which the Arranger and Dealers form a part (each, a "**Group**") to provide them with any information relating to, or to keep under review on their behalf, the business, financial condition, prospects, worthiness, status or affairs of the obligor of the Charged Assets or any Reference Entity (or Notional Reference Entity, as applicable) or any Reference Obligation or to conduct any investigation or due diligence with respect to any such person;

- (b) in connection with the issue of the Notes, none of the Issuers, the CDS Counterparty, the IRS Counterparty, the Arranger, the TRS Counterparty, the Dealers nor any Group company have made or are making any representations whatsoever as to the obligor of the Charged Assets or any Reference Entity (or Notional Reference Entity, as applicable) or any Reference Obligation or any information contained in any document filed by any such person with any exchange or with any regulatory authority or governmental entity;
- (c) each of the Issuers, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Arranger, the Dealers and each Group company, as the case may be, may deal in and accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking activities or other business including any derivatives business (howsoever defined) with the obligor of the Charged Assets or any Reference Entity (or Notional Reference Entity, as applicable) or any Reference Obligation or any of their subsidiaries or affiliates or any other person or entity having obligations relating to the obligor of the Charged Assets or any Reference Entity (or Notional Reference Entity, as applicable) or any Reference Obligation and may act with respect to such activities or business without accountability to any investor in the Notes in the same manner as if the Notes did not exist, regardless of whether any such action might have an adverse effect (including, without limitation, by constituting or giving rise to any breach, event of default, credit event or termination event) on the obligor of the Charged Assets or any Reference Entity (or Notional Reference Entity, as applicable) or any Reference Obligation or any investor in the Notes; and
- (d) each of the Issuers, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Arranger, the Dealers and each Group company may, whether by virtue of the types of relationships described above or otherwise, at this date or at any time be in possession of information in relation to the obligor of the Charged Assets or any Reference Entity (or Notional Reference Entity, as applicable) or any Reference Obligation which is or may be material in the context of the Notes and which is or may not be known to the general public or to investors in the Notes. Purchase of the Notes by any investor does not create any obligation on the part of the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Arranger, the Dealers, any Issuer or any Group company to disclose to such investor any such relationship or information (whether or not confidential) and none of the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Arranger, the Dealers, the Issuers nor any other Group company shall be liable to such investor by reason of such non-disclosure.

Before making an investment decision, prospective investors should inform themselves about, and make a detailed evaluation of, the nature and financial position of any obligor of the Charged Assets and any Reference Entity (or Notional Reference Entity, as applicable) or any Reference Obligation, the economic, social and political condition of the jurisdiction in which any such obligor is located and of the terms and conditions of the Charged Assets and the Reference Obligations, and should acquire for themselves such further information as they deem necessary in respect of the Reference Entities (or Notional Reference Entities, as applicable) and the Reference Obligations. Neither of the Issuers nor any party referred to herein has had any access to any such obligor or the Reference Entities (or Notional Reference Entities, as applicable) for the purposes of conducting any such investigation and no such person makes any representations as to the financial condition or creditworthiness of any such obligor or the Reference Entities (or Notional Reference Entities, as applicable). In addition, prospective investors should consider the nature and financial position of each of the Issuers as well as the terms and conditions of the Notes and the other related transaction documents described below.

Before making an investment decision, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Notes (i) is fully consistent with its (or if it is acquiring the Notes in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Notes in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Notes. None of the Issuers, the Trustee, the Arranger, the Dealers or any of their respective affiliates are acting as an investment adviser, or assumes any fiduciary obligation, to any purchaser of Notes.

This Base Prospectus is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation or constituting an invitation or offer that any recipient of the Base Prospectus should purchase any Notes. The Trustee, the Arranger and the Dealers expressly do not undertake to review the financial condition or affairs of any Issuer, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Investment Provider or any Reference Entity (or Notional Reference Entity, as applicable).

2. Exposure to credit risk on other parties

The ability of the Issuers to meet its obligations under the Notes will depend on its receipt of payments from the CDS Counterparty under the CDS Contract, from the IRS Counterparty under the IRS Contract, from the TRS Counterparty under the TRS Contract (where applicable) and on the performance by the Investment Provider of its obligations under the Investment Agreement. Consequently, an investor may be exposed not only to the occurrence of Credit Events in relation to any of the Reference Entities (or Notional Reference Entities, as applicable) comprised in each Reference Portfolio (or Notional CDS Reference Portfolio, as applicable), but also to the ability of the CDS Counterparty, the IRS Counterparty, the TRS Counterparty and the Investment Provider to perform their respective obligations to make payments to each of the Issuers. In addition, the risk period of the CDS Contract in respect of each Series of Notes may pre-date the Issue Date of the first Tranche of such Series of Notes and, in such circumstances, Noteholders will be retroactively exposed to the risk of Credit Events occurring on or after the commencement of such risk period.

3. Termination of the CDS Contract, the IRS Contract (if any) and/or the TRS Contract (if any)

Upon an early termination of the CDS Contract, the IRS Contract (if any) and/or the TRS Contract (if any), each of the Issuers may, except in certain circumstances, be required to make termination payments to the CDS Counterparty, the IRS Counterparty and/or the TRS Counterparty. Such payments will be calculated on the basis set out in the ISDA Master Agreement (as defined below), and will serve to compensate the CDS Counterparty, the IRS Counterparty and/or the TRS Counterparty for the loss, if any, incurred by it by reason of such early termination. If any of the Issuers is required to make termination payments in such circumstances, then the applicable Early Redemption Amount of each Note will be reduced *pro rata* accordingly.

4. Conflicts of interest involving Crédit Agricole Corporate and Investment Bank and its respective affiliates

Crédit Agricole Corporate and Investment Bank and its respective affiliates are acting in a number of capacities in connection with the transaction described herein. Crédit Agricole Corporate and Investment Bank and any of its respective affiliates acting in such capacities will have only the duties and responsibilities expressly agreed to by such entity in the relevant capacity and will not, by reason of it or any of its affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to be held to a standard of care

other than as expressly provided with respect to each such capacity. In no event shall Crédit Agricole Corporate and Investment Bank or any of its respective affiliates be deemed to have any fiduciary obligations to any person by reason of it or any of its affiliates acting in any capacity.

Crédit Agricole Corporate and Investment Bank and its respective affiliates may purchase, hold and sell the Notes from time to time.

Employees of Crédit Agricole Corporate and Investment Bank and its respective affiliates may also serve as directors of other entities having investment objectives similar to those of each of the Issuers.

5. **Limited recourse; Non-Petition; Corporate Obligations; Related Risks**

Claims against each of the Issuers by, among others, holders of the Notes of a Series, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty (if any) and any other secured creditors will be limited to the secured assets relating to such Series. The proceeds of realisation of such secured assets may be less than the sums due to the holders of the Notes, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty and the other secured creditors. Any shortfall will be borne by the holders of the Notes, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty and by the other secured creditors in accordance with the relevant order of priority. Each holder of Notes, by subscribing for or purchasing the Notes, will be deemed to accept and acknowledge that it is fully aware that, in the event of a shortfall, (i) each of the Issuers shall be under no obligation to pay, and the other assets (if any) of each of the Issuers (including, in particular, assets securing other Series of Notes) will not be available for payment of, such shortfall, (ii) all claims in respect of such shortfall shall be extinguished, and (iii) the Trustee, the holders of the Notes, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty and the other secured creditors shall have no further claim against any of the Issuers in respect of such unpaid amounts and will accordingly not be able to petition for the winding-up of any of the Issuers, and/or where the Issuer is incorporated in Ireland, the appointment of an examiner or other proceedings under any similar law for so long as any Notes or other Obligations of any Series are outstanding or for two years plus one day after the latest date on which any Note or other Obligation of any Series is due to mature, as a consequence of such shortfall.

The Notes are direct, limited recourse obligations of each of the Issuers alone and none of the officers, members, directors, employees, shareholders or incorporators of any of the Issuers, the Trustee, the Agents, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Administrator, the Investment Provider or the Reference Entities (or Notional Reference Entities, as applicable) or their respective successors or assigns will be obligated to make payments on the Notes. Furthermore, they are not obligations of, or guaranteed in any way by, any Dealer.

Prospective investors should be aware that there are a number of risks associated with the purchase of Notes, including the risk that the Issuers may become subject to claims or other liabilities (whether in respect of the Notes or otherwise) which are not themselves subject to limited recourse or non-petition provisions as set out above.

6. **Limited liquidity**

There is currently no active trading market for any of the Notes, and the Notes are subject to restrictions on transfer. The Notes will be owned by a relatively small number of investors and it is highly unlikely that an active secondary market for the Notes will develop. Purchasers of the Notes may find it difficult or uneconomic to liquidate their investment at any particular time, and it may be difficult for the Noteholders to determine the value of the Notes at any particular time. Consequently, a purchaser must be prepared to hold the Notes until maturity. Moreover, the limited scope of information available to each of the Issuers,

the Trustee and the Noteholders regarding each Reference Portfolio (or Notional CDS Reference Portfolio, as applicable) and the nature of any Credit Event, including uncertainty as to the extent of any reduction to be applied to the aggregate outstanding Principal Amount of a Series of Notes if a Credit Event has occurred and the Conditions to Settlement have been satisfied but the amount of the relevant reduction in the aggregate outstanding Principal Amount has not been determined, may further affect the liquidity of the Notes. Consequently, any purchaser of the Notes must be prepared to hold such Notes for an indefinite period of time or until final maturity.

7. **Business relationships**

Each of the Issuers, the Arranger, the Dealers, the Trustee, the Issuing Agent, the Calculation Agent, the other Agents or any of their affiliates may have existing or future business relationships with the CDS Counterparty, the Investment Provider or any Reference Entity (or Notional Reference Entity, as applicable) (including, but not limited to, lending, depository, risk management, advisory and banking relationships), and will pursue actions and take steps that they deem or it deems necessary or appropriate to protect their or its interests arising therefrom without regard to the consequences for a holder of Notes. Furthermore, the Arranger, the Dealers, the Trustee, the Issuing Agent, the Calculation Agent, the other Agents or any of their respective affiliates may buy, sell or hold positions in obligations of, or act as investment or commercial bankers, advisers or fiduciaries to, or hold directorship and officer positions in, any Reference Entity (or Notional Reference Entity, as applicable).

8. **Conflicts of Interest**

Various potential and actual conflicts of interest may arise between the interests of the Noteholders, on one hand, and the CDS Counterparty, the IRS Counterparty, the TRS Counterparty (if any), the Investment Provider, the Calculation Agent and their respective affiliates, on the other hand, as a result of the various businesses and activities of the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Investment Provider, the Calculation Agent and their respective affiliates, and none of such persons are required to resolve such conflicts of interest in favour of the Noteholders.

9. **Taxation/No gross-up**

Each holder of Notes will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Notes. The Issuer will not pay any additional amounts to holders of the Notes to compensate them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Notes by any Issuer or any Paying Agents or suffered by any Issuer in respect of its income or otherwise from the Charged Assets or payments under any CDS Contract, the IRS Contract and/or the TRS Contract (including the receipt by any Issuer of such income or payments after deduction on account of tax or after deduction on account of a higher rate of tax) or any tax, assessment or charge suffered by any Issuer and any Issuer cannot arrange for its substitution as principal debtor under the Notes.

In the event that any withholding tax or deduction for tax is imposed on payments of interest on the Notes, the Noteholders will not be entitled to receive grossed-up amounts to compensate for such withholding or deduction for tax.

10. **Provision of information**

Neither the Issuers, the Trustee, the Issuing Agent, the Principal Paying Agent, the Calculation Agent, the other Agents, the Arranger, the Dealers nor any of their respective affiliates make any representation as to the credit quality of the CDS Counterparty (if any), the IRS Counterparty (if any), the TRS Counterparty (if any), the Investment Provider or any

Reference Entity (or Notional Reference Entity, as applicable). Any of the Issuers, the Trustee, the Issuing Agent, the Principal Paying Agent, the Calculation Agent, the other Agents, the Arranger, the Dealers or any of their respective affiliates may have acquired, or during the term of the Notes may acquire, non-public information with respect to the CDS Counterparty (if any), the IRS Counterparty, the TRS Counterparty (if any), the Investment Provider or any Reference Entity (or Notional Reference Entity, as applicable). None of the Issuers, the Trustee, the Issuing Agent, the Principal Paying Agent, the Calculation Agent, the other Agents, the Arranger, the Dealers nor any of their respective affiliates are under any obligation to make available any information relating to, or keep under review on the investors' behalf, the business, financial conditions, prospects, creditworthiness or status of affairs of the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Investment Provider or any Reference Entity (or Notional Reference Entity, as applicable) or conduct any investigation or due diligence into the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Investment Provider or any Reference Entity (or Notional Reference Entity, as applicable).

11. **Legal opinions**

Legal opinions relating to the Notes will be obtained on issue with respect to the laws of England, France and the jurisdiction of incorporation of each of the Issuers but no such opinions will be obtained with respect to any other applicable laws and no investigations will be made into the validity or enforceability of the laws of any other jurisdiction in respect of the obligations under the Notes. Any such legal opinions will not be addressed to, and may not be relied on by, holders of the Notes. In particular, save as aforesaid, no legal opinions will be obtained in relation to:

- (a) the laws of the country of incorporation of any Reference Entity (or Notional Reference Entity, as applicable);
- (b) the laws of the country in which any obligations of any Reference Entity (or Notional Reference Entity, as applicable); or
- (c) the laws of the country which are expressed to govern any obligations of any Reference Entity (or Notional Reference Entity, as applicable).

Such laws, depending upon the circumstances, may affect, among other things, the validity and legal and binding effect of the obligations of any Reference Entity (or Notional Reference Entity, as applicable) and/or the Charged Assets and the effectiveness and ranking of the security for the Notes. Consequently, no responsibility is accepted by any Issuer in relation to such matters.

12. **Fungibility of Notes**

The issuance, sale or exchange of any Bearer Notes will comply with United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”), if applicable, as stated in the relevant Applicable Transaction Terms. As a result, Tranches of Notes of a Series will not be fungible with any prior Tranches of the same Series of Notes until 40 days after the Issue Date of such Tranche.

13. **Integral multiples of less than €100,000**

In relation to any issue of Notes which have a denomination consisting of a minimum Authorised Denomination of €100,000 (or its equivalent in another currency) plus higher integral multiples of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 (or its equivalent in another currency) that are not integral multiples of €100,000 (or its equivalent in another currency). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than such minimum

Authorised Denomination of €100,000 will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Authorised Denominations.

14. **No Registration under Investment Company Act**

None of the Issuers have been or will be registered with the United States Securities and Exchange Commission (the “SEC”) as an investment company pursuant to the Investment Company Act of 1940, as amended, in reliance on the exemption provided by Section 3(c)(7) of the Investment Company Act for investment companies (a) whose outstanding securities are owned exclusively by persons who, at the time of the acquisition of such securities, were Qualified Purchasers and (b) which are not making and do not propose to make a public offering of their securities within the United States or to U.S. persons (the “U.S. persons”) (as such term is defined in Regulation S under the Securities Act).

If the SEC or a court of competent jurisdiction were to find that any the Issuer was required, but in violation of the Investment Company Act had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (a) the SEC could apply to a district court to seek civil penalties for such violation; and (b) any contract to which any Issuer is party that is made in, or whose performance involves a, violation of the Investment Company Act or any rule or regulation thereunder would be unenforceable by any party to the contract unless a court were to find that under the circumstances enforcement would produce a more equitable result than non enforcement and would not be inconsistent with the purposes of the Investment Company Act. Should any Issuer be subjected to any or all of the foregoing, each of the Issuers would be materially and adversely affected.

It is an express term of the Obligations that the Noteholder or investor, as applicable, has made its own independent assessment as to whether purchasing the Obligations is appropriate for it based upon its own judgement and upon advice from such advisers as it considers necessary. Neither the Issuers nor the Arranger nor the Trustee is not acting as the Noteholder’s, or investor’s, as applicable, financial advisor or in a fiduciary capacity in relation to the Obligations. It is also an express term of the Obligations that the Noteholder, or investor, as applicable, is not relying on any communication (written or oral) made by any Issuer or the Arranger as constituting either investment advice or a recommendation to purchase the Obligations. No communication (written or oral) received by the Noteholder, or investor, as applicable, from any Issuer or the Arranger constitutes an assurance or guarantee as to the expected results or likely return under the Obligations.

The Underlying Assets of a Tranche or Series of Obligations may be, or the value of such Tranche or Series of Obligations may be linked to and dependent upon, assets which are issued by emerging market entities or emerging market sovereigns. Investing in emerging market entities or emerging markets sovereigns involves certain systematic and other risks and special considerations. Investors should consider these risks which include those set out below.

- (a) The prices of emerging market assets have been subject to sharp fluctuations and sudden declines. No assurances can be given as to the future performance of such assets;
- (b) Emerging market assets tend to be relatively illiquid. Trading volume is lower than in debt of higher grade credits. This may result in wide bids/offer spreads prevailing in adverse market conditions. In addition, rates generally quoted for a portion of the relevant emerging market asset may be better than can actually be realised on the sale of the entire holding of the relevant asset; and
- (c) Published information in or in respect of emerging market entities and emerging market sovereigns has been proven on occasions to be materially inaccurate.

RISK FACTORS RELATING TO CREDIT LINKED NOTES

1. Exposure to credit risk of Reference Entities (or Notional Reference Entities, as applicable)

The obligation of each of the Issuers to pay amounts by way of cash settlement to the CDS Counterparty under the CDS Contract following the occurrence of a Credit Event (as defined herein) creates exposure to the creditworthiness of the Reference Entities (or Notional Reference Entities, as applicable) contained in each Reference Portfolio (or Notional CDS Reference Portfolio (as defined herein), as applicable) and to the assets or obligations underlying such Reference Entities (or Notional Reference Entities, as applicable). If any Credit Event occurs prior to the date on which the Notes are redeemed, the amount payable in respect of principal on the Notes on maturity will be reduced by the amount of any cash settlement. Provided certain conditions to settlement are met, each of the Issuers will be obliged under the CDS Contract to pay the cash settlement amount(s) due with respect to the affected Reference Entities, Reference Obligations or Notional CDS Reference Obligations (as defined herein), as applicable, to the CDS Counterparty. The Issuer will fund this payment through the liquidation of a portion of its investments with the Investment Provider, and the outstanding Principal Amount of the Notes will be reduced correspondingly without payment to the Noteholders. Following the occurrence of each Credit Event, interest on the Notes will accrue, from the Event Determination Date, on the reduced outstanding Principal Amount thereof reflecting the applicable Cash Settlement Amount. Accordingly, Noteholders may suffer a loss of amounts invested in the Notes as a result of a Credit Event occurring with respect to a Reference Entity, Reference Obligation or Notional CDS Reference Obligation, as applicable. The likelihood of a Credit Event occurring with respect to a Reference Entity, Reference Obligation or Notional CDS Reference Obligation, as applicable and the amount of any Cash Settlement Amount calculated in respect thereof, will generally fluctuate with, among other things, the financial condition of the related Reference Entity (or Notional Reference Entity, as applicable) contained in each Reference Portfolio (or Notional CDS Reference Portfolio, as applicable), the general economic conditions of the jurisdiction of the related Reference Entity (or Notional Reference Entity, as applicable), the condition of certain financial markets, political events, developments or trends in any particular industry of the jurisdiction of the related Reference Entity (or Notional Reference Entity, as applicable) and changes in prevailing interest or foreign exchange rates.

None of the Issuers, the Trustee and the Noteholders will have any right, except as specifically required under the terms of the CDS Contract and the Notes, to receive any information regarding any Reference Entity (or Notional Reference Entity, as applicable) contained in any Reference Portfolio (or Notional CDS Reference Portfolio, as applicable) or any Reference Obligation. None of the Issuers, the Trustee, the CDS Counterparty, the Arranger or the Dealers are aware of a central source for relevant data or a standardised method for measuring the likelihood of the occurrence of Credit Events.

Each prospective purchaser of the Notes should make its own evaluation of the interest and principal payments that it expects to receive on the Notes.

2. Delayed payment of principal and reduced payments of interest

In the event that any Event Determination Date under the CDS Contract following the occurrence of a Credit Event in respect of which the Conditions to Settlement have been satisfied has not occurred on the Scheduled Maturity Date or any Early Redemption Date or Optional Redemption Date, each of the Issuers will, unless specified otherwise in the relevant Applicable Transaction Terms, retain from the distributions scheduled to be made on the Scheduled Maturity Date or Early Redemption Date or Optional Redemption Date, as applicable, a retention amount sufficient to make such cash settlements. This will have the effect of delaying, partially or in full, the redemption of the Notes.

Unless specified otherwise in the relevant Applicable Transaction Terms, interest on the proportion of any Principal Amounts retained in respect of the Notes which are not subsequently used to pay Cash Settlement Amounts will accrue at the rate specified in the relevant Applicable Transaction Terms from the Scheduled Maturity Date or any Early Redemption Date or Optional Redemption Date until the applicable extended or final Maturity Date.

3. **No need for loss**

The Issuer may be obliged to make payments to the CDS Counterparty under the CDS Contract in respect of the affected Reference Entity (or Notional Reference Entity, as applicable) irrespective of whether the CDS Counterparty has suffered an actual loss in respect of any such Reference Entity (or Notional Reference Entity, as applicable) and of the size of such loss. The CDS Counterparty is under no obligation to, and will not, account for any amount it may subsequently recover in respect of a Reference Entity (or Notional Reference Entity, as applicable).

4. **No interest in Reference Obligations (or Notional CDS Reference Obligations, as applicable) (or obligations of Reference Entities (or Notional Reference Entities, as applicable) contained in each Reference Portfolio (or Notional CDS Reference Portfolio, as applicable))**

Neither the Notes nor the CDS Contract constitute a purchase or other acquisition of any interest in any Reference Obligation (or Notional CDS Reference Obligation, as applicable) or any obligation of the Reference Entities (or Notional Reference Entities, as applicable) contained in each Reference Portfolio (or Notional CDS Reference Portfolio, as applicable). None of the Issuers, the Trustee, the Noteholders or any other person will have recourse against any Reference Entities (or Notional Reference Entities, as applicable) with respect to any Notes nor will such persons have any rights to require the CDS Counterparty to transfer, assign or otherwise deliver any interest in any obligation of any such Reference Entity (or Notional Reference Entity, as applicable), notwithstanding the payment by each of the Issuers of any amounts by way of cash settlement in respect of such Reference Entity (or Notional Reference Entity, as applicable) to the CDS Counterparty or any reduction in the notional amount of the relevant obligations with respect to such Reference Entity (or Notional Reference Entity, as applicable). The CDS Counterparty will not grant to any Issuer or the Trustee any security interest in any obligation of any such Reference Entity (or Notional Reference Entity, as applicable).

The CDS Counterparty will not be (nor will be deemed to be acting as) the agent or trustee of any Issuer, the Trustee or the Noteholders in connection with the exercise of, or the failure to exercise, any of the rights or powers of the CDS Counterparty arising under or in connection with any Reference Obligation (or Notional CDS Reference Obligation, as applicable) or any Reference Entity (or Notional Reference Entity, as applicable) contained in each Reference Portfolio (or Notional CDS Reference Portfolio, as applicable).

5. **Credit Ratings**

Credit ratings of Reference Entities (or Notional Reference Entities, as applicable) or Reference Obligations represent the opinions of the rating agencies regarding the likelihood of payment of such obligations when due, but are not a guarantee of such payments or of the creditworthiness of the relevant Reference Entity (or Notional Reference Entity, as applicable) or Reference Obligations. None of the Trustee or the Noteholders will have recourse to any applicable rating agencies for ratings actions taken. While ratings methodologies generally attempt to evaluate all risks capable of rational analysis, not all risks are susceptible of such analysis.

6. **Calculation of Principal Reduction Amounts following a Credit Event**

Pursuant to the method of determination specified in the relevant Applicable Transaction Terms, the value of Reference Obligations following the occurrence of related Credit Events (or Notional Credit Events, as applicable) may fall to be calculated by reference to firm bid prices quoted with respect to the relevant Reference Obligations. Such bid prices may be affected by circumstances other than the relevant Credit Event (or Notional Credit Event, as applicable). Reference Obligations may be illiquid which may adversely affect the market value of the relevant Reference Obligations at any applicable date of valuation.

7. **Conflicts of interest involving Crédit Agricole Corporate and Investment Bank and its respective affiliates in respect of the CDS Contract**

Crédit Agricole Corporate and Investment Bank and its respective affiliates currently act as arranger and/or investment adviser for entities having investment objectives similar to those of each of the Issuers or the Reference Entities (or Notional Reference Entities, as applicable) and in respect of notes or other instruments similar to the Notes or any Reference Obligations (and may act as such in the future). Crédit Agricole Corporate and Investment Bank and its respective affiliates may:

- (a) deal in any Reference Obligation or other securities of any Reference Entity (or Notional Reference Entity, as applicable);
- (b) advise or distribute securities on behalf of a Reference Entity (or Notional Reference Entity, as applicable), arrange or manage transactions on behalf of a Reference Entity (or Notional Reference Entity, as applicable) or provide banking services to a Reference Entity (or Notional Reference Entity, as applicable);
- (c) enter into other credit derivatives involving reference entities that may include the Reference Entities (or Notional Reference Entities, as applicable) (including credit derivatives to hedge their obligations under the CDS Contract);
- (d) accept deposits from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business with, any Reference Entity (or Notional Reference Entity, as applicable) or any other person or other entity having obligations relating to any Reference Entity (or Notional Reference Entity, as applicable); and
- (e) act with respect to such business in the same manner as if the CDS Contract, the IRS Contract and the TRS Contract (if any) did not exist, regardless of whether any such relationship or action might have an adverse effect on any Reference Entity (or Notional Reference Entity, as applicable) (including, without limitation, any action which might constitute or give rise to a Credit Event) or on the position of any other party to the transaction described herein or otherwise (including any obligor in respect of the assets or obligations underlying the Reference Obligations).

Crédit Agricole Corporate and Investment Bank and its respective affiliates may take actions under the CDS Contract or otherwise that may be inconsistent with or adverse to the interests of each of the Issuers or the Noteholders. The interests and incentives of Crédit Agricole Corporate and Investment Bank in connection with the CDS Contract or otherwise may differ from those of each of the Issuers and the Noteholders. Crédit Agricole Corporate and Investment Bank will not be obliged to take any action to minimise losses or maximise recoveries in respect of Reference Obligations.

Crédit Agricole Corporate and Investment Bank and its respective affiliates may, whether as a result of relationships described above or otherwise, at the Trade Date of the CDS Contract or at any later time, be in possession of information in relation to any Reference Entity (or Notional Reference Entity, as applicable) or Reference Obligation that is or may be material

in the context of the CDS Contract and the Notes and that may or may not be publicly available and which information Crédit Agricole Corporate and Investment Bank or such affiliates may be prohibited from disclosing or using for the benefit of each of the Issuers.

8. **Conflicts of interest generally in respect of Reference Obligations or other obligations of any Reference Entity (or Notional Reference Entity, as applicable)**

The CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Investment Provider, the Calculation Agent and their respective affiliates may deal in Reference Obligations or in other obligations of any Reference Entity (or Notional Reference Entity, as applicable) and/or guarantor of a Reference Obligation, may acquire or accept information from, make loans or otherwise extend credit to, and generally engage in any kind of commercial or investment banking or other business transactions with, any Reference Entity (or Notional Reference Entity, as applicable) and/or guarantor of a Reference Obligation or otherwise. In this respect, the CDS Counterparty, the IRS Counterparty, the TRS Counterparty, the Investment Provider, the Calculation Agent may pursue such actions and take such steps as they each deem necessary or appropriate in their sole and absolute discretion to protect their respective interests, and in the same manner as if the CDS Contract and the Notes did not exist and, without regard as to whether such action or steps might give rise to a Credit Event or have an adverse effect on the Notes, Noteholders, Reference Obligations, other obligations of the Reference Entities (or Notional Reference Entities, as applicable) and/or guarantors of the Reference Obligations.

9. **No investigations**

No investigations, searches or other enquiries have been made by or on behalf of any of the Issuers or the Trustee in respect of any Reference Entity (or Notional Reference Entity, as applicable) and any prospective investors should make their own investigations, searches and enquiries. No representations or warranties have been given by any of the Issuers in respect of any Reference Obligation or Reference Entity (or Notional Reference Entity, as applicable).

None of the Issuers, the Noteholders or the Trustee will have the right to inspect any records of the CDS Counterparty or the Reference Entities (or Notional Reference Entities, as applicable) and the CDS Counterparty will be under no obligation to disclose any further information regarding the existence or terms of any Reference Obligation or any other obligation of any Reference Entity (or Notional Reference Entity, as applicable), any guarantor thereof or any other person (save to the extent of the requirement to provide certain information as a condition to cash settlement under the CDS Contract) to any of the Issuers with respect to the occurrence of the relevant Credit Event.

10. **Leveraged Credit Exposure to Reference Obligations**

Holders of Notes may be exposed to significantly leveraged exposure to the performance of the Reference Portfolio because the notional amount of the Reference Portfolio may be significantly larger than the notional amount of the Series to which the Notes relate. Following the delivery of a Credit Event Notice to each of the Issuers and the satisfaction of the other Conditions to Settlement, the aggregate outstanding Principal Amount of a Series of Notes may be reduced. If the aggregate outstanding Principal Amount is so reduced, the investor may lose amounts invested. In addition, interest amounts payable will also be reduced. The maximum loss for the investor is 100 per cent., of the initial investment in addition to all interest amounts.

11. **Exposure to the Reference Portfolios (or Notional CDS Reference Portfolios, as applicable) under the Notes**

Prospective investors who consider purchasing Notes should reach an investment decision only after carefully considering the suitability of the Notes in light of their particular circumstances, particularly the risks associated with the Reference Portfolios (or Notional CDS Reference Portfolios, as applicable). The creditworthiness and/or performance of the Reference Portfolios (or Notional CDS Reference Portfolios, as applicable) may be dependent upon economic, political, financial and social events locally and globally. There can be no assurance that such factors will not adversely affect any Reference Entity (or Notional Reference Entity, as applicable)'s creditworthiness and/or performance and, in turn, the performance of the Notes.

Prospective investors should also note that the Notes have exposure to the risk of a reduction both in the interest and principal payments thereon.

For the purposes of this section "*Risk Factors*", the terms:

- (a) "**Reference Entity**", "**Reference Obligation**", "**Notional Reference Entity**", "**Notional CDS Reference Portfolio**", "**Credit Event**", "**Trade Date**", "**Event Determination Date**", "**Cash Settlements Amount**" and "**Conditions to Settlement**" shall have the meaning set out in the applicable CDS Confirmation;
- (b) "**CDS Counterparty**", "**IRS Counterparty**" and "**TRS Counterparty**" shall mean Crédit Agricole Corporate and Investment Bank, in its capacity as protection buyer under the CDS Contract, counterparty under the IRS Contract (if any) and counterparty under the TRS Contract (if any), respectively, unless specified otherwise in the Applicable Transaction Terms;
- (c) "**Investment Provider**" shall mean Crédit Agricole Corporate and Investment Bank, in its capacity as investment provider under the Investment Agreement, unless specified otherwise in the Applicable Transaction Terms;
- (d) "**CDS Confirmation**", "**CDS Contract**", "**IRS Confirmation**", "**IRS Contract**", "**TRS Confirmation**", "**TRS Contract**", "**ISDA Master Agreement**", "**Investment Agreement**", "**Scheduled Maturity Date**", "**Early Redemption Date**" and "**Optional Redemption Date**" shall have the meaning set out in the Applicable Transaction Terms relating to the Notes.

RISK FACTORS RELATING TO IRISH LAW CONSIDERATIONS

Centre of main interest, examinership, preferred creditors and floating charges under Irish law may impose additional risks on the Notes

(With respect to Notes issued by an Issuer having its registered office in Ireland (such as Cortex Finance p.l.c.):

1. **Centre of Main Interest**

Where an Issuer has its registered office in Ireland, there is a rebuttable presumption that its centre of main interest ("**COMI**") is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the European Court of Justice ("**ECJ**") in relation to Eurofood IFSC Limited, the ECJ restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings, that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to

reflect”. As the Issuer has its registered office in Ireland, has Irish directors, is registered for tax in Ireland and has an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer’s COMI is not in Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

2. **Examinership**

Examinership is a court procedure available under the Irish Companies (Amendment) Act 1990, as amended (the “**1990 Act**”), to facilitate the survival of Irish companies in financial difficulties.

The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer (holding at the date of presentation of the petition not less than one-tenth of the voting share capital of the Issuer), are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to halt, prevent or rectify acts or omissions, by or on behalf of the Issuer after his appointment and, in certain circumstances, negative pledges given by the Issuer prior to his appointment will not be binding on the Issuer. Furthermore, where proposals for a scheme of arrangement are to be formulated, the Issuer may, subject to the approval of the court, affirm or repudiate any contract under which some element of performance other than the payment remains to be rendered both by the Issuer and the other contracting party or parties.

During the period of protection, the examiner will compile proposals for a compromise or scheme of arrangement to assist in the survival of the Issuer or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when a minimum of one class of creditors, whose interests are impaired under the proposals, has voted in favour of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement and the proposals are not unfairly prejudicial to any interested party.

The fact that the Issuer is a special purpose entity and that all its liabilities are of a limited recourse nature means that it is unlikely that an examiner would be appointed to the Issuer.

If, however, for any reason, an examiner were appointed while any amounts due by the Issuer under the Notes were unpaid, the primary risks to the Noteholders would be as follows:

- (a) the Trustee, acting on behalf of Noteholders, would not be able to enforce rights against the Issuer during the period of examinership; and
- (b) a scheme of arrangement may be approved involving the writing down of the debt due by the Issuer to the Noteholders irrespective of the Noteholders’ views.

3. **Preferred Creditors**

If the Issuer becomes subject to an insolvency proceeding and the Issuer has obligations to creditors that are treated under Irish law as creditors that are senior relative to the Noteholders, the Noteholders may suffer losses as a result of their subordinated status during such insolvency proceedings. In particular:

- (a) under the terms of the Trust Deed, the Notes will be secured in favour of the Trustee for the benefit of itself and the Noteholders by security over relevant accounts and other assets, including any sums held with the Principal Paying Agent. Under Irish law, the claims of creditors holding fixed charges may rank behind other creditors (namely fees, costs and expenses of any examiner appointed and certain capital gains

tax liabilities) and in the case of fixed charges over book debts, may rank behind claims of the Irish Revenue Commissioners for PAYE and VAT;

- (b) under Irish law, for a charge to be characterised as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets, including any bank account into which such proceeds are paid. There is a risk therefore that even a charge which purports to be taken as a fixed charge, may take effect as a floating charge if a court deems that the requisite level of control was not exercised; and
- (c) in an insolvency of the Issuer, the claims of certain other creditors (including the Irish Revenue Commissioners for certain unpaid taxes), as well as those of creditors mentioned above, will rank in priority to claims of unsecured creditors and claims of creditors holding floating charges.

DOCUMENTS INCORPORATED BY REFERENCE

Any statement contained herein or in a document all or the relative portion of which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of the Base Prospectus to the extent that a statement contained in any such subsequent document all or the relative portion of which is or is deemed to be incorporated by reference herein modifies or supersedes such earlier statement.

LORALLY published its financial statements in respect of the period ending on 31 December 2008 and 31 December 2009, each of which have been filed with the Irish Stock Exchange. These financial statements are incorporated by reference herein.

Cortex published its financial statements in respect of the period ending on 30 September 2008 and 30 September 2009, each of which have been filed with the Irish Stock Exchange. These financial statements are incorporated by reference herein.

DESCRIPTION OF THE PROGRAMME

The following description does not purport to be complete and is taken from, and is qualified in its entirety by the remainder of, this document and, (a) in relation to the terms and conditions of any particular Series or Tranche of Notes, the Applicable Transaction Terms in which any of the Terms and Conditions may be varied; and (b) in relation to other forms of Obligations, the Obligation Documents. Words or expressions defined or used in “Terms and Conditions of the Notes” and in the Applicable Transaction Terms shall have the same meaning in this description:

Issuer: LORALLY CDO Limited (“**LORALLY**”), Cortex Finance p.l.c. (“**Cortex**”) (each an “**Existing Issuer**”) or the Specified Company which is stipulated for the Series of Notes in question in the Applicable Transaction Terms and which (save for an Existing Issuer) has executed a Deed of Accession.

References herein to the “**Issuer**” are references to the relevant Issuer in respect of (and only to the extent of) the Obligations issued by it and in respect of the Master Documents to the extent that it is bound by them and such references specifically exclude any other Issuer.

Information relating to each Existing Issuer is contained herein. Information relating to each Specified Company will be contained in a supplemental base prospectus (the “**Supplemental Base Prospectus**”). This Base Prospectus shall be read and construed in conjunction with any Supplemental Base Prospectus.

Information relating to the Obligations to be issued by an Issuer will be contained in the Applicable Transaction Terms prepared by such Issuer and information relating to the Charged Assets will also be contained in the Applicable Transaction Terms.

Description: LORALLY Multi-Issuer Asset-Backed Medium Term Note Programme. Pursuant to the Master Documents, Specified Companies may issue Obligations which take the form of Notes, Loans, Options or Swaps or a combination of the foregoing under the Programme on a several basis.

Arranger: Crédit Agricole Corporate and Investment Bank or such other arranger(s) as may be appointed from time to time pursuant to the Programme Dealer Agreement.

Dealer: Crédit Agricole Corporate and Investment Bank or such other party or parties as may be appointed as dealer(s) from time to time pursuant to the Programme Dealer Agreement. Pursuant to the terms of the Programme Dealer Agreement, each of the Issuers may terminate the appointment of any Dealer or appoint further dealers for a particular Series of Notes.

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “*Subscription and Sale*” below).

Issuing Agent: The Bank of New York Mellon, London Branch or such other issuing agent as may be appointed in relation to a particular Series of Notes.

Trustee: The Bank of New York Mellon, London Branch or such other trustee as may be appointed in relation to a particular Series of Notes.

Principal Paying Agent:	The Bank of New York Mellon, London Branch or with the prior written consent of the Trustee, such other principal paying agent as may be appointed in relation to a particular Series of Notes. The Principal Paying Agent is required, at all times while any Notes are outstanding, to have a certain status or minimum rating, if rated by a Rating Agency, in each case, as specified in the Drawdown Prospectus.
Custodian:	The Bank of New York Mellon, London Branch or such other custodian as may be appointed in relation to a particular Series of Notes.
Registrar:	The Bank of New York Mellon (Luxembourg) S.A. or such other registrar as may be appointed in relation to a particular Series of Notes.
Irish Paying Agent:	The Bank of New York Mellon (Ireland) Limited or such other paying agent(s) as may be appointed in relation to a particular Series of Notes.
Listing Agent:	In respect of Notes to be listed on the Irish Stock Exchange, Arthur Cox Listing Services Limited or any other listing agent appointed from time to time.
Issuer Limit:	Up to the maximum amount of EUR 5,000,000,000 outstanding (or its equivalent in other currencies calculated as set out herein) (the “ Issuer Limit ”). Under the terms of the Programme Dealer Agreement, the Issuer Limit may be increased, subject to the satisfaction of certain conditions set out therein.

For the purpose of calculating the euro (the “**Base Currency**”) equivalent of the Principal Amount of Notes outstanding under the Programme issued by each of the Issuers from time to time, the Base Currency equivalent of Notes denominated in another currency shall be determined by the Issuing Agent on the basis of the Exchange Rate either as of the issue date of such Notes (the “**Agreement Date**”) or on the last preceding day on which commercial banks and foreign exchange markets were open for business in London. As used herein, the “**Exchange Rate**” against the Base Currency for any currency means the spot rate for the sale of the Base Currency against the purchase of such currency in the London foreign exchange market quoted by any leading bank selected by the Issuing Agent at any time on the relevant day of calculation.

The Base Currency equivalent of any dual currency Notes (the “**Dual Currency Notes**”), the repayment of principal or interest of which is linked to an index (the “**Indexed Notes**”) and Notes the subscription price for which is payable in instalments (the “**Partly Paid Notes**”) shall be calculated in the manner specified above by reference to the original Principal Amount on the issue of such Notes (in the case of Partly Paid Notes regardless of the amount of the subscription price paid). The Base Currency equivalent of any Notes which do not bear interest or under which interest is capitalised rather than paid periodically (the “**Zero Coupon Notes**”) or any other Note issued at a discount or a premium shall be calculated in the manner specified above by reference to the net proceeds receivable by each of the Issuers for such Notes.

**Limited
Recourse:**

With respect to each Series of Notes and/or Obligations, a specified pool of assets (the “**Underlying Assets**”) and other rights of each of the Issuers (all as specified in the Supplemental Trust Deed and/or identified in the Applicable Transaction Terms) which are attributable to that Series, including the rights of each of the Issuers under any Related Agreement and any other agreement entered into in connection with that Series (such rights, together with the Underlying Assets being the “**Charged Assets**”) will be available to meet the obligations of each of the Issuers in respect of that Series and other obligations of each of the Issuers (all as specified in the Supplemental Trust Deed and/or identified in the Applicable Transaction Terms) attributable to that Series including the obligations of each of the Issuers under any Related Agreement entered into in connection with that Series (such obligations being the “**Secured Obligations**” and the creditors to whom they are owed being the “**Secured Creditors**”).

If the amounts realised from the Underlying Assets (whether or not any security granted in respect thereof has been enforced) are insufficient to make payment of all amounts due in respect of the Notes and/or Obligations of the relevant Series and all other Secured Obligations with respect to that Series, no other assets of any Issuer will be available to meet that shortfall. Any such shortfall shall be borne in accordance with the Order of Priority (in reverse order) as specified in the Supplemental Trust Deed and/or stated in the Applicable Transaction Terms and any claim of the Noteholders or of any other Secured Creditor with respect to that Series remaining after such realisation and application shall be extinguished.

Security:

The Issuer will, except as set out in the relevant Applicable Transaction Terms, create security interests over the Charged Assets with respect to each Series (the “**Security**”) in favour of the Trustee for itself and the other Secured Creditors in order to secure the Secured Obligations with respect to that Series. The Security will be granted in the Supplemental Trust Deed which will be supported by such further security documents as may, from time to time, be required by the Trustee in respect of each Series.

The Trustee is only entitled to enforce the Security created by a Supplemental Trust Deed if an Event of Default or Early Redemption Event occurs with respect to the Notes of the Series the subject of such Supplemental Trust Deed. No Security created by any Issuer in respect of any Series of Notes shall benefit holders of any other Series of Notes issued by (or any other creditors of) it or any other Issuer.

The obligations of each of the Issuers under the Principal Trust Deed will also be secured by an absolute assignment to the Trustee by way of first fixed security of all such Issuer’s rights, title and interest in and to the entire benefit of, the Programme Dealer Agreement and the relevant Administration Agreement.

If the relevant Applicable Transaction Terms provides that each of the Issuers may purchase Notes, redeem Notes or exercise an option in relation thereto, the Underlying Assets or a proportionate part thereof in relation to such Notes shall be released from the security created in respect thereof. The terms of such release will be set out in the relevant Applicable Transaction Terms.

Priority of Claims:

The priority of claims of the Noteholders of each Series of Notes, the Secured Creditors and the Counterparty (as defined in Condition 4(a) (*Related Agreements*)) will be “**Counterparty Priority**” or if specified in the relevant Applicable Transaction Terms, “**Noteholder Priority**”, or as otherwise specified as “**Other Priority**” in the relevant Applicable Transaction Terms. See “*Terms and Conditions of the Notes – Condition 4(d) (Application of Proceeds)*”.

Instructing Creditor:

The relevant Applicable Transaction Terms will specify in relation to that Series of Notes whether the Instructing Creditor is:

- (a) the Counterparty only; or
- (b) the Noteholders only.

The Instructing Creditor is not necessarily the Noteholders.

Where the Instructing Creditor is the Noteholders, the Noteholders can (where specified) request the Trustee to take certain actions contemplated in the Conditions by means of a request in writing of the holders of at least one fifth in Principal Amount of the Senior Tranche of Notes (in the case of more than one Tranche of Notes) or the Notes (in the case of one Tranche of Notes) of such Series then outstanding or by means of an Extraordinary Resolution of such Noteholders. Where the Instructing Creditor is the Counterparty, the Counterparty may (where specified) request the Trustee to take actions contemplated in the Conditions by means of a written request. The Counterparty may only make such a request to the Trustee if sums are due but unpaid to the Counterparty. Having received such a request from the Instructing Creditor, the Trustee shall be entitled to act in accordance with such request and shall not be obliged to consider the interests of any other Secured Creditors (other than the Noteholders) for such Series, provided that the Trustee determines that to do so would not be materially prejudicial to the Noteholders.

Enforcement of Security:

The security in relation to any Series will become enforceable upon the Trustee giving an Enforcement Notice (as defined in Condition 10 (*Events of Default*)) to each of the Issuers of that Series subsequent to an Event of Default or Early Redemption Event of that Series of Notes (or Tranche of Notes, as the case may be) or as otherwise provided in the relevant Supplemental Trust Deed.

The Trustee shall not be bound to give any Enforcement Notice in respect of any Series of Notes, to take any steps or institute any proceedings to enforce the security for any Series or to enforce payment of any amount due and payable under or pursuant to the Notes of any Series or the Related Agreement, the Principal Trust Deed or any Transaction Documents unless it shall have been so requested by the Instructing Creditor in relation to such Series and has been secured and/or indemnified to its satisfaction.

No Secured Creditor shall be entitled to proceed directly against any Issuer unless the Trustee, having first become bound to proceed in accordance with the terms of the Principal Trust Deed, fails or neglects to do so within a reasonable period of time.

**Method of
Issue of Notes:**

Notes will be issued on a syndicated or non-syndicated basis in series (each a “**Series**”), having one or more settlement or issue dates; the Notes of each Series being intended to be interchangeable with all other Notes of that Series (if applicable). Further Notes may be issued as part of an existing Series only in accordance with the Terms and Conditions of the relevant Notes. Obligations other than Notes will be created in the manner described in the relevant Obligation Documents.

**Method of
Issue of Other
Obligations:**

Obligations other than Notes will be created in the manner described in the relevant Obligation Documents.

**Tranches of
Notes:**

Each Series may be issued in tranches (each a “**Tranche**”) and may have different settlement or issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions) will be set out in the Applicable Transaction Terms.

**Fungible
Tranches:**

A Series of Notes may comprise a number of Tranches which will be issued on identical terms save for the first payment of interest. Notes of different Tranches of the same Series will be fungible except as provided in the Applicable Transaction Terms. If a further Tranche (a “**Further Tranche**”) is issued in respect of a Series under which a Tranche or Tranches of Notes have already been issued (an “**Original Tranche**” and “**Original Tranches**”) the pool of assets (the “**Further Charged Assets**”) relating to such Further Tranche will be fungible with or otherwise equivalent to the Underlying Assets for the Original Tranche or Original Tranches (the “**Original Underlying Assets**”).

**Prioritised
Tranches:**

A Series of Notes may comprise one or more Tranches which are issued on the same date or may be issued on different dates and which provide that the claims of the holders of one or more of such Tranches (each a “**Senior Tranche**”) rank prior or are subordinated to the claims of the holders of another Tranche (each a “**Subordinated Tranche**”) of the same Series. The terms applicable to such Notes will be specified in the Applicable Transaction Terms for such Series.

Currencies:

A Series of Notes may be issued in any currency or currencies as may be agreed between each of the Issuers and the relevant Dealer(s), subject to compliance with all applicable legal and regulatory requirements.

Maturities:

Notes may have any maturity (or in each case such other minimum or maximum maturity as may be allowed or required from time to time by the relevant central bank (or equivalent body) or under any laws or regulations applicable to each of the Issuers).

Notes with a maturity of less than one year:

Notes issued on terms that they must be redeemed before their first anniversary will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in Section 19 of the Financial Services and Markets Act 2000 (the “**FSMA**”) unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its

equivalent.

Where an Issuer incorporated in Ireland wishes to issue Notes with a maturity of less than one year, it shall ensure that it is in full compliance with the conditions set out in Notice BSD C01/02 issued by the Central Bank of Ireland dated 12 November 2002 and in accordance with an exemption granted under section 8(2) of the Central Bank Act, 1971 (as amended) of Ireland, including that the Notes comply with, *inter alia*, the following criteria:

- (a) at the time of issue, the Notes must be backed by assets to at least 100 per cent. of the value of the Notes issued;
- (b) at the time of issue, the Notes must be rated at least investment grade by one or more recognised rating agencies;
- (c) the Notes must be issued and transferable in minimum denominations of €300,000 or the foreign currency equivalent;
- (d) the Notes carry the title “Commercial Paper” (unless constituted under the laws of a country other than Ireland and, under those laws, the commercial paper carries a different title in which case it must carry such title) and must identify the issuer by name;
- (e) the Notes state on their face and, where applicable, in the contract between the Issuer and the initial investor in the Notes, that they are issued in accordance with an exemption granted by the Central Bank of Ireland under Section 8(2) of the Central Bank Act, 1971, inserted by Section 31 of the Central Bank Act, 1989, as amended by Section 70(d) of the Central Bank Act, 1997;
- (f) it must be stated explicitly on the face of the Notes and, where applicable, in the contract between the Issuer and the holders of the Notes that the investment does not have the status of a bank deposit, is not within the scope of the Deposit Protection Scheme operated by the Central Bank of Ireland and that the Issuer is not regulated by the Central Bank of Ireland arising from the issue of the Notes; and
- (f) any issue of Notes which is guaranteed must carry a statement to the effect that it is guaranteed and identify the guarantor by name.

Issue Price:

Notes may be issued at par or at a discount to, or premium over, par and either on a fully paid or partly paid basis.

Form of Obligations:

(a) Notes:

Each Tranche of Notes will be issued in bearer or registered form. Bearer Notes may be exchanged for Registered Notes, in accordance with Condition 2(a) (*Exchange of Bearer Notes*). Notes issued in registered form will not be exchangeable for Notes in bearer form.

Each Tranche of Notes in bearer form (the “**Bearer Notes**”) will initially be represented by a temporary global note without interest coupons (each a “**Temporary Global Note**”) which will be deposited (a) in the case of a Tranche intended to be cleared through Euroclear Bank SA/NV as operator of the Euroclear system (“**Euroclear**”) and/or Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) on or before the Issue Date with a

depository or a common depository on behalf of Euroclear and/or Clearstream, Luxembourg, or (b) in the case of a Tranche intended to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg, as agreed between each of the Issuers, the Issuing Agent and the relevant Dealer(s). No interest will be payable in respect of a Temporary Global Note, except as described under “*Summary of Conditions Relating to the Notes while in Global Form*”. Interests in a Temporary Global Note will be exchangeable, in accordance with its terms, for interests in a permanent global note (each a “**Permanent Global Note**”) representing Notes of the relevant Tranche or, if so specified, for Notes in definitive bearer form (the “**Definitive Notes**”) and/or Notes in registered form (the “**Registered Notes**”). Each Permanent Global Note will be exchangeable, in accordance with its terms, for Definitive Notes and/or, if so specified in the relevant Applicable Transaction Terms, for Registered Notes in the circumstances described under “*Summary of Conditions Relating to the Notes while in Global Form*”. Definitive Notes will, if interest-bearing, either have interest coupons (the “**Coupons**”) attached and, if appropriate, a talon (the “**Talon**”) for further Coupons and will, if the principal thereof is repayable by instalments, have payment receipts (the “**Receipts**”) attached. Each Note (and any interest therein), whether represented by a Temporary Global Note, a Permanent Global Note, a Definitive Note or a Registered Note, may only be offered and sold to non-U.S. persons in offshore transactions satisfying the requirements of Regulation S.

The issuance, sale or exchange of any Bearer Notes will comply with United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”), if applicable, as stated in the relevant Applicable Transaction Terms.

Registered note certificates (each a “**Registered Note Certificate**”) will be issued to each holder of a Registered Note. One Registered Note Certificate will be issued for each holding of Registered Notes by an individual Noteholder. A Registered Note held in Euroclear and Clearstream, Luxembourg will be registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg. Obligations (other than Notes) may not be cleared through Euroclear and/or Clearstream, Luxembourg.

For a further discussion of the form of the Notes see “*Summary of Conditions Relating to the Notes while in Global Form*” below.

**(b) Loans,
Options Swaps
and other
Secured
Obligations:**

Obligations may also be in the form of Loans, Options or Swaps the terms of which will have the same effect as an equivalent Series of Notes. Obligations (other than Notes) may not be cleared through Euroclear and/or Clearstream, Luxembourg.

Fixed Rate**Notes:**

Fixed Rate Notes will bear interest at a fixed rate and interest for such Series will be payable in arrear on such date(s) and at such rate(s) as agreed between each of the Issuers and the relevant Dealer(s) (as specified in the relevant Applicable Transaction Terms).

Floating Rate**Notes:**

Floating Rate Notes will bear interest at a rate set separately for each Series as may be specified in the Applicable Transaction Terms either on the basis of a reference rate appearing on an agreed screen page of a commercial quotation service or on the basis of quotations from reference banks or on such other basis as may be agreed between each of the Issuers and the relevant Dealer(s) and as adjusted for any applicable Spread (as defined in Condition 6(k) (*Definitions*)) and as specified in the Applicable Transaction Terms).

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest**Periods and****Interest Rates:**

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be specified in the Applicable Transaction Terms.

Variable**Coupon****Amount Notes:**

The Applicable Transaction Terms in respect of each issue of Variable Coupon Amount Notes will specify the basis for calculating the amounts of interest payable, which may be by reference to a debt, equity or commodity index or formula or as otherwise provided in the Applicable Transaction Terms.

Variable**Redemption****Amount Notes:**

The Applicable Transaction Terms in respect of each issue of Variable Redemption Amount Notes will specify the basis for calculating the amounts payable on redemption, which may be by reference to a debt, equity or commodity index or formula or as otherwise provided in the relevant Applicable Transaction Terms.

Zero Coupon**Notes:**

Zero Coupon Notes may be offered and sold at their Principal Amount or at a discount or premium to it and will not bear periodic interest, but may bear interest after the due date for redemption or upon acceleration thereof.

Change of**Interest Basis:**

Notes may be converted from one interest basis to another in the manner set out in the Applicable Transaction Terms.

Dual Currency**Notes:**

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in accordance with the procedures of the relevant clearing system in such currencies, and based upon such rates of exchange, as each of the Issuers and the relevant

Dealer(s) may agree (as specified in the Applicable Transaction Terms).

Credit Linked Notes:

If so specified in the Applicable Transaction Terms and on the terms set out therein, Notes of any Series may be credit linked notes (the “**Credit Linked Notes**”) and the Applicable Transaction Terms will specify the terms of the credit linking, including details of any credit events (the “**Credit Events**”), reference entities, reference obligations, reference securities, obligations and deliverable obligations. Upon the occurrence of a Credit Event, as determined pursuant to the relevant Applicable Transaction Terms, the Credit Linked Notes may be redeemed early or the principal and/or interest thereof may be reduced in the manner set out in the Applicable Transaction Terms.

Indexed Notes:

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Indexed Notes may be calculated by reference to such index and/or formula as each of the Issuers and the relevant Dealer(s) may agree (as specified in the Applicable Transaction Terms).

Other Notes:

Terms applicable to high interest notes, low interest notes, step-up notes, step-down notes, instalment notes and any other type of note (other than profit sharing notes) which each of the Issuers and the relevant Dealer(s) may agree to issue under the Programme will be set out in the Applicable Transaction Terms.

Optional Redemption:

The relevant Applicable Transaction Terms issued in respect of each Series of Notes will state whether such Notes may be redeemed prior to their stated maturity and if so the terms applicable to such redemption.

Early Redemption:

Unless otherwise specified in the Applicable Transaction Terms, each Series of Notes will be redeemed prior to maturity:

- (a) where in respect of the Underlying Assets in relation to such Series (x) there has been a payment default on the due date thereof and the applicable grace period has expired or (y) there has been a payment default on the due date thereof, which causes or would the Issuer to be unable to make any payment of any amount due on the Notes, Coupons or Receipts where the same shall be due; or
- (b) if any Related Agreement in relation to such Series is terminated in whole (as more fully set out in the Applicable Transaction Terms) and is not replaced on or prior to such termination to the satisfaction, and with the prior written approval, of the Trustee; or
- (c) unless a substitute issuer is appointed in respect of that Series of Notes or a branch office of each of the Issuers is established from which each of the Issuers will continue to perform its obligations under the Notes and the relevant Related Agreement(s) or unless otherwise instructed by the Instructing Creditor, if any exchange controls or other currency exchange or transfer restrictions or taxes are imposed on each of the Issuers or any payments to be made to or by each of the Issuers or in the circumstances described in “*Taxation*” below; or
- (d) where the Underlying Assets in relation to such Series are redeemed early other than by reason of payment default (as referred to in (a))

above) or as contemplated in the Applicable Transaction Terms and as a result of such early redemption the Issuer's income would be reduced so that it would be unable to make payment of any amount due on the Notes, Coupons or Receipts; or

- (e) if there has been a Credit Event (if applicable to such Notes); or
- (f) as otherwise specified in the Applicable Transaction Terms,

each a "**Early Redemption Event**", as further set out under "*Terms and Conditions of the Notes – Condition 7(b) (Early Redemption)*".

Taxation:

Payments of principal and interest by each of the Issuers in respect of the Notes of any Series will be made subject to withholding tax (if any) applicable to the Notes without any Issuer being obliged to pay additional amounts as a consequence. In that event each of the Issuers will use its best endeavours to procure:

- (a) the substitution of a company incorporated in any jurisdiction, in which the relevant tax does not apply, approved in writing by the Trustee, as principal obligor in respect of the Notes of any Series, as more fully described under "*Terms and Conditions of the Notes – Condition 14(c) (Substitution)*"; or
- (b) the establishment of a branch, agency or office in another jurisdiction, in which the relevant tax does not apply, approved in writing by the Trustee, from which it will continue to carry out its functions under the Notes and the Transaction Documents and Trade Documents.

If the Notes are rated by a Rating Agency or Rating Agencies, such substitution or change of jurisdiction will be subject to the prior receipt by each of the Issuers and the Trustee of confirmation from such Rating Agency or Rating Agencies that the rating of such Notes will not be adversely affected by such substitution or change of jurisdiction as applicable.

**Redemption
by
Instalments:**

The relevant Applicable Transaction Terms may provide that the Notes may be redeemed in two or more instalments in such amounts and on such dates and on such other terms as may be specified therein.

**Denominations
of Notes:**

The Notes shall be issued in such denominations as may be agreed between each of the Issuers and the relevant Dealer(s) and as specified in the Applicable Transaction Terms or such other minimum denomination as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the currency in which the Notes are denominated, provided that the Authorised Denomination of any Note issued pursuant to the Programme which is admitted to trading on a European Economic Area exchange or offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive shall be not less than EUR 1,000 (or its equivalent in any other currency). See also "*Maturities – Notes with a maturity of less than one year*" above.

Status:

Notes may be issued on a subordinated or an unsubordinated basis as specified in the relevant Applicable Transaction Terms.

Notes of each Series issued on an unsubordinated basis (the “**Unsubordinated Notes**”) will be secured limited recourse obligations of each of the Issuers ranking *pari passu* and without preference among themselves and secured in the manner described in the Applicable Transaction Terms. Notes issued on a subordinated basis (the “**Subordinated Notes**”) will be secured limited recourse obligations of each of the Issuers subordinated to the unsubordinated obligations of each of the Issuers in respect of the Series of Notes secured on the same Charged Assets, as more fully specified in the relevant Applicable Transaction Terms, which will set out the relationship between the Unsubordinated Notes and Subordinated Notes including, in connection with enforcement and meetings of Noteholders. Recourse in respect of any Series will be limited to the Charged Assets of that particular Series.

Notes may also be issued in Prioritised Tranches on such terms as are specified in the relevant Applicable Transaction Terms.

The status of the Notes is more fully set out in “*Terms and Conditions of the Notes – Condition 3 (Status and Instructing Creditor)*”.

Loans, Options, Swaps and other Obligations will be limited recourse, Obligations of each of the Issuers secured in the manner described in the relevant Obligation Documents.

Restrictions:

So long as any Obligations remain outstanding, none of the Issuers will, save to the extent permitted by the Transaction Documents (as defined below) or the Obligation Documents, as applicable, or with the prior written consent of the Trustee, incur any indebtedness for borrowed money or give any guarantee or indemnity in respect of any indebtedness declare any dividends, purchase, own, lease or otherwise acquire any real property, consolidate or merge with any person, convey or transfer its property or assets to any person, issue shares or have any subsidiaries. See, among others, “*Terms and Conditions of the Notes – Condition 5 (Restrictions)*”.

Cross Default:

None.

Underlying Assets:

The pool of assets upon which the Notes of any Series are (if so specified in the Applicable Transaction Terms) to be secured may comprise bonds or notes of any form, denomination, type and issuer, the benefit of loans and other contractual rights (including, without limitation, with respect to sub-participations or swap transactions, credit derivative transactions, derivative transactions, option, exchange and hedging agreements) assigned to or otherwise vested in any Issuer or any other assets, as more particularly specified in the relevant Applicable Transaction Terms.

Lending or Sale and Repurchase of Underlying Assets:

If so specified in the Applicable Transaction Terms and on the terms set out therein, each of the Issuers may lend, sell (subject to a right or obligation to repurchase) or otherwise transfer all or any of the Underlying Assets on terms that assets equivalent to the Underlying Assets will be transferred to each of the Issuers at the scheduled maturity or early redemption of such loan, sale and repurchase or other transaction or in the event of an Early Redemption Event and otherwise on the terms set out in the Applicable Transaction Terms.

**Related
Agreements:**

In connection with any Series of Notes, each of the Issuers may enter into a swap agreement, swap transactions, credit derivative transactions, derivative transactions or other hedging agreement or option agreement (each, a “**Swap Agreement**”) or any letters of credit, guarantees or other credit support or credit enhancement documents (each, a “**Credit Support Document**”) or any investment agreement or other financial arrangements (each such Swap Agreement, Credit Support Agreement and other financial arrangement agreement or any investment agreement being referred to as a “**Related Agreement**”).

Each Related Agreement will terminate on the date specified in the Applicable Transaction Terms, unless terminated earlier in accordance with its terms. Each Related Agreement will terminate if the Notes are redeemed prior to their maturity date specified in the Applicable Transaction Terms pursuant to any provision of Condition 7 (*Redemption, Purchase and Exchange*) or upon the occurrence of an Event of Default which has not been cured or waived, or Early Redemption Event. In the event of an early termination of a Related Agreement, any party to such Related Agreement may be liable to make a termination payment to any other party in accordance with the terms of such Related Agreement.

The Related Agreement for any Series may require the relevant counterparty thereto (the “**Counterparty**”) to deposit collateral in respect of its obligations under such agreement. The obligations of a Counterparty may be guaranteed by a guarantor (the “**Guarantor**”).

Unless otherwise specified in the Applicable Transaction Terms, none of the parties to any Related Agreement will be required to gross up if withholding taxes are imposed on payments made or to be made under the Related Agreement, (unless otherwise specified therein), but the Related Agreement will be terminable in such event. If each of the Issuers of a Series of Notes on the occasion of the next payment due under the Related Agreement entered into in respect of such Series of Notes would be required by law to withhold or account for tax or would suffer tax in respect of its income such that it would be rendered unable to make payment of the full amount due under the Related Agreement, each of the Issuers shall so inform the Trustee and the Counterparty, and each of the Issuers will, unless otherwise agreed by the Counterparty or otherwise specified in the Applicable Transaction Terms, and provided that no adverse taxation consequences would ensue use its best endeavours to procure:

- (a) the substitution of a company in another jurisdiction, in which the relevant tax does not apply, approved in writing by the Trustee, as principal debtor under the Related Agreement; or
- (b) the establishment of a branch, agency or office in another jurisdiction, in which the relevant tax does not apply, approved in writing by the Trustee, from which it will continue to carry out its functions under the Related Agreement.

The principal terms of each swap agreement or other Related Agreement will be set out in the relevant Applicable Transaction Terms.

**Exchange of
Notes For
Underlying
Assets:**

The Applicable Transaction Terms in respect of each Series of Notes will state whether Notes of that Series may, in the absolute discretion of each of the Issuers and the Arranger, at the request of any Noteholder, be exchanged for a corresponding Principal Amount of the Underlying Assets.

**Exchange of
Series:**

The Issuer of an existing Series (the “**Existing Series**”) may, if so specified in the Applicable Transaction Terms and on the terms set out therein, elect to exchange that Existing Series for a new Series of Notes (the “**New Series**”) to be issued by each of the Issuers, subject to the terms set out in the Applicable Transaction Terms.

**Substitution of
Underlying
Assets:**

The Applicable Transaction Terms in respect of each Series of Notes will state whether each of the Issuers may from time to time upon agreement with all the Noteholders (or without Noteholders’ agreement, if so stated in the Applicable Transaction Terms) substitute alternative assets for such of the Underlying Assets as each of the Issuers may deem appropriate subject to, if the Notes are rated by any Rating Agency or Rating Agencies, confirmation from each such Rating Agency that the rating of the Notes will not be adversely affected.

On such substitution, on such terms as are set out in the Applicable Transaction Terms, any relevant Related Agreement may be terminated, replaced or amended in view of the income expected to be received in respect of any such alternative assets. If so terminated the Counterparty will make any payment due from it to each of the Issuers or, as the case may be, each of the Issuers will make any payment due to such Counterparty, pursuant to the terms of such Related Agreement thereof.

Repurchase:

The Applicable Transaction Terms in respect of each Tranche of Notes will indicate whether Notes of such Series may be repurchased by each of the Issuers. In such case, the Applicable Transaction Terms will set the terms on which any relevant Related Agreement (or part thereof) will be terminated.

**Collection of
Payments:**

Payments of interest and principal (and any other monies received) in respect of the Underlying Assets (if any) will be credited to the account of the custodian specified in the Applicable Transaction Terms (the “**Custodian**”).

Unless otherwise specified in the Applicable Transaction Terms, where no Related Agreement has been entered into by each of the Issuers in respect of any Series of Notes, all amounts received by the Custodian in respect of the Underlying Assets shall be applied by the Custodian in payment to the Principal Paying Agent for payment in respect of the Notes.

Unless otherwise specified in the Applicable Transaction Terms, where a Related Agreement has been entered into by each of the Issuers all such amounts received by the Custodian shall be applied to the Counterparty to the extent necessary to satisfy the obligations of each of the Issuers under such Related Agreement or otherwise shall be transferred to such account as each of the Issuers and the Trustee may direct in writing.

Listing: Notes may be admitted for listing on the Irish Stock Exchange or on such other or additional listing authority, or on the Global Exchange Market operated and regulated by the Irish Stock Exchange, stock exchange or exchanges and/or quotation system or systems as may be specified in the Applicable Transaction Terms or may be unlisted. The Applicable Transaction Terms will state whether or not the Notes of such Tranche are to be listed and if they are to be listed, the listing authority, stock exchange or exchanges and/or quotation system or systems on which they are to be listed.

Ratings: Certain Notes issued pursuant to the Programme may be rated by Moody's Investors Service Inc. ("**Moody's**") and/or Standard & Poor's Ratings Services, a division of the McGraw Hill Companies Inc. ("**S&P**") and/or Fitch Ratings Limited ("**Fitch**") and/or such other rating agency as may be chosen by the relevant Dealer(s) in respect of such Notes (each a "**Rating Agency**"). In the event that a Series of Notes is to be issued by an Issuer which has Notes outstanding rated by a Rating Agency, but which will not be rated by S&P and/or Moody's and/or Fitch, the relevant Dealer(s) shall, as soon as reasonably practicable, inform S&P and/or Moody's and/or Fitch, as the case may be, of the timetable in respect of the proposed issuance and request confirmation that the issuance of such non-rated Series of Notes will not, in and of itself, result in a downgrade or a withdrawal of the rating assigned by S&P and/or Moody's and/or Fitch to any outstanding Series of Notes of the Issuer rated at such time by S&P and/or Moody's and/or Fitch, or alternatively, where Moody's is the relevant Rating Agency, request external verification of the segregation of such non-rated Series of Notes from any outstanding Series of Notes of the Issuer which are rated by Moody's. For the avoidance of doubt, the receipt or otherwise of such confirmation or obtaining or otherwise of such external verification shall not constitute a condition precedent to the issuance of a non-rated Series of Notes. For the avoidance of doubt, in the event that a Series of Notes is to be issued by an Issuer under the Programme that does not have rated Notes outstanding, such Issuer shall not be required to inform any Rating Agency.

Proposals and Advice: Pursuant to a proposals and advice agreement between each of the Issuers and the Proposer (as defined therein) (as amended and restated from time to time, the "**Proposals and Advice Agreement**"), the Proposer shall make proposals and give advice to such Issuer.

Governing Law: The Notes, the Programme Dealer Agreement, the Principal Trust Deed, each Supplemental Trust Deed, the Agency Agreement, the Custody Agreement, the Proposals and Advice Agreement and (unless otherwise specified in the relevant Applicable Transaction Terms) the Related Agreements and any rights and obligations arising therefrom, and any non-contractual obligations arising out of or in connection with the Notes, the Programme Dealer Agreement, the Principal Trust Deed, each Supplemental Trust Deed, the Agency Agreement, the Custody Agreement, the Proposals and Advice Agreement and (unless otherwise specified in the relevant Applicable Transaction Terms) the Related Agreements and any dispute, controversy, proceedings or claims of whatever nature arising out of or in any way relating to Notes, the Programme Dealer Agreement, the Principal Trust Deed, each Supplemental Trust Deed, the Agency Agreement, the Custody Agreement, the Proposals and Advice Agreement and (unless otherwise specified in the relevant Applicable Transaction Terms) the Related Agreements, shall be governed by, and construed in accordance with, English law. Any

Supplemental Security Document will be governed by and construed in accordance with the law specified therein.

**Selling
Restrictions:**

There are restrictions on the sale of Notes and the distribution of the Base Prospectus, the Applicable Transaction Terms and any other offering materials. See “*Subscription and Sale*” and “*Transfer Restrictions*” below.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions which (subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Applicable Transaction Terms and, save for the italicised text (other than sub-headings)) will be incorporated by reference into each Global Note representing Notes in bearer form and Notes in definitive form (if any) issued in exchange for the Global Note(s) representing Notes in bearer form (only if such incorporation by reference is permitted by the rules of the relevant stock exchange and agreed by the Issuer). If such incorporation by reference is not so permitted and agreed, each Note in bearer form and each Registered Note Certificate representing Notes in registered form will have endorsed thereon or attached thereto such text (as so completed, amended, varied or supplemented). Further information with respect to Notes of each Series will be given in the Applicable Transaction Terms which will provide for those aspects of these terms and conditions which are applicable to those Notes. References in the terms and conditions to (i) “Notes” are to the Notes of one Series of a relevant Issuer only, not to all Notes which may be issued under the Programme or all Notes that may be issued by any one Issuer, (ii) the “Issuer” are to the party that is stipulated as such in the Applicable Transaction Terms and (iii) “Existing Issuer” are to each of LORALLY and Cortex. Terms used in the Applicable Transaction Terms and not otherwise defined herein shall have the same meanings where used herein. The absence of any such term indicating that such term is not applicable to the Notes and references to a matter being “specified” means as the same may be specified in the Applicable Transaction Terms:

The Notes (as defined in Condition 1(a) (*Form and Denomination*)) are constituted and secured by a principal trust deed dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time) (the “**Principal Trust Deed**”) to which the Existing Issuers or a Specified Company (as defined in the Supplemental Trust Deed) and the trustee of the Notes (the “**Trustee**” which expression shall include all persons for the time being the trustee or trustees in respect of the Notes under the Trust Deed referred to below and shall mean, in relation to any Series of Notes, the persons identified in the relevant Supplemental Trust Deed as the trustee for that Series) are party as supplemented in relation to the Notes by a supplemental trust deed (as amended or supplemented from time to time, the “**Supplemental Trust Deed**”) dated the Issue Date (as defined in Condition 6(h) (*Rounding*)), between the Issuer, the Trustee and the other parties named therein (the Principal Trust Deed and such Supplemental Trust Deed being referred to herein as the “**Trust Deed**”).

The Notes will have the benefit (to the extent applicable) of an agency agreement dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time) (the “**Agency Agreement**”) to which the Existing Issuers, the Trustee, The Bank of New York Mellon, London Branch in its capacity as Issuing Agent (the “**Issuing Agent**”, which expression shall include any successor to The Bank of New York Mellon, London Branch in its capacity as such), the Calculation Agent, the Principal Paying Agent and the other Paying Agents (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) are party. The Principal Paying Agent is required, at all times while any Notes are outstanding, to have a certain status or minimum ratings if rated by a Rating Agency, in each case, as specified in the Applicable Transaction Terms. As used herein, “**Calculation Agent**”, “**Principal Paying Agent**”, “**Paying Agents**”, and/or “**Registrar**” means, in relation to the Notes, the person specified in the Applicable Transaction Terms relating to the Notes as the Calculation Agent, Principal Paying Agent, Paying Agents and/or Registrar, respectively and, in each case, any successor to such person in such capacity. The Applicable Transaction Terms may also specify that a person is to act as determination agent (the “**Determination Agent**”) in relation to a particular Series of Notes. The terms of appointment and the functions of the Determination Agent will be as set out in the Agency Agreement and/or the Supplemental Trust Deed.

Each Existing Issuer has also entered into a custody agreement dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time) (the “**Custody Agreement**”) to which the Trustee and the custodian specified in the Applicable Transaction Terms relating to the Notes (the “**Custodian**”, which expression includes any successor and any other custodian appointed in connection with any Notes) are a party. In respect of any Series the Issuer may appoint any financial

institution to act as Custodian in relation to that Series, as more fully set out in the Custody Agreement. The Custodian in respect of any Series of Notes is required, at all times while any such Notes are outstanding, to be a financial institution with a short term senior unsecured debt rating of at least “P-1” from Moody’s and “A-1” from S&P (except where the Custodian holds in the Custody (Cash) Account more than 20 per cent. of the outstanding Principal Amount of the Notes or less than 20 per cent. of the outstanding Principal Amount of the Notes for more than 30 days, in which case the short term senior unsecured debt rating of the Custodian by Moody’s must be at least “A1”) (the “**Required Custodian Rating**”). In the event that the rating of the Custodian falls below the Required Custodian Rating or is withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement custodian, which is acceptable to the Trustee, is appointed whose rating is not less than the Required Custodian Rating within 60 calendar days, at no cost to the Issuer.

The Applicable Transaction Terms relating to the Notes (the “**Applicable Transaction Terms**”) (which may, in the case of Notes to be admitted to listing and admitted to trading on the regulated market (for the purposes of the Markets in Financial Instruments Directive) of the Irish Stock Exchange and/or any other stock exchange, comprise a drawdown prospectus relating to the Notes (the “**Drawdown Prospectus**”) and will, in the case of any other Notes to be neither (i) listed or admitted to trading nor (ii) offered to the public in a Member State of the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Directive, take the form of a pricing supplement (the “**Pricing Supplement**”) will be (where permitted by any relevant stock exchange and agreed by the Issuer) endorsed upon or attached to the Notes and will complete these terms and conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these terms and conditions, replace or modify these terms and conditions for the purpose of the Notes.

Certain statements in the Conditions are summaries of the detailed provisions appearing on the face of the Notes (which expression shall include the body thereof), in the Applicable Transaction Terms, the Trust Deed and/or any Supplemental Security Document (as defined in Condition 4(b) (*Security*)). Copies of the Trust Deed, any Supplemental Security Document, the Applicable Transaction Terms, the Agency Agreement and the Custody Agreement are available for inspection at the specified offices of the Principal Paying Agent as specified in the Applicable Transaction Terms (save that, if the Notes are not admitted to listing on the Irish Stock Exchange, the Applicable Transaction Terms shall be available for inspection only by a Noteholder holding one or more Notes of the relevant Series upon production by such Noteholder of evidence satisfactory to the relevant Paying Agent as to its identity).

The Noteholders (as defined in Condition 1 (*Form, Denomination and Title*)) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and any Supplemental Security Document and the Applicable Transaction Terms and to have notice of those provisions of the Agency Agreement and the Custody Agreement applicable to them.

In relation to the Notes, the Programme Dealer Agreement, the Principal Trust Deed, the Agency Agreement, the Administration Agreements, the Proposals and Advice Agreement, the Custody Agreement, the Applicable Transaction Terms, the Supplemental Trust Deed, any Supplemental Security Document, any Sub-Custodian Agreement, any Syndication Agreement and any Related Agreement shall together be referred to as the “**Transaction Documents**”.

In relation to the Notes, the “**Master Documents**” means those documents designated as such in the relevant Deed of Accession and, in the case of the Principal Trust Deed relating to transactions entered into by any Issuer pursuant to the Principal Trust Deed, means the Principal Trust Deed, the Agency Agreement, the Dealer Agreement, the ISDA Master Agreement together with such other documents as are executed by any such Issuer in connection with the Programme.

Any reference in these conditions to a matter being “specified” means as the same may specified in the Applicable Transaction Terms.

The Specified Company has executed a deed (the “**Deed of Accession**”) under which it has become bound by the Master Documents (including the Principal Trust Deed), as defined in such Deed of Accession.

Words and expressions defined in the Trust Deed, the Agency Agreement, the Custody Agreement or the Master Schedule of Definitions, Interpretation and Construction Clauses dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time) (the “**Master Schedule**”) and signed for the purposes of identification by, among others, the Existing Issuers, the Trustee and Crédit Agricole Corporate and Investment Bank or used in the Applicable Transaction Terms shall have the same meaning where used in these Conditions unless the context otherwise requires or unless otherwise stated and, provided that in the event of inconsistency between the Agency Agreement, the Custody Agreement, the Master Schedule and the Trust Deed, the Trust Deed will prevail and, in the event of any inconsistency between the Agency Agreement, the Custody Agreement, the Master Schedule, the Trust Deed and the Applicable Transaction Terms, the Applicable Transaction Terms will prevail.

Any reference in these Conditions to “**payment**” of any sums due in respect of the Notes shall be deemed to include, as applicable, delivery of any Underlying Assets (as defined in Condition 4(b) (*Security*) below) if so provided in the Applicable Transaction Terms, and references to “**pay**”, “**paid**” and “**payable**” shall be construed accordingly.

1. **Form, Denomination and Title**

(a) *Form and Denomination*

The Notes of the Series of which this Note forms a part (in these Conditions, the “**Notes**”) will be issued either (i) in bearer form (the “**Bearer Notes**”), serially numbered in an Authorised Denomination (as defined below), or (ii) in registered form (the “**Registered Notes**”) in an Authorised Denomination or an integral multiple thereof. “**Authorised Denomination**” means the currency and denomination or denominations specified in the Applicable Transaction Terms. References herein to “**Notes**” shall include Bearer Notes and Registered Notes. Bearer Notes of one Authorised Denomination may not be exchanged for Bearer Notes of another Authorised Denomination.

The Credit Linked Notes are either Standard Settlement Notes or Alternative Settlement Notes, depending upon the Settlement Basis shown in the Applicable Transaction Terms.

Interest bearing Bearer Notes are issued with Coupons (and, where appropriate, a Talon) attached. In the case of Zero Coupon Notes, references to interest (other than in relation to interest due after the Maturity Date or other date for redemption), Coupons and Talons in these Conditions are not applicable. After all the Coupons attached to, or issued in respect of, any Bearer Note which was issued with a Talon have matured, (if applicable, a coupon sheet comprising further Coupons (other than Coupons which would be void) and one further Talon, will be issued against presentation of the relevant Talon at the specified office of any Paying Agent specified in the Applicable Transaction Terms. Any Bearer Note the Principal Amount of which is redeemable in instalments may be issued with one or more Receipts attached thereto. “**Maturity Date**” means the date specified in the Applicable Transaction Terms as the final date on which the Principal Amount of the Note is due and payable.

A Registered Note Certificate will be issued substantially in the form of the Seventh Schedule to the Trust Deed to each Noteholder in respect of its registered holding.

(b) *Title*

Title to Bearer Notes, Coupons, Receipts and Talons (if any) passes by delivery. Title to Registered Notes passes by registration in the register (the “**Register**”) which the Issuer shall procure to be kept by the Registrar.

In these Conditions, subject as provided below, “**Noteholder**” and (in relation to a Note, Coupon, Receipt or Talon) “**holder**” and “**Holder**” means the bearer of any Bearer Note, Coupon, Receipt or Talon (as the case may be) and the person in whose name a Registered Note is registered, as the case may be. The expressions “**Noteholder**”, “**holder**” and “**Holder**” include the holders of instalment receipts (the “**Receipts**”) appertaining to the payment of principal by instalments (if any) attached to such Notes (the “**Receiptholders**”) and the holders of the coupons (the “**Coupons**”) (if any) appertaining to interest bearing Notes in bearer form (the “**Couponholders**”), which expression includes the holders of talons (the “**Talons**”) (if any) for further coupons attached to such Notes (the “**Talontholders**”).

The holder of any Note, Coupon, Receipt or Talon will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on the relevant Note or Registered Note Certificate, or its theft or loss or any express or constructive notice of any claim by any other person of any interest therein other than, in the case of a Registered Note, a duly executed transfer of such Note in the form endorsed on the Registered Note Certificate in respect thereof) and no person will be liable for so treating the holder.

Unless otherwise specified in the Applicable Transaction Terms, Bearer Notes issued in compliance with the TEFRA C or the TEFRA D Rules will not be fungible with any prior Tranches of the same Series of Notes until 40 days after the Issue Date of such Tranche.

(c) *Fungible Tranches of Notes comprising a Series*

A Series of Notes may comprise a number of tranches (each a “**Tranche**”), which will be issued on identical terms save for the first interest payment. Notes of different Tranches of the same Series will be fungible, except as set forth in the Applicable Transaction Terms. If a further Tranche (a “**Further Tranche**”) is issued in respect of a Series under which a Tranche or Tranches of Notes have already been issued (an “**Original Tranche**” or “**Original Tranches**”), the pool of assets (the “**Further Underlying Assets**”) relating to such Further Tranche will be fungible with or otherwise equivalent to the Underlying Assets for the Original Tranche or Original Tranches and the Related Agreement for the Original Tranche or Original Tranches will be amended to apply to both the Original Tranche or Original Tranches and such Further Tranche.

2. **Exchanges of Bearer Notes for Registered Notes and Transfers of Registered Notes**

(a) *Exchange of Bearer Notes*

Subject as provided in Condition 2(e) (*Closed periods*), Bearer Notes may, if so specified in the Applicable Transaction Terms, be exchanged at the expense of the transferor Noteholder for the same aggregate Principal Amount of Registered Notes in definitive form represented by Registered Note Certificates at the request in writing of the relevant Noteholder and upon surrender of the Bearer Note to be exchanged together with all unmatured Coupons, Receipts and Talons relating to it (if any) at the specified office of the Registrar or any Paying Agent, provided that Bearer Notes that are Dual Currency Notes, Variable Coupon Amount Notes or Variable

Redemption Amount Notes may be exchanged for Registered Notes in definitive form represented by Registered Note Certificates only with the prior written approval of the Issuer. Where, however, a Bearer Note is surrendered for exchange after the Record Date (as defined in Condition 8(b) (*Registered Notes*)) for any payment of interest or Interest Amount (as defined in Condition 6(j) (*Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts, Early Redemption Amounts and Instalment Amounts*)), the Coupon in respect of that payment of interest or Interest Amount need not be surrendered with it.

Registered Notes may not be exchanged for Bearer Notes.

(b) *Transfer of Registered Notes*

A Registered Note may be transferred upon the surrender of the relevant Registered Note Certificate, together with the form of transfer endorsed on it duly completed and executed, at the specified office of a Paying Agent and, if the Notes are listed on the Irish Stock Exchange, the specified office of the Irish Paying Agent, provided that a Registered Note may not be transferred unless the Principal Amount of Registered Notes proposed to be transferred and the Principal Amount of the balance of Registered Notes proposed to be retained by the relevant transferor are Authorised Denominations. In the case of a transfer of part only of a holding of Registered Notes represented by a Registered Note Certificate, a new Registered Note Certificate in respect of the balance not transferred will be issued to the transferor.

(c) *Delivery of new Registered Note Certificates*

Each new Registered Note Certificate to be issued upon exchange of Bearer Notes or transfer of Registered Notes will, within three business days (in the place of the specified office of a Paying Agent) of receipt of such request for exchange or form of transfer, be available for delivery at the specified office of a Paying Agent stipulated in the request for exchange or form of transfer, or be mailed at the risk of the Noteholder entitled to the Registered Note Certificate to such address as may be specified in such request or form of transfer. For these purposes, a form of transfer or request for exchange received by a Paying Agent after the Record Date in respect of any payment due in respect of Registered Notes shall be deemed not to be effectively received by a Paying Agent until the business day following the due date for such payment.

(d) *Exchange at the expense of Transferor Noteholder*

Registration of Notes on exchange or transfer will be effected at the expense of the transferor Noteholder by or on behalf of the Issuer or a Paying Agent, and upon payment of (or the giving of such indemnity as a Paying Agent may require in respect of) any tax or other governmental charges which may be imposed in relation to it.

(e) *Closed periods*

No transfer of a Registered Note to be registered, a Bearer Note to be exchanged for a Registered Note nor a Temporary Global Note to be exchanged for a Permanent Global Note may occur during the period of 15 days ending on the due date for any payment of principal, interest or Redemption Amount (as defined below) on that Note except as specified in Condition 2(a) (*Exchange of Bearer Notes*).

(f) *Regulations Concerning Transfer and Registration*

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Programme Dealer Agreement. The regulations may be changed by the Issuer in any manner which is

reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations will be sent by the Registrar to any Noteholder who so requests and is available at the offices of each of the Paying Agents.

3. **Status and Instructing Creditor**

(a) *Unsubordinated Notes*

This Condition 3(a) is applicable only in relation to Notes which are specified as being Unsubordinated Notes.

The Notes, Coupons and Receipts (if any) are secured, limited recourse obligations of the Issuer, secured in the manner described in Condition 4 (*Related Agreements and Security*) and recourse in respect of which is limited in the manner described in Condition 11 (*Limited Recourse Enforcement*) and will rank *pari passu* without any preference among themselves.

(b) *Subordinated Notes*

This Condition 3(b) is applicable only in relation to Notes which are specified as being Subordinated Notes.

In the case of Subordinated Notes, the Notes, Coupons and Receipts (if any) are subordinated and ranked as provided in the Supplemental Trust Deed and described in the Applicable Transaction Terms; save that each class of Subordinated Notes shall rank *pari passu* without any preference among themselves.

(c) *Prioritised Tranches*

In the case of Prioritised Tranches of Notes, details of the relationship of the Notes with other Tranches of Notes of the same Series will be set out in full in the Applicable Transaction Terms.

If so specified in the Applicable Transaction Terms, prior to the security granted pursuant to the Trust Deed becoming enforceable as described in Condition 10 (*Events of Default*), certain amounts received by the Issuer in connection with the Underlying Assets and/or any Related Agreement and/or Credit Support Document or otherwise, will be applied in accordance with the order or orders of priority (the “**Pre-enforcement Waterfall**”) (if any) specified in the Applicable Transaction Terms.

(d) *Instructing Creditor*

The Applicable Transaction Terms and Supplemental Trust Deed will specify in relation to that Series of Notes whether the Instructing Creditor is:

- (i) the Counterparty only; or
- (ii) the Noteholders only.

If the Applicable Transaction Terms does not so specify, the Instructing Creditor shall be the Counterparty. Where the Instructing Creditor is the Noteholders, the Noteholders can (where specified) request the Trustee to take actions contemplated in the Conditions by means of a request in writing of the holders of at least one fifth in Principal Amount of the Notes of such Series then outstanding, unless otherwise specified in the Applicable Transaction Terms, or by means of an Extraordinary Resolution of such Noteholders.

Where the Instructing Creditor is the Counterparty and sums are due but unpaid to the Counterparty, the Counterparty may (where specified) request the Trustee to take actions contemplated in the Conditions by means of a written request and the Trustee may, if the Trustee determines that to do so would not be materially prejudicial to the Noteholders, act upon such instruction.

The Security (as defined in Condition 4(b) (*Security*)) in relation to any Series of Notes will become enforceable upon the Trustee giving an Enforcement Notice (as defined in Condition 10 (*Events of Default*)) to the Issuer of that Series subsequent to an Event of Default, Early Redemption Event or as otherwise provided in the Trust Deed.

The Trustee may, but shall not be bound to give any Enforcement Notice in respect of any Series of Notes, to take any steps or institute any proceedings to enforce the Security for any Series or to enforce payment of any amount due and payable under or pursuant to the Notes of any Series or the Related Agreement unless it shall have been so requested by the Instructing Creditor in relation to such Series and has been secured and/or indemnified to its satisfaction.

The Trustee will, where the interests of the Instructing Creditor (as evidenced by the Instructing Creditor's instructions) conflict with those of the other Secured Creditors (as defined in Condition 4(b) (*Security*)), prefer the interests of such Instructing Creditor over the interests of the other Secured Creditors (and shall not take into account the interests of such other Secured Creditors).

4. **Related Agreements and Security**

(a) *Related Agreements*

In connection with the issue of the Notes of any Series, the Issuer will, if so specified in the Applicable Transaction Terms, enter into a swap agreement, swap transactions, credit derivative transactions, derivative transactions or other hedging agreement or option agreement (each a "**Swap Agreement**") or any letters of credit, guarantees, collateral agreements or other credit support or credit enhancement documents (each a "**Credit Support Document**") or other financial arrangements or any investment agreement (each such Swap Agreement, Credit Support Document and other financial arrangement agreement or any investment agreement being referred to as a "**Related Agreement**") with one or more counterparties (each a "**Counterparty**").

(b) *Security*

The Trust Deed will provide that the obligations of the Issuer under the Notes, Coupons and Receipts (if any) of a Series appertaining thereto to the Trustee on its own behalf and on behalf of the Noteholders and to those persons referred to in the Applicable Transaction Terms (collectively, the "**Secured Creditors**") are secured by security interests (governed by English law and/or the law of any other relevant jurisdiction) over certain Underlying Assets as specified in the relevant Supplemental Trust Deed (the "**Underlying Assets**" which expression shall include any alternative Underlying Assets and exclude any replaced Underlying Assets pursuant to a substitution in accordance with Condition 4(e) (*Substitution of Underlying Assets*)), any relevant Related Agreement and such other assets as are specified in the Applicable Transaction Terms.

The Secured Creditors of all Series are also secured pursuant to the Principal Trust Deed by a charge over certain contractual rights of the Issuer.

The security created by the Supplemental Trust Deed may be supplemented by such further security documents (each a "**Supplemental Security Document**" and, together with the Supplemental Trust Deed, the "**Security Documents**") as may,

from time to time, be required by the Trustee and as specified in the Applicable Transaction Terms (together, the “**Security**”).

The assets (including the Underlying Assets) on which the Notes of a Series are secured are referred to as the “**Charged Assets**”.

To the extent that an obligor under the Underlying Assets fails to make payments to the Issuer on the due date therefor, the Issuer may be unable to meet its obligations (a) under the Related Agreement(s) (if any) and/or (b) in respect of the Notes, the Coupons or the Receipts (if any) as and when they fall due. In addition, to the extent that a Related Agreement is terminated the Issuer may also be unable to meet such obligations. In any such event, and subject to Conditions 7(b) (Early Redemption), 7(c) (Purchase) and 7 (d) (Early Redemption of Zero Coupon Notes) and Condition 10 (Events of Default), the Notes will become repayable in accordance with the Conditions. In any such event, following an early redemption of the Notes the amount received may be insufficient to pay all amounts due to the Secured Creditors (including the Noteholders).

The Notes are also capable of being declared immediately due and repayable prior to their stated date of maturity or other date or dates for their redemption following the occurrence of any of the Events of Default more particularly specified in Condition 10 (Events of Default). On notice having been given to the Issuer by the Trustee following any such occurrence (and the Instructing Creditor may direct the Trustee to give such notice), the Notes will become repayable in accordance with the Conditions and the Security therefor will become enforceable in accordance with and subject to the provisions of Condition 11 (Limited Recourse Enforcement). On any such enforcement, the amount received may be insufficient to pay all amounts due to the Secured Creditors (including the Noteholders).

(c) *Realisation of the Underlying Assets upon enforcement or Underlying Disposal Event*

Subject to the Applicable Transaction Terms in respect of a Series of Notes, in the event of:

- (i) the Security created by the Security Documents becoming enforceable as provided in Condition 10 (*Events of Default*), the Trustee shall have the right to enforce its rights under the Security Documents in relation to the relevant Charged Assets only;
- (ii) an Underlying Disposal Event (as defined in Condition 7(b) (*Early Redemption*)), the Custodian shall arrange for and administer the sale of the relevant Underlying Assets,

but in each case without any liability as to the consequence of such action and without having regard to the effect thereof on, or being required to account for such action to, any Secured Creditor, provided that the Trustee shall not be required to take any action that would involve the Trustee in any liability or expense unless previously indemnified and/or secured to its satisfaction.

(d) *Application of Proceeds*

Subject to the provisions of the Supplemental Trust Deed and as specified in the Applicable Transaction Terms, on any enforcement of the Security created by the Security Documents or any Early Redemption Event (as defined in Condition 7(b)(iv) (*Definition*)) in accordance with these Conditions, the Liquidation Amount (as defined below) and/or, in the case of Alternative Settlement, the Deliverable Property (as defined in Condition 7(l)(i)(A)) shall be applied as follows:

- (i) if “**Counterparty Priority**” is specified in the Applicable Transaction Terms:
 - (A) first, rateably in meeting the claims (if any) of each Counterparty under the Related Agreement(s);
 - (B) secondly, rateably in meeting the claims (if any) of the holders of Notes, Coupons and Receipts (which for this purpose shall include any claim of the Principal Paying Agent for reimbursement of payment of principal and/or interest made to the holders of Notes, Coupons and Receipts). If the monies received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them pro-rata on the basis of the amount due to each party entitled to such payment; and
 - (C) thirdly, in payment of the balance (if any) to the Issuer.
- (ii) if “**Noteholder Priority**” is specified in the Applicable Transaction Terms:
 - (A) first, rateably in meeting the claims (if any) of the holders of Notes, Coupons and Receipts (which for this purpose shall include any claim of the Principal Paying Agent for reimbursement of payment of principal and/or interest made to the holders of Notes, Coupons and Receipts). If the monies received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them pro-rata on the basis of the amount due to each party entitled to such payment; and
 - (B) secondly, in meeting the claims (if any) of each Counterparty under the Related Agreement(s); and
 - (C) thirdly, in payment of the balance (if any) to the Issuer.
- (iii) if “**Other Priority**” is specified, as specified in the Supplemental Trust Deed and in the Applicable Transaction Terms.

In these Conditions, “**Liquidation Amount**” means, unless otherwise specified in the Applicable Transaction Terms, the equivalent in the currency in which the Notes are denominated of (i) (in the case of an enforcement of the Security constituted by the Security Documents or an Underlying Disposal Event) the net proceeds of the realisation of the Charged Assets or the Underlying Assets, as the case may be, received by the Trustee or the Issuer, as the case may be, or (ii) (in the case of an Underlying Early Redemption) the redemption proceeds of the relevant Underlying Assets, (iii) (in the case of a Credit Event) the amount specified in the Applicable Transaction Terms or (iv) (in the case that Deliverable Property was not capable of being delivered if a Note falls to be redeemed and Alternative Settlement is specified in the Applicable Transaction Terms), the sale proceeds received by the Custodian, after, in the case of (i), (ii), (iii) and (iv) above and as applicable, payment of the Trustee’s, the Custodian’s, each of the Agents’, and any Receiver’s expenses, Liabilities and remuneration, any other amounts (other than amounts payable on the

Notes) due to the Trustee, the Custodian, the Agents and such Receiver, and any other expenses payable by the Issuer (if specified in the relevant Supplemental Trust Deed) in respect of the Notes and any amounts owing in taxes or to any governmental or other authority.

(e) *Substitution of Underlying Assets*

If specified in the Applicable Transaction Terms, the Issuer and/or a manager or agent designated therein may from time to time, upon agreement with all the Noteholders (or without Noteholders agreement, if so stated in the Applicable Transaction Terms) but subject (in the case of Notes which are rated by any Rating Agency or Rating Agencies) to the Issuer (or designated manager or agent, as the case may be) having obtained prior confirmation and/or affirmation (addressed to the Issuer and the Trustee) from each such Rating Agency that the credit rating of the Notes will not be adversely affected, substitute alternative assets for such of the Underlying Assets as the Issuer (or designated manager or agent, as the case may be) may deem appropriate. Any such alternative assets will become Underlying Assets and will be held subject to the charges in favour of the Trustee as set out or contemplated in the Supplemental Trust Deed. The Issuer (in the case of a Series admitted to listing on the Irish Stock Exchange or such other stock exchange (as the case may be)) shall prepare a revised Drawdown Prospectus which shall be lodged with such stock exchange, setting out details of such substitution (including, without limitation, the alternative Underlying Assets) and, in any event, shall notify the Noteholders thereof (and other Secured Creditors) in accordance with Condition 15 (*Notices*).

5. **Restrictions**

So long as any Obligations, as applicable, remain outstanding, the Issuer will not, save to the extent permitted or contemplated herein or by the Transaction Documents or with the Trade Documents or Obligation Documents:

- (a) engage in any business (other than acquiring and holding the Underlying Assets (which shall include the making of loans or otherwise providing credit), issuing, creating or incurring the Notes or Obligations, entering into Related Agreements, entering into the Transaction Documents and the Trade Documents and/or Obligation Documents, as applicable, acquiring and holding other assets which impose no obligations on the Issuer, issuing further Series of Notes on terms substantially similar to these Conditions or creating other Obligations, performing its obligations and exercising its rights thereunder and under the other agreements entered into by it in connection with the issue, creation or incurrence of the Notes and/or Obligations, the Trade Documents, the Obligation Documents and the Transaction Documents and such further Series and matters reasonably incidental thereto);
- (b) have any employees or premises;
- (c) lease or otherwise acquire an interest in any real property;
- (d) incur or permit to subsist any other indebtedness for borrowed money whatsoever or give any guarantee or indemnity in respect of any indebtedness other than issuing, creating or incurring Notes and/or Obligations pursuant to the Principal Trust Deed (other than the Subordinated Notes, the terms of which are set out in the relevant Supplemental Trust Deed), provided that the Trustee is satisfied that such Notes and/or Obligations are:
 - (i) secured on assets of the Issuer other than:
 - (A) the assets securing any other Series of Notes and/or Obligations (save in the case of a Fungible Tranche of such Notes forming a single

- Series with the Tranche of Notes already issued, subject to Condition 1(c) (*Fungible Tranches of Notes comprising a Series*)) issued under the Principal Trust Deed and as provided therein;
- (B) any other assets of the Issuer on which any other obligations of the Issuer are secured; and
 - (C) the Issuer's share capital, any transaction fee paid to the Issuer and any local bank accounts established for the administration of the Issuer;
- (ii) issued on terms in substantially the form contained in these Conditions which provide for the extinguishment of all claims in respect of such further Notes and/or Obligations after application of the proceeds of sale or redemption of the assets on which such Notes and/or Obligations are secured; and
 - (iii) in the case of a further Tranche of Notes forming a single series with any Tranche(s) of Notes previously issued, secured *pari passu* on the assets for such previously issued Tranche(s) and such further assets of the Issuer upon which such further Tranche of Notes and such previously issued Tranche(s) are secured, subject to Condition 14 (*Meetings of Noteholders, Modification, Waiver, Authorisation and Substitution*);
- (e) sell or otherwise dispose of the Underlying Assets or any interest therein or agree or purport to do so;
 - (f) create or permit to exist upon or affect any of the Underlying Assets relating to any Series any security interest whatsoever other than as contemplated by the Security Documents in relation to such Series;
 - (g) consolidate or merge with any other person or convey or transfer its properties or assets substantially in their entirety to any person;
 - (h) permit the validity or effectiveness of the Trust Deed, any other Security Document, any guarantee arrangements executed in relation to the issue of Notes and/or Obligations or the priority of the Security created thereby to be amended, terminated, postponed or discharged, or permit any person whose obligations form part of such Security to be released from such obligations;
 - (i) release any party to any Related Agreement from any executory obligation thereunder;
 - (j) have any subsidiaries;
 - (k) issue, create or incur a Series of Notes and/or Obligations (i) unless confirmation has been received from the Rating Agency that the issue of such Series or the entering into of such Obligation(s) by the Issuer will not adversely impact the ratings assigned by such Rating Agency to any outstanding Series of Notes or Obligation(s) (if any) of the Issuer or alternatively, where Moody's is the relevant Rating Agency, external verification has been provided to Moody's of the segregation of such Series or such Obligation(s) from any outstanding Series of Notes or Obligation(s) (if any) of the Issuer (provided further that this proviso (i) shall not apply in respect of any unrated Series of Notes or unrated Obligation(s) then outstanding of the same Issuer where the Rating Agency has not assigned any rating to any other Notes or Obligations of such Issuer or where any Notes or Obligations of such Issuer to which the Rating Agency has assigned a rating are no longer outstanding) and (ii) which would cause the Issuer to breach the Issuer Limit;

- (l) declare or pay a dividend (except for dividends not exceeding an aggregate of USD 1,000 per annum, payable to its shareholder or shareholders from time to time) or make any distribution in respect of its share capital or issue any additional shares;
- (m) fail to comply with its respective obligations under the Custody Agreement and/or Sub-Custodian Agreement executed in relation to such Series, the Agency Agreement, the Programme Dealer Agreement, the relevant Administration Agreement (if any), the other Transaction Documents, Trade Documents or Related Agreements (in each case, with respect to such Series) in respect of the Underlying Assets relating to such Series if any and, without prejudice to the generality of the foregoing, at all times maintain any Agents in any jurisdiction, place or city required by the Conditions relating to any outstanding Notes and/or Obligations of such Series in accordance with the terms of the Notes and/or Obligations of such Series;
- (n) make or consent to any amendment to any Transaction Document or Trade Documents or Obligation Documents in respect of any Series of Notes and/or Obligations or any Underlying Asset and Charged Assets in respect of such Series without the prior written consent of the Trustee; or
- (o) have, nor create, a UK establishment (within the meaning of the Overseas Companies Regulations 2009).

So long as any of the Notes remain outstanding, the Issuer shall at all times ensure that the Charged Assets in relation to any Series of Notes and/or Obligations are kept separate and distinguishable from all other assets of the Issuer.

In addition, so long as any of the Notes remain outstanding, and to the extent the Custody (Cash) Account in respect of such Series of Notes holds, at any time, an amount of Cash equal to or greater than 20 per cent. of the aggregate outstanding Principal Amount of such Series of Notes, the Custodian holding the Custody (Cash) Account on behalf of the Issuer shall maintain a required rating of “A-1” by S&P or “A1” by Moody’s, provided that such required rating shall be reduced to “P-1” by Moody’s in circumstances where such Custody (Cash) Account holds an amount of Cash equal to less than 20 per cent. of the outstanding Principal Amount of such Notes for not more than 30 days.

The Trustee shall be entitled to rely absolutely on a certificate of any director of the Issuer in relation to any matter relating to the restrictions set out in this Condition 5 and to accept without liability any such certificate as sufficient evidence of the relevant fact or matter in question.

The Trustee may in respect of any Series or otherwise act on the advice or opinion of or any information obtained from any lawyer, valuer, accountant, banker, broker or other expert whether obtained by the Issuer, the Trustee or otherwise (whether or not addressed to the Trustee, and whether or not such auditor or expert’s liability in respect thereof is limited by a monetary cap or otherwise) and shall not be responsible for any Liability occasioned by so acting.

6. **Interest and other Calculations**

(a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest on its Principal Amount (or as otherwise specified in the Applicable Transaction Terms) from and including the Interest Commencement Date at the Interest Rate, such interest being payable in arrear (unless otherwise specified in the Applicable Transaction Terms) on each Interest Payment Date (as defined in Condition 6(k) (*Definitions*)).

The amount of interest payable shall be determined in accordance with Condition 6(i) (*Calculations*).

(b) *Business Day Convention*

If any date referred to in these Conditions or the Applicable Transaction Terms is specified to be subject to adjustment in accordance with a Business Day Convention and would otherwise fall on a day which is not a Business Day, then if the Business Day Convention specified in the Applicable Transaction Terms is:

- (i) the “**Floating Rate Convention**”, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event:
 - (A) such date shall be brought forward to the immediately preceding Business Day; and
 - (B) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment;
- (ii) the “**Following Business Day Convention**”, such date shall be postponed to the next day which is a Business Day;
- (iii) the “**Modified Following Business Day Convention**”, such date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day; or
- (iv) the “**Preceding Business Day Convention**”, such date shall be brought forward to the immediately preceding Business Day.

(c) *Interest Rate on Floating Rate Notes*

This Condition 6(c) is applicable only if the Applicable Transaction Terms specifies the Notes as Floating Rate Notes. The amount of interest payable shall be determined in accordance with Condition 6(i) (*Calculations*).

If Screen Rate Determination is specified in the Applicable Transaction Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:

- (i) if the Page displays a rate which is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Relevant Rate which appears on the Page as of the Relevant Time on the relevant Interest Determination Date;
- (ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Relevant Rates which appear on the Page as of the Relevant Time on the relevant Interest Determination Date;
- (iii) if, in the case of paragraph (i) above, such rate does not appear on that page or, in the case of paragraph (ii) above, fewer than two such rates appear on that page or if, in either case, the Page is unavailable, the Calculation Agent will:
 - (A) request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Relevant Rate at

approximately the Relevant Time on the relevant Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in the Representative Amount; and

- (B) determine the arithmetic mean of such quotations; and
- (iv) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Relevant Rate, as determined by the Calculation Agent) quoted by major banks in the Relevant Financial Centre of the Relevant Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the Relevant Financial Centre of the Relevant Currency) on the first day of the relevant Interest Period for loans in the Relevant Currency to leading European banks for a period equal to the relevant Interest Period and in the Representative Amount, and the Interest Rate for such Interest Period shall be the sum of the Spread and the rate or (as the case may be) the arithmetic mean so determined; provided that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Interest Rate applicable to the Notes during such Interest Period will be the sum of the Spread and the rate (or as the case may be) the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period.

If ISDA Determination is specified in the Applicable Transaction Terms as the manner in which the Interest Rate(s) is/are to be determined, the Interest Rate(s) applicable to the Notes for each Interest Period will be the sum of the Spread and the relevant ISDA Rate where “**ISDA Rate**” in relation to any Interest Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under an interest rate swap transaction as if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (A) the Floating Rate Option is as specified in the Applicable Transaction Terms;
- (B) the Designated Maturity is the Specified Duration; and
- (C) the relevant Reset Date is either (I) if the relevant Floating Rate Option is based on the London inter-bank offered rate (LIBOR) for a currency, the first day of that Interest Period or (II) in any other case, as specified in the Applicable Transaction Terms.

For the purposes of this Condition 6(c), “**Floating Rate**”, “**Floating Rate Option**”, “**Designated Maturity**” and “**Reset Date**” have the meanings given to them in the ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (“**ISDA**”).

- (d) *Interest Rate on Indexed Notes:*

If the Applicable Transaction Terms specifies that the Interest Rate will be linked to an index or indices, the Interest Rate applicable to the Notes for each Interest Period will be determined in the manner specified in the Applicable Transaction Terms. The amount of interest payable shall be determined in accordance with Condition 6(i) (*Calculations*).

(e) *Maximum or Minimum Interest Rates*

If any Maximum Interest Rate or Minimum Interest Rate is specified in the Applicable Transaction Terms, then the Interest Rate shall in no event be greater than the maximum or be less than the minimum so specified.

(f) *Interest Rate on Zero Coupon Notes*

The Interest Rate for any overdue principal in respect of a Zero Coupon Note shall be a rate per annum (expressed as a percentage) equal to the implied yield to maturity or the figure as shown on the face of the Note or in the Applicable Transaction Terms (before as well as after judgment) up to the Relevant Date (the “**Zero Coupon Yield**”) as determined by the Calculation Agent.

(g) *Accrual of Interest*

Interest will cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused by the Issuer or the Paying Agents (acting on behalf of the Issuer), in which event interest will continue to accrue (before as well as after judgment) at the Interest Rate in the manner provided in this Condition 6 to the Relevant Date (as defined in Condition 7(d) (*Early Redemption of Zero Coupon Notes*)).

(h) *Rounding*

For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified):

- (i) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up);
- (ii) all figures will be rounded to seven significant figures (with halves being rounded up); and
- (iii) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of Japanese yen, which shall be rounded down to the nearest Japanese yen. For these purposes, “**unit**” means, with respect to any currency other than euro, the lowest amount of such currency which is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(i) *Calculations*

The amount of interest payable per Calculation Amount in respect of any Note for each Interest Period shall be equal to the product of the Interest Rate, the Calculation Amount specified in the Applicable Transaction Terms and the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Period, as specified in the Applicable Transaction Terms, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Period will equal such Interest Amount (or be calculated in accordance with such formula).

In respect of any period other than an Interest Period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for such period for which interest is required to be calculated.

(j) *Determination and Publication of Interest Rates, Interest Amounts, Redemption Amounts, Early Redemption Amounts and Instalment Amounts*

The Calculation Agent shall, as soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount, Early Redemption Amount, Instalment Amount and/or amount of Deliverable Property, obtain any quote or make any determination or calculation, determine the Interest Rate and calculate the amount of interest payable per Calculation Amount (the “**Interest Amounts**”), calculate the Redemption Amount, Early Redemption Amount, Instalment Amount and/or amount of Deliverable Property, obtain such quote or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount, Early Redemption Amount, any Instalment Amount and/or amount of Deliverable Property, to be notified to the Principal Paying Agent, the Trustee, the Issuer, each of the Paying Agents, the Noteholders and, if the Notes are listed on a stock exchange and the rules of such stock exchange so requires, such exchange as soon as possible after their determination but in no event later than (i) (in case of notification to such stock exchange) the commencement of the relevant Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. The Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10 (*Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no publication of the Interest Rate or the Interest Amount so calculated need be made unless otherwise required by the Trustee. The determination of each Interest Rate, Interest Amount, Redemption Amount, Instalment Amount and/or amount of Deliverable Property, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent or, as the case may be, the Trustee pursuant to Condition 6(c) (*Interest Rate on Floating Rate Notes*), shall (in the absence of manifest error) be final and binding upon all parties.

(k) *Definitions*

In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below.

“**Business Day**” means:

- (i) in relation to any sum payable in U.S. dollars, a day on which commercial banks and foreign exchange markets settle payments generally in New York City;
- (ii) in relation to any sum payable in euro, a TARGET Settlement Day; and
- (iii) in relation to any sum payable in a currency other than euro or U.S. dollars, a day on which commercial banks and foreign exchange markets settle payments generally in the principal financial centre of the Relevant Currency;
- (iv) in any case, in any (if any) additional city or cities specified in the Applicable Transaction Terms (an “**Additional Relevant Business Day**”).

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest on any Note for any period of time (whether or not constituting an Interest Period, the “**Calculation Period**”):

- (i) if “**1/1**” is specified, 1;

- (ii) if “**Actual/365**”, “**Act/365**”, “**Actual/Actual-ISDA**” “**Actual/Actual**” or “**Act/Act**” is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of:
 - (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366; and
 - (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (iii) if “**Actual/365(Fixed)**”, “**Act/365(Fixed)**”, “**A/365/(Fixed)**” or “**A/365F**” is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 365;
- (iv) if “**Actual/360**”, “**Act/360**” or “**A/360**” is specified, the actual number of days in the Calculation Period in respect of which payment is being made divided by 360;
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless:
 - (A) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month; or
 - (B) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));
- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period) unless, in the case of the final Calculation Period, the last day of such period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30 day month; and
- (vii) if “**Actual/Actual-ICMA**” is specified hereon,
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where, for the purposes of this defined term:

“**Determination Period**” means the period from and including a Determination Date in any year to but excluding the next Determination Date and

“**Determination Date**” means the date specified as such hereon or, if none is so specified, the Interest Payment Date.

“**EC Treaty**” means the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992), by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997 and the Treaty of Nice (signed in Nice on 26 February 2001), each as further amended from time to time.

“**EUR**” or “**euro**” means the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty.

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the Applicable Transaction Terms.

“**Interest Determination Date**” means, with respect to an Interest Rate and an Interest Period, the date specified as such in the Applicable Transaction Terms or, if none is so specified, for U.S. dollars, the day falling two Business Days in London prior to the first day of such Interest Period, for euro, the day falling two Target Settlement Days prior to the first day of such Interest Period, for British pound sterling the first day of such Interest Period, or otherwise in accordance with customary market practice in the determination of the Calculation Agent.

“**Interest Payment Date**” means the date(s) specified as such in the Applicable Transaction Terms.

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

“**Interest Rate**” means the rate of interest payable from time to time in respect of the Note and which is either specified in, or calculated in accordance with the provisions of, these Conditions and/or the Applicable Transaction Terms.

“**ISDA Definitions**” means in respect of a Series of Notes, the 2006 ISDA Definitions (as may be amended or supplemented from time to time) as published by ISDA in effect as at the date on which the relevant Notes are issued, unless otherwise specified in the Applicable Transaction Terms.

“**Issue Date**” means the date of issue of the Notes.

“**Obligation Documents**” means, in relation to a Series of Obligations, the Applicable Transaction Terms (if any), the relevant Supplemental Trust Deed, the relevant Related Agreement, any Sub-Custodian Agreement or custody agreement entered into in respect of such Series, the Obligations of such Series, any

Supplemental Security Documents, if any, entered into in respect of such Series and the final form of any other documents entered into by a party or produced in connection with such Series.

“**Page**” means such page, section, caption, column or other part of a particular information service as may be specified in the Applicable Transaction Terms, or such other page, section, caption, column or other part as may replace the same on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying comparable rates or prices.

“**Principal Amount**” means in relation to a Note or Series, the original face value thereof less any repayment of principal made to the holder(s) thereof in respect of such Note or Series, unless otherwise provided in the relevant Applicable Transaction Terms.

“**Redemption Amount**” means, unless otherwise specified in the Applicable Transaction Terms, in relation to a Note or Series, the amount of the original face value thereof less any repayment of principal made to the Holder(s) thereof in respect of such Note or Series (including, if so specified in the Applicable Transaction Terms, any Writedown or Implied Writedown (as such terms are defined in the ISDA form of Credit Derivative Transaction on Mortgage-Backed Security with Pay-As-You-Go or Physical Settlement (Form I) (*Dealer Form*))).

“**Reference Banks**” means the institutions specified as such or, if none, four (or, if the Relevant Financial Centre is Helsinki, five) major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money market) which is most closely connected with the Relevant Rate as determined by the Calculation Agent in its sole and absolute discretion.

“**Registered Note Certificate**” means a certificate representing a Noteholder’s entire holding of Registered Notes in definitive form in substantially the form set out in the Schedule 7 (*Form of Registered Note Certificate*) to the Principal Trust Deed or in such other form as may be set out in the relevant Supplemental Trust Deed.

“**Regulation S**” means Regulation S under the Securities Act.

“**Relevant Currency**” means the currency specified as such or, if none is specified, the currency in which the Notes are denominated.

“**Relevant Financial Centre**” means, with respect to any Note, to be the financial centre as may be specified as such or, if none is so specified, the financial centre with which the Relevant Rate is most closely connected as determined by the Calculation Agent.

“**Relevant Rate**” means the offered rate for a Representative Amount of the Relevant Currency for a period (if applicable) equal to the Specified Duration (or such other rate as shall be specified in the Applicable Transaction Terms).

“**Relevant Time**” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the Applicable Transaction Terms or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the relevant currency in the interbank market in the Relevant Financial Centre.

“**Representative Amount**” means, with respect to any rate to be determined on an Interest Determination Date, the amount specified in the Applicable Transaction

Terms as such or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

“**Specified Currency**” means the currency specified as such in the Applicable Transaction Terms or, if none is specified, the currency in which the Notes are denominated.

“**Specified Duration**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the period or duration specified in the Applicable Transaction Terms or, if none is specified, a period of time equal to the relative Interest Period.

“**Spread**” means the rate per annum (expressed as a percentage) specified in the Applicable Transaction Terms.

“**TARGET Settlement Day**” means any day on which the TARGET system is open.

“**TARGET System**” means the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) system or any successor thereto.

(l) *Calculation Agent and Reference Banks*

The Issuer will procure that there shall at all time be four Reference Banks selected by the Issuer acting through the Calculation Agent with offices in the Relevant Financial Centre (or, if the Relevant Financial Centre is Helsinki, five Reference Banks) and a Calculation Agent if provision is made for them in the Conditions applicable to this Note and for so long as it is outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer acting through the Calculation Agent will select another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Period or to calculate the Interest Amounts or any other requirements, the Issuer will appoint (with the prior written consent of the Trustee) a successor to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

(m) *Determination or Calculation by Trustee*

If the Calculation Agent does not at any time for any reason determine any Interest Rate for an Interest Period, Interest Amount, Redemption Amount, Early Redemption Amount Instalment Amount, the amount of any Deliverable Property or any other amount to be determined or calculated by it, the Trustee shall determine such Interest Rate, Interest Amount, Redemption Amount, Early Redemption Amount Instalment Amount, amount of Deliverable Property or other amount as aforesaid at such rate or in such amount as in its absolute discretion (having regard as it shall think fit to the procedures described above, but subject to the terms of the Trust Deed) it shall deem fair and reasonable in all the circumstances or, subject as aforesaid, apply the foregoing provisions of this Condition, with any consequential amendments, to the extent that, in its sole opinion, it can do so and in all other respects it shall do so in such manner as it shall, in its absolute discretion, deem fair and reasonable in the circumstances, and each such determination or calculation shall be deemed to have been made by the Calculation Agent.

7. **Redemption, Purchase and Exchange**

(a) *Redemption at Maturity*

Unless previously redeemed, or purchased and cancelled as provided below or, unless such Note is stated in the Applicable Transaction Terms as having no fixed maturity date each Note will be redeemed either by (i) Standard Settlement at its Redemption Amount (as defined in Condition 6(k) (*Definitions*)) and/or (ii) Alternative Settlement in accordance with Condition 7(l) (*Alternative Settlement*), on the date or dates (or, in the case of Floating Rate Notes, on the date or dates upon which interest is payable) specified in the Applicable Transaction Terms.

(b) *Early Redemption*

(i) *Underlying Disposal Event*

If any of the following events (each an “**Underlying Disposal Event**”) occurs:

- (A) in respect of the Underlying Assets, (x) there has been a payment default on the due date therefor and the applicable grace period has expired, or (y) there has been a payment default on the due date thereof, which causes or would cause the Issuer to be unable to make payment of any amount due on the Notes, Coupons or Receipts when the same shall be due; or
- (B) (other than as contemplated in Conditions 7(c) (*Purchase*), 7(f) (*Redemption at the Option of the Issuer and Exercise of Issuer’s Option*), 7(g) (*Redemption at the Option of Noteholders and Exercise of Noteholders’ Option*) and 7(k) (*Exchange of Series*)), any Related Agreement is terminated in whole (as more fully set out in the Applicable Transaction Terms) and is not replaced on or prior to such termination to the satisfaction, and with the prior written approval, of the Trustee; or
- (C) unless otherwise specified in the Applicable Transaction Terms and subject to Condition 14(c) (*Substitution*),
 - (I) the Issuer on the occasion of the next payment due in respect of the Notes would be required by law to withhold or account for tax, or
 - (II) the Issuer would suffer tax in respect of its income in respect of the Underlying Assets or payments made to it under a Related Agreement, or would receive net of any tax any payments in respect of the Underlying Assets or payments made to it under a Related Agreement, so that it would be unable to make payment of any amount due on the Notes, the Coupon or Receipts (if any) (and excluding where the Issuer is incorporated in Ireland, for the avoidance of doubt, Irish corporation tax and Irish VAT that were anticipated in relation thereto), or
 - (III) any exchange controls or other currency exchange or transfer restrictions or tax are imposed on the Issuer or any payments to be made to or by the Issuer or for any reason the cost to the Issuer of complying with its obligations under or in connection with the Trust Deed or meeting its operating or

administrative expenses would (in the sole opinion of the Issuer) be materially increased, the Trustee having required the Issuer to use its best endeavours to procure the substitution of a company incorporated in another jurisdiction (in which jurisdiction the relevant tax, exchange control, or currency exchange or transfer restrictions does not apply) approved in writing by the Trustee as the principal obligor in respect of the Notes, or the establishment of a branch office in another jurisdiction (in which jurisdiction the relevant tax, exchange control, or currency exchange or transfer restrictions does not apply) approved in writing by the Trustee (in each case subject to the satisfaction of certain conditions as more fully specified in the Trust Deed) from which it may continue to carry out its functions under the Notes and the Related Agreement(s), and the Issuer, having used its best endeavours is unable to arrange such substitution before the next payment is due in respect of the Notes of the relevant Series,

on first becoming aware of the occurrence of any Underlying Disposal Event, the Issuer or the Counterparty shall give notice thereof to the Issuer (if the Counterparty), the Counterparty (if the Issuer), the Custodian and the Trustee. Subject to the provisions of the Applicable Transaction Terms providing for redemption by Alternative Settlement, the Custodian shall, acting as the agent of the Issuer and subject to receipt of instructions from the Issuer in accordance with the relevant provisions of the Trust Deed and the Custody Agreement, proceed to arrange for and administer the sale of the Underlying Assets relating to such Series on behalf of the Issuer in accordance with the relevant Applicable Transaction Terms and upon receipt of the sale proceeds thereof the Issuer shall give not more than 30 nor less than 15 days' notice (or such other number of days as may be provided in the relevant Applicable Transaction Terms or agreed by the Trustee) to the Secured Creditors (which notice shall be irrevocable) of the date on which the Liquidation Amount shall be applied as specified in Condition 4(d) (*Application of Proceeds*).

Prior to giving any notice of redemption in respect of the circumstance set out in Condition 7(b)(i)(C) above, the Issuer shall deliver to the Trustee a certificate signed by an authorised signatory of the Issuer demonstrating that the conditions precedent to the obligations of the Issuer so to redeem have occurred and, in the case of a redemption of Notes under Condition 7(b)(i)(C)(I) or (II) an opinion (in form and substance satisfactory to the Trustee) of legal advisers of recognised standing to the Issuer (previously approved by the Trustee) in the relevant jurisdiction to the effect that the Issuer has or will become obliged to withhold, account for or suffer such tax. The Trustee may rely on the aforementioned certificate and/or opinion without further enquiry.

Notwithstanding the foregoing, if any of the taxes referred to in Condition 7(b)(i)(C)(I) arises:

- (A) owing to the connection of any Noteholder, or any third party having a beneficial interest in the Notes, Coupon or Receipt, with the place of incorporation or tax jurisdiction of the Issuer otherwise than by reason only of the holding of any Note, Coupon or Receipt or receiving principal, Redemption Amount, Amortised Face Amount, interest or Interest Amount in respect thereof; or

- (B) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non-residence, identity or other similar claim for exemption from such tax,

then to the extent it is able to do so, the Issuer shall deduct such taxes from the amounts payable to such Noteholder or any third party having a beneficial interest in the Notes, Coupon or Receipt, and shall not redeem the relevant Notes of the relevant Series but this shall not affect the rights of the other Noteholders and Couponholders hereunder. Any such deduction shall not constitute an Event of Default under Condition 10 (*Events of Default*).

(ii) *Early Redemption of Underlying Assets*

If Underlying Assets are redeemed pursuant to an early redemption of such Underlying Assets (an “**Underlying Early Redemption**”) prior to their stated date of maturity (other than by reason of payment default (as referred to in Condition 7(b)(i)(A)) or as contemplated in the Applicable Transaction Terms) and as a result of such early redemption the Issuer’s income would be reduced so that it would be unable to make payment of any amount due on the Notes, Coupons or Receipts, then the Issuer shall forthwith give not more than 30 nor less than 15 days’ notice (or such other number of days as may be provided in the Applicable Transaction Terms or agreed by the Trustee) to the Trustee and the Secured Creditors of the date on which the Liquidation Amount shall be applied as specified in Condition 4(d) (*Application of Proceeds*).

(iii) *Credit Event*

If the Applicable Transaction Terms so provide, in the event that a Credit Event (as specified and defined in the Applicable Transaction Terms) has been determined pursuant to the relevant Applicable Transaction Terms, written notice shall be given thereof to the Issuer, Trustee, the Paying Agent(s) and the Counterparty. No further payment should be made in respect of the Notes (other than as provided in this Condition 7(b)(iii)). The Applicable Transaction Terms shall specify the basis for determination and calculation of the amount (the “**Credit Event Redemption Amount**”) payable upon redemption of the Notes in accordance with this Condition 7(b)(iii). The Issuer shall give not more than 30 nor less than 15 days’ notice (or such other number of days as may be provided in the Applicable Transaction Terms or agreed by the Trustee) to the Secured Creditors (which notice shall be irrevocable) of the date on which payment of the Credit Event Redemption Amount will be made to the Noteholders or delivery will be made to the Noteholders of the Reference Securities (as defined in the Applicable Transaction Terms), as the case may be. The Applicable Transaction Terms will also specify all other additional terms and conditions which will apply in relation to such Credit Event.

(iv) *Definition*

In these Conditions, each of an Underlying Disposal Event, an Underlying Early Redemption and a Credit Event is referred to as a “**Early Redemption Event**”.

(v) *Redemption of Notes*

Upon expiry of the relevant notice under Condition 7(b)(i) (*Underlying Disposal Event*), 7(b)(ii) (*Early Redemption of Underlying Assets*) or 7(b)(iii)

(*Credit Event*) above and subject to the conditions of such notice the Issuer shall (unless, in the case of Condition 7(b)(i)(C) only, the Trustee has required the substitution of another company as principal obligor in respect of the Notes or the establishment of a branch as contemplated in Condition 14(c) (*Substitution*) or otherwise requested by the Instructing Creditor) redeem each Note in whole or, as the case may be, in part on a *pro rata* basis by (i) Standard Settlement having applied the Liquidation Amount in accordance with Condition 4(d) (*Application of Proceeds*) and/or (ii) by Alternative Settlement in accordance with Condition 7(l) (*Alternative Settlement*), or the Credit Event Redemption Amount in accordance with Condition 7(b)(iii) (*Credit Event*) (or as specified in the Applicable Transaction Terms). The provisions of Clause 18 (*Limited Recourse*) of the Principal Trust Deed shall apply in respect of such redemption of Notes.

The date on which the Liquidation Amount and/or the amount of Deliverable Property shall be applied in redemption of the Notes in accordance with the above paragraph of this Condition 7(b)(v) (*Redemption of Notes*) shall be at any time in accordance with the notice provisions contained in the relevant Condition and any relevant provisions in the Applicable Transaction Terms.

(c) *Purchase*

If a purchase option is specified in the Applicable Transaction Terms, the Issuer may, provided that no Event of Default or Early Redemption Event has occurred and is continuing, purchase Notes (or any of them) at par (provided that all unmatured Receipts and Coupons and unexchanged Talons (if any) appertaining thereto are attached or surrendered therewith) from the CDS Counterparty at their outstanding Principal Amount plus accrued interest thereon to the Purchase Date (as defined below), upon which the Fixed Rate Payer Calculation Amount (as defined in the CDS Contract) under the CDS Contract shall be reduced by the corresponding aggregate outstanding Principal Amount of the Notes so purchased (and no termination payment shall be made under the CDS Contract in relation thereto). If such Notes are listed on the Irish Stock Exchange the Issuer will give notice of the purchase to the Irish Stock Exchange.

The Issuer shall give not less than five Business Days notice to the Trustee, the Investment Provider and the Counterparty of the Issuer's intention to purchase Notes (such notice, an "**Issuer Purchase Notice**").

Each Issuer Purchase Notice shall specify:

- (i) the aggregate outstanding Principal Amount (the "**Nominal Purchase Amount**") of the Note(s) which are subject of such Issuer Purchase Notice; and
- (ii) the date on which such purchase is to take place (the "**Purchase Date**").

On the Purchase Date:

- (A) the Investment Provider shall repay to the Issuer the Nominal Purchase Amount; and
- (B) the Issuer shall pay to the CDS Counterparty the Nominal Purchase Amount.

All Notes so purchased in accordance with this Condition 7(c) shall be cancelled in accordance with Condition 7(i) (*Cancellation*).

The Related Agreement will provide that on such purchase such Related Agreement (or a proportionate part thereof which corresponds to the Notes to be purchased) will terminate.

The Applicable Transaction Terms will set out all the terms of such termination (which will reflect the terms of the Related Agreement). The Applicable Transaction Terms will also set out the terms on which the Security over the Underlying Assets or part thereof may be released to provide funds and/or, in the case of Alternative Settlement, assets for such purpose (which will reflect the terms of the relevant Supplemental Trust Deed). No interest will be payable with respect to a Note to be purchased pursuant to this Condition in respect of the period from the Issue Date or, if later, the most recent date for the payment of interest on such Note, as the case may be, to the date of such purchase and thereafter.

If not all the Notes which are in registered form are to be purchased, upon surrender of the existing Registered Note the relevant Paying Agent shall forthwith upon the written request of the Noteholder concerned issue a new Registered Note in respect of the Notes which are not to be purchased and despatch such Registered Note to the Noteholder (at the risk of the Noteholder and to such address as the Noteholder may specify in such request).

For the purpose of this Condition 7(c), “CDS Counterparty”, “CDS Contract” and “Investment Provider” shall have the meaning given to them in the Applicable Transaction Terms.

Whilst the Notes are represented by a Global Note, the relevant Global Note will be endorsed to reflect the Principal Amount of Notes to be so redeemed or purchased.

(d) *Early Redemption of Zero Coupon Notes*

- (i) The amount payable in respect of any Note which does not bear interest prior to the Maturity Date, the Redemption Amount or Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 7(b) (*Early Redemption*) or, if applicable, Conditions 7(f) (*Redemption at the Option of the Issuer and Exercise of Issuer’s Option*), 7(g) (*Redemption at the Option of Noteholders and Exercise of Noteholders’ Option*) or 7(k) (*Exchange of Series*) or upon it becoming due and payable as provided in Condition 10 (*Events of Default*) shall be the Amortised Face Amount (calculated as provided below) of such Note. References in the Conditions to “**principal**” in the case of Zero Coupon Notes, shall be deemed to include references to “**Amortised Face Amount**” where the context permits.
- (ii) Subject to the provisions of (iii) below and as provided in the Applicable Transaction Terms, the Amortised Face Amount of any Zero Coupon Note shall be the scheduled Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Zero Coupon Yield shown in the Applicable Transaction Terms compounded annually. Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction specified in the Applicable Transaction Terms.
- (iii) If the amount payable in respect of any such Note upon its redemption pursuant to Condition 7(b) (*Early Redemption*) or, if applicable, Conditions 7(f) (*Redemption at the Option of the Issuer and Exercise of Issuer’s Option*), 7(g) (*Redemption at the Option of Noteholders and Exercise of Noteholders’ Option*) or 7 (k) (*Exchange of Series*) or upon it becoming

due and payable as provided in Condition 10 (*Events of Default*) is not paid when due, the amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in Condition 7(d)(i), except that such Condition shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the date (the “**Relevant Date**”) which is the earlier of:

- (A) the date on which all amounts due in respect of the Note have been paid; or
- (B) the date on which the full amount of the monies payable on the Notes has been received by the Principal Paying Agent, and notice to that effect has been given to holders in accordance with the provisions of Condition 15 (*Notices*).

The calculation of the Amortised Face Amount will continue to be made (as well after as before judgment) until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the Principal Amount of such Note together with any interest which may accrue in accordance with Condition 6(a) (*Interest on Fixed Rate Notes*).

(e) *Redemption of Variable Redemption Amount Notes*

The Applicable Transaction Terms in respect of a Series of Variable Redemption Amount Notes shall specify the basis for calculation of the Redemption Amount payable upon redemption of the relevant Notes on maturity or under Condition 7(b) (*Early Redemption*) or, if applicable, Conditions 7(g) (*Redemption at the Option of Noteholders and Exercise of Noteholders’ Option*) or 7(h) (*Redemption by Instalments*) or upon them becoming due and payable as provided in Condition 10 (*Events of Default*) and the name of the Calculation Agent appointed to determine such Redemption Amount.

(f) *Redemption at the Option of the Issuer and Exercise of Issuer’s Option*

If so specified in the Applicable Transaction Terms, the Issuer may, subject to compliance with all relevant laws, regulations and directives, on giving irrevocable notice to the Noteholders falling within the Issuer’s Redemption Option Period (as specified in the Applicable Transaction Terms), redeem or exercise any Issuer’s option in relation to, all or, if so provided, some only of the Notes in the manner and on the date or dates specified in the Applicable Transaction Terms at their Redemption Amount or at their Amortised Face Amount (in the case of Zero Coupon Notes) or by Alternative Settlement in accordance with Condition 7(l) (*Alternative Settlement*) in each case on the date or dates specified in the Applicable Transaction Terms, together with interest accrued to, or Interest Amount payable on, the date fixed for redemption.

Notice having been given by the Issuer to redeem Note(s) pursuant to this Condition may not be withdrawn (save with the prior written consent of the Trustee) and the Issuer shall be bound to redeem the Note(s) in accordance with the notice, this Condition and the Applicable Transaction Terms.

In the case of a partial redemption of Notes or a partial exercise of an Issuer’s option (if permitted as specified in the Applicable Transaction Terms):

- (i) when the Notes are in definitive form or are represented by Registered Note Certificates, the Notes to be redeemed will be selected in the manner indicated in the Applicable Transaction Terms and notice of the Notes called

for redemption will be published in accordance with Condition 15 (*Notices*) not less than 15 days prior to the date fixed for redemption; and

- (ii) when the Notes are represented in global form, if a partial redemption is to be effected by selection of whole Notes as indicated in the Applicable Transaction Terms, the Notes to be redeemed will be selected in accordance with the rules and procedures of Euroclear Bank SA/NV as operator of the Euroclear system (“**Euroclear**”) and/or (as the case may be) Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) and/or any other relevant clearing system.

In the case of a partial redemption or a partial exercise of an Issuer’s option, the notice to Noteholders shall also contain the certificate numbers of the Notes to be redeemed or in respect of which such option has been exercised, which such certificate numbers shall have been drawn in such place as the Trustee may approve and in such manner as it deems appropriate, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements and the rules and procedures of Euroclear and/or Clearstream, Luxembourg, where applicable or any other alternative clearing system (as the case may be).

The Applicable Transaction Terms will specify the terms on which the Security over the relevant Underlying Assets or part thereof may be released to provide funds and/or, in the case of Alternative Settlement, assets for such redemption or for the exercise of the Issuer’s option.

The Related Agreement will provide that on the redemption of Notes by the Issuer and/or the exercise of the Issuer’s option in relation to the Notes such Related Agreement (or a proportionate part thereof which corresponds to the Notes to be redeemed by the Issuer pursuant to the exercise of such option) will terminate. The Applicable Transaction Terms will set out the terms of such termination.

- (g) *Redemption at the Option of Noteholders and Exercise of Noteholders’ Option*

If so specified in the Applicable Transaction Terms the Issuer shall, subject to compliance with all relevant laws, regulations and directives, at the option of the holder of any such Note, redeem such Note either by Standard Settlement at its Redemption Amount or at its Amortised Face Amount (in the case of Zero Coupon Notes) or by Alternative Settlement in accordance with Condition 7(1) (*Alternative Settlement*), in each case on the date or dates specified in the Applicable Transaction Terms, together with interest accrued to, or the Interest Amount payable on, the date fixed for redemption.

To exercise such Noteholders’ option which may be specified in the Applicable Transaction Terms, the holder must deposit the relevant Note (together with all unmatured Coupons) with any Paying Agent or (in the case of Registered Notes) the Registrar or any Transfer Agent, at its specified office, together with a duly completed exercise notice (“**Exercise Notice**”) in the form obtainable from any Paying Agent, not more than 30 days nor less than 10 days (or such other number of days as may be specified in the relevant Applicable Transaction Terms) prior to the relevant date for redemption or exercise of any option.

The Applicable Transaction Terms will specify the terms on which the security over the relevant Underlying Assets or part thereof may be released to provide funds and/or, in the case of Alternative Settlement, assets for such redemption or for the exercise of the Noteholders’ Option.

The Related Agreement will provide that on the redemption of Notes by the Noteholders pursuant to the exercise of the Noteholders' Option in relation to the Notes such Related Agreement (or a proportionate part thereof which corresponds to the Notes to be redeemed by the Issuer pursuant to the exercise of such option) will terminate. The Applicable Transaction Terms will set out the terms of such termination.

In the case of any Note represented by a Global Note, the Noteholder must deliver the Exercise Notice together with an authority to Euroclear or, as the case may be, Clearstream, Luxembourg to debit such Noteholder's account accordingly, as well as details of the account to which the relevant cash amount or, as the case may be, assets are to be credited. No Note (or authority) so deposited may be withdrawn (except as provided in the Applicable Transaction Terms) without the prior consent of the Issuer.

(h) *Redemption by Instalments*

Unless previously redeemed, purchased and cancelled as provided in this Condition 7 each Note which provides for Instalment Dates and Instalment Amounts will be partially redeemed on each Instalment Date at the Instalment Amount specified on it, whereupon the outstanding Principal Amount of such Note shall be reduced by the Instalment Amount for all purposes and the notional amount(s) of principal under any Related Agreement upon which payments under the Series of Notes of which such Note forms part are calculated shall be reduced in a proportion equal to the proportion which the Instalment Amount bears to the original notional amount(s) of such Related Agreement.

(i) *Cancellation*

In respect of all Notes purchased by or on behalf of the Issuer, the Bearer Notes or the Registered Note Certificates shall be surrendered to or to the order of the Principal Paying Agent for cancellation and, if so surrendered, will, together with all Notes redeemed by the Issuer, be cancelled forthwith (together, in the case of Bearer Notes, with all unmaturing Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.

(j) *Exchange of Notes for Underlying Assets*

If Exchange Optional is specified as being applicable in the Applicable Transaction Terms, a Noteholder may request the Issuer to exchange any Note held by it for a corresponding Principal Amount of the Underlying Assets upon terms that will be more fully set out in the Applicable Transaction Terms. To exercise such option the relevant Noteholder shall deposit the relevant Note (and all unmaturing Coupons, Receipts and all unexchanged Talons (if any) appertaining thereto) at the office of any Paying Agent or (in the case of Registered Notes) the Registrar or any Transfer Agent, together with a duly completed Asset Transfer Notice (as defined in Condition 7(l) (*Alternative Settlement*) below, no more than 30 days nor less than 10 days prior to the date on which such option is to be exercised (which date shall be specified in such Asset Transfer Notice). The Paying Agent, the Registrar or the Transfer Agent (as the case may be) will forthwith notify the Issuer, the Trustee and each Counterparty (if any) of the exercise of any such option. The provisions of Condition 7(l) (*Alternative Settlement*) shall thereafter apply.

(k) *Exchange of Series*

If specified in the Applicable Transaction Terms and subject to the conditions specified in such Applicable Transaction Terms, the Issuer may from time to time with the consent of the Counterparty under the Related Agreement (if any) with respect to such Series substitute a new Series of Notes (the “**New Series**”) for that existing Series of Notes (the “**Existing Series**”) as it may deem appropriate. Any substitution of a Series may occur with or without the consent of the Noteholders, as specified in the relevant Applicable Transaction Terms. The exchange procedure and means by which Noteholders consent to such exchange (if any) shall be specified in the relevant Applicable Transaction Terms.

(l) *Alternative Settlement*

(i) *Procedure*

If any Note falls to be redeemed and Alternative Settlement is specified in the Applicable Transaction Terms, in order to obtain delivery of the relevant Deliverable Property, the relevant Noteholder or, as the case may be, a duly authorised representative of such Noteholder shall deliver to any Paying Agent or (in the case of Registered Notes) the Registrar or any Transfer Agent not more than 30 days nor less than ten days (or such other period as may be specified in the Applicable Transaction Terms) prior to the relevant redemption date, the Note(s) (which expression shall include Receipt(s) and, if applicable, all unmatured Coupons and Talons (if any) relating thereto) and a duly completed asset transfer notice (the “**Asset Transfer Notice**”), in the form obtainable from the specified office of any of the Paying Agents or (in the case of Registered Notes) the Registrar or any Transfer Agent.

In the event that the Note(s) is/are represented by a Global Note, an Asset Transfer Notice must be delivered to the Issuer via Euroclear or Clearstream, Luxembourg and/or any other relevant clearing system as the case may be, by such method of delivery as Euroclear or Clearstream, Luxembourg and/or any other relevant clearing system as the case may be, shall have approved.

For as long as the Notes are represented by a Global Notes, surrender of Notes, together with an Asset Transfer Notice, will be effected by presentation of the Global Note and its endorsement to note the Principal Amount of Notes to which the relevant Asset Transfer Notice relates.

After delivery of an Asset Transfer Notice, no transfers of the Notes specified therein represented by a Global Note will be effected by Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and no transfers of Registered Notes specified therein will be effected by the Registrar.

Failure properly to duly complete and deliver an Asset Transfer Notice and to deliver the relevant Note(s) may result in such notice being treated as null and void, whereupon the Issuer shall be discharged from its obligations in respect of such Note(s) and shall have no further obligation or liability whatsoever in respect thereof. Any determination as to whether such notice has been duly completed and delivered shall be made by the relevant Paying Agent, the Registrar or the Transfer Agent, as the case may be, in its sole and absolute discretion and shall be conclusive and binding on the Issuer and the relevant Noteholder.

Upon receipt of a duly completed Asset Transfer Notice and the Note(s) to which such notice relates, the relevant Paying Agent, the Registrar or the Transfer Agent, as the case may be, shall verify that the person specified therein is the holder of the Notes referred to therein and shall communicate such Asset Transfer Notice to the Issuer with a copy to the Calculation Agent.

The entity specified in the Applicable Transaction Terms (the “**Physical Delivery Agent**”) shall promptly thereafter determine:

- (A) the maximum amount of Underlying Assets (and, if any amounts are received by the Issuer upon termination of any relevant Related Agreement, monies) (together, the “**Deliverable Property**”) to be delivered to each Noteholder according to its pro rata share of such Deliverable Property; and
- (B) whether, due to an event beyond the control of the Issuer, it is illegal or impossible for the Issuer to deliver any portion of the Deliverable Property on the due date for delivery, including, without limitation, by reason of failure of the relevant clearance system or failure to obtain the requisite Principal Amount of Underlying Assets at any price or due to any law, regulation or court order, but not including market conditions (and if it determines that such delivery is illegal or impossible with respect to all or part of the Deliverable Property, the Physical Delivery Agent shall notify the Issuer, the Trustee and the Noteholders, providing a description in reasonable detail of the facts giving rise to such impossibility or illegality).

The Issuer shall then, subject to the provisions of Condition 7(1)(ii) (*Illegality or Impossibility*) below, deliver to each Noteholder its *pro rata* share of the Deliverable Property on the due date for delivery.

(ii) *Illegality or Impossibility*

The Notes to which an Asset Transfer Notice relates shall cease to be outstanding on the first day upon which the Issuer makes the aggregate amount of Deliverable Property in respect thereof available for delivery in accordance with these Conditions.

If, prior to delivery of the relevant Deliverable Property, the Physical Delivery Agent determines that delivery of any portion thereof is either illegal or impossible and such circumstances are continuing on the due date for delivery (the “**Undeliverable Portion**”), then the date of delivery of such Undeliverable Portion shall be postponed to the first following business day (as defined in Condition 8(g) (*Non-Business Days*)) in respect of which it is no longer illegal or impossible to deliver such Undeliverable Portion; provided that subject as provided below and as otherwise specified in the Applicable Transaction Terms, in no event shall delivery be made later than the Maximum Days of Disruption (as specified in the Applicable Transaction Terms) after the originally scheduled date of delivery. If upon expiry of the Maximum Days of Disruption the delivery of such Undeliverable Portion is still either illegal or impossible, then in lieu of Alternative Settlement the Issuer may satisfy its obligations in respect of the relevant Note by payment to the relevant Noteholder of an amount equal to the Liquidation Amount (as defined in Condition 4(d) (*Application of Proceeds*)), or such other amount as may be specified in the relevant Applicable Transaction Terms, proportional to such Noteholder’s pro rata share of the Undeliverable Portion on the fifth

business day following the expiry of the Maximum Days of Disruption (or on such other date (the “**Longstop Date**”) as may be specified in the Applicable Transaction Terms).

(iii) *Fractional Entitlement*

- (A) Where a Noteholder holds Notes in an aggregate nominal amount greater than the minimum Authorised Denomination, the nominal amount of the Deliverable Property to be delivered in respect of such Notes shall be aggregated for the purposes of this Condition 7(d)(iii).
- (B) If the aggregate nominal amount of the Deliverable Property to be delivered in respect of all of the Notes held by any Noteholder to be redeemed on any occasion is not equal to the minimum authorised denomination (or, where such Deliverable Property is traded in integral multiples of, or any amount above, such minimum authorised denomination, such integral multiple or, as the case may be, such amount above such minimum authorised denomination) of such Deliverable Property, then the nominal amount of Deliverable Property to be delivered will be rounded down to (x) the nearest authorised denomination, or (y) an integral multiple thereof or, as the case may be, (z) such amount above such minimum authorised denomination, or if none, or if such Deliverable Property is traded in any amount above a specified minimum authorised denomination and such aggregate nominal amount to be delivered is less than such specified minimum authorised denomination, zero. In such circumstances, the Deliverable Property that was not capable of being delivered shall, if and to the extent practicable, be sold by the Custodian and, if it is so sold, each Noteholder shall receive an amount in cash equal to such Noteholder’s *pro rata* share of the Liquidation Amount (as defined in Condition 4(d) (*Application of Proceeds*)), or such other amount as may be specified in the relevant Applicable Transaction Terms (such an amount, the “**Fractional Entitlement**”).

(iv) *Costs and expenses*

The costs and expenses of effecting any delivery of the relevant Deliverable Property (the “**Delivery Expenses**”) shall, in the absence of any provision to the contrary in the Applicable Transaction Terms, be borne by the Noteholder(s) and shall, unless otherwise specified in the Applicable Transaction Terms, at the option of each Noteholder either be:

- (A) paid to the Issuer by such Noteholder(s) prior to the delivery of the relevant Deliverable Property (and, for the avoidance of doubt, the Issuer shall not be required to deliver any Deliverable Property to such Noteholder(s) until it has received such payment); or
- (B) be deducted by the Issuer from any Redemption Amount (and or other cash amount) owing to such Noteholder(s).

If there is no cash amount owing to a Noteholder sufficient to cover the Delivery Expenses in respect of relevant Note(s), the Issuer may arrange for the sale of such amount of the relevant Deliverable Property to be so delivered sufficient to cover the Delivery Expenses in respect of such Note(s). The Note(s) will then be redeemed by delivery of the remaining Deliverable Property in respect of such Note(s) after deduction of such

Delivery Expenses and, if applicable, payment of a cash amount in respect of any Fractional Entitlement and/or other amount arising upon redemption of such Note(s).

(v) *Delivery at the risk of the Noteholder*

Delivery of the Deliverable Property by the Issuer to the Noteholder shall be at the risk of the Noteholder and no additional payment or delivery will be due to a Noteholder where the relevant Deliverable Property is delivered after its due date in circumstances beyond the control of the Issuer (including for, but not limited to, reasons of illegality or impossibility).

(vi) *General*

If any part of the relevant Deliverable Property is delivered later than the originally scheduled due date for delivery, until delivery of such Deliverable Property is made to the Noteholder, the Issuer or any person on behalf of the Issuer shall continue to be the legal owner thereof. None of the Issuer, its affiliates and any such other person shall (i) be under any obligation to deliver or procure delivery to such Noteholder or any subsequent transferee any letter, certificate, notice, circular or any other document or payment whatsoever received by that person in its capacity as the holder of such assets, (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to such assets until the date of delivery or (iii) be under any liability to such Noteholder or any subsequent transferee in respect of any loss or damage which such Noteholder or subsequent transferee may sustain or suffer as a result, whether directly or indirectly, of that person being the legal owner of such assets until the date of delivery.

The Issuer shall not be under any obligation to register or procure the registration of any Noteholder or any other person as the registered holder of any of the assets to be delivered in the register of members of any company whose shares form part of the relevant Deliverable Property. The Issuer shall not be obliged to account to any Noteholder for any entitlement received or receivable in respect of any assets to be delivered to it if the date on which such assets are first traded ex such entitlement is on or prior to the relevant date of delivery. The Calculation Agent shall determine the date on which such assets are so first traded ex any such entitlement.

(vii) *Definitions*

For the purposes of this Condition 7(l), “**deliver**” means, with respect to the delivery of any Deliverable Property, to deliver or transfer (which shall include executing any necessary documentation and taking any other necessary actions), in order to convey all rights, title and interest in such relevant Deliverable Property, free and clear of any and all liens, charges, claims or encumbrances (including, without limitation, any counterclaim, defence or right of set off by or of the issuer of or obligor in respect of the Deliverable Property), and “**delivery**”, “**delivered**” and “**delivering**” will be construed accordingly.

8. **Payments**

(a) *Bearer Notes*

Payments of principal (or, as the case may be, Redemption Amounts or other amounts payable on redemption) and interest (or, as the case may be, Interest Amounts) in

respect of Bearer Notes (other than Dual Currency Notes) will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payment of Instalment Amounts other than on the due date for final redemption and, provided that the Receipt is presented for payment together with its relative Note), Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 8(f)(v)) or Coupons (in the case of interest, save as specified in Condition 8(f)(v)), as the case may be, at the specified office of any Paying Agent outside the United States and its possessions by transfer to an account denominated in the currency in which such payment is due with, or (in the case of Definitive Notes only) a cheque payable in that currency drawn on, a bank in (i) the principal financial centre of that currency, provided that such currency is not euro, or (ii) the principal financial centre of any Member State of the European Union which has adopted the euro as its currency if that currency is euro.

(b) *Registered Notes*

Payments of principal (or, as the case may be, Redemption Amounts) in respect of Registered Notes (other than Dual Currency Notes) will be made against presentation and surrender of the relevant Registered Note Certificate at the specified office of the Principal Paying Agent or the Paying Agent (if applicable) and in the manner provided in Condition 8(a) (*Bearer Notes*).

Payments of instalments in respect of Registered Notes will be made against presentation of the relevant Registered Note Certificate at the specified office of the Principal Paying Agent or, if the Notes are listed on the Irish Stock Exchange, the specified office of the Irish Paying Agent in the manner provided in Condition 8(a) (*Bearer Notes*) above and annotation of such payment on the Register by the Registrar and the relevant Registered Note Certificate.

Interest (or, as the case may be, Interest Amounts) on Registered Notes payable on any Interest Payment Date will be paid to the persons shown on the Register at the close of business (i) in the case of Registered Global Notes, on the Business Day prior to or (ii) in the case of Registered Note Certificates on the fifteenth day before the due date for payment thereof (in each case, the “**Record Date**”). Payment of interest or Interest Amounts on each Registered Note will be made in the currency in which such payment is due by cheque drawn on a bank in (i) the principal financial centre of the country of the currency concerned, provided that such currency is not euro, or (ii) the principal financial centre of any Member State of the European Community if that currency is euro and mailed to the holder (or to the first named of joint holders) of such Note at its address appearing in the Register. Upon application by the Noteholder to the specified office of the Principal Paying Agent or the Paying Agent (if applicable) before the relevant Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a bank in (i) the principal financial centre of the country of that currency, provided that such currency is not euro, or (ii) the principal financial centre of any Member State of the European Union which has adopted the euro as its currency if that currency is euro.

(c) *Payments in the United States*

Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if:

- (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents

would be able to make payment of the amounts on the Notes in the manner provided above when due;

- (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and
- (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer and the relevant Dealer(s), adverse tax consequences to the Issuer.

(d) *Payments subject to fiscal laws; payments on Global Notes and Registered Notes*

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 9 (*Taxation*). No commission or expenses shall be charged to the Noteholders, Couponholders or Receiptholders (if any) in respect of such payments.

Payments of principal (or Redemption Amounts) and interest (or Interest Amounts) in respect of the Bearer Notes when represented by a Permanent Global Note will be made against presentation and surrender or, as the case may be, presentation of the Permanent Global Note at the specified office of the Principal Paying Agent or the Paying Agent (if applicable), subject in all cases to any fiscal or other laws, regulations and directives applicable in the place of payment to the Issuer, the Principal Paying Agent or the bearer of the Permanent Global Note. A record of each payment so made will be endorsed on the schedule to the Permanent Global Note by or on behalf of the Principal Paying Agent which endorsement shall be prima facie evidence that such payment has been made.

The holder of a Permanent Global Note or Registered Note shall be the only person entitled to receive payments of principal (or Redemption Amounts) and interest (or Interest Amounts) on the Permanent Global Note or such Registered Note (as the case may be) and the Issuer will be discharged by payment to, or to the order of, the holder of such Permanent Global Note or Registered Note in respect of each amount paid.

(e) *Appointment of the Agents*

The Paying Agents, the Issuing Agent, the Determination Agent, the Calculation Agent and the Registrar (the “**Agents**”) appointed by the Issuer and their respective specified offices are listed below or as otherwise appointed pursuant to the Agency Agreement and with specified offices as set out in the Applicable Transaction Terms. The Agents act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Holder. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent, and to appoint additional or other Agents, provided that the Issuer will at all times maintain (i) a Principal Paying Agent, (ii) a Calculation Agent (where the Conditions so require one) and (iii) a Paying Agent and (while any Registered Notes remain outstanding), a Registrar in Luxembourg or at such other place as the Trustee may approve, each having a specified office in a European city which, if the Notes are admitted to listing on a listing authority, stock exchange and/or quotation system and the rules of such listing authority, stock exchange and/or quotation system require the appointment of a Paying Agent in a particular place, shall be such place. To the extent that Notes are listed on the Irish Stock Exchange and remain outstanding, the Issuer will at all times maintain in respect of those Notes a Paying Agent in any Member State of the European Community. For Registered Notes, the Issuer will at all times maintain a Registrar and the Register in Luxembourg (or such other place as the Trustee may approve), for so long as any stamp duty requirements apply.

(f) *Unmatured Coupons and Receipts and Unexchanged Talons*

- (i) Subject to the provisions of the Applicable Transaction Terms, upon the due date for redemption of any Note which is a Bearer Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (ii) Upon the date for redemption of any Note, any unexpired Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iii) Upon the due date for redemption of any Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iv) Where any Note which is a Bearer Note, is presented for redemption without all unexpired Coupons and any unexpired Talon relating to it, and where any Bearer Note is presented for redemption without any unexpired Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
- (v) If the due date for redemption of any Note is not a due date for payment of interest or an Interest Amount, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be or, in the case of a Variable Coupon Amount Note, the Interest Amount payable on such date for redemption shall only be payable against presentation (and surrender if appropriate) of the relevant Note. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation thereof.

(g) *Non-Business Days*

Subject as provided in the Applicable Transaction Terms, if any date for payment or, in respect of Alternative Settlement, delivery of any Deliverable Property in respect of any Note, Receipt or Coupon is not a business day, the holder shall not be entitled to payment and/or, in the case of Alternative Settlement, delivery until the next following business day nor to any interest or other sum in respect of such postponed payment and/or delivery. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) on which banks are open for presentation and payment of debt securities in the cities referred to in the definition of Business Days set out in the Applicable Transaction Terms and:

- (i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which dealings may be carried on in the relevant currency in the principal financial centre of the country of such currency;
- (ii) (in the case of a payment in euro) on which the TARGET System is operating; or
- (iii) (in the case of Alternative Settlement), on which any clearing or settlement system(s) through which any Deliverable Property is to be delivered is opened for business and operation.

(h) *Dual Currency Notes*

The Applicable Transaction Terms in respect of Dual Currency Notes shall specify the currency in which each payment in respect of the relevant Notes shall be made, the terms relating to any option relating to the currency in which any payment is to be made and the basis for calculating the amount of any relevant payment and the manner of payment thereof.

(i) *Talons*

On or after the Interest Payment Date for the final Coupon forming part of a coupon sheet issued in respect of any Note, the Talon forming part of such coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further coupon sheet (and if necessary another Talon for a further coupon sheet) (but excluding any Coupons which may have become void pursuant to Condition 12 (*Prescription*)).

Where Alternative Settlement is specified in the Applicable Transaction Terms, the provisions of this Condition 8 shall be subject to the provisions of Condition 7(1) (*Alternative Settlement*).

9. **Taxation**

All payments in respect of the Notes, Receipts or Coupons will be made without withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature unless the Issuer, or any Paying Agent or, where applicable, the Trustee is required by applicable law to make any payment in respect of the Notes, Receipts or Coupons subject to any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatsoever nature. In that event, the Issuer, such Paying Agent, or the Trustee (as the case may be) shall make such payment after such withholding or deduction has been made and shall account to the relevant authorities for the amount so required to be withheld or deducted. Neither the Issuer, nor any Paying Agent, nor the Trustee will be obliged to make any additional payments to the Noteholders, Receiptholders or the Couponholders in respect of such withholding or deduction, but Condition 7(b)(i)(C) will apply. The Issuer or any Paying Agent may require Holders to provide such certifications and other documents as required by applicable law in order to qualify for exemptions from applicable tax laws.

10. **Events of Default**

(a) Subject to Condition 10(c), the Trustee at its discretion may, and, if so requested by the Instructing Creditor, shall, give notice (an “**Enforcement Notice**”) to the Issuer of any Series of Notes that the Notes of such Series are, and they shall accordingly immediately become, due and repayable, at their Redemption Amount together with accrued interest to the date of payment (or, in the case of Zero Coupon Notes (unless the Conditions of the Notes provide otherwise) at their Amortised Face Amount) or as otherwise specified in the Applicable Transaction Terms and the Security constituted by the Security Documents shall become enforceable (as provided in the Trust Deed) and the Liquidation Amount and/or, in the case of Alternative Settlement, the Deliverable Property shall be applied as specified in Condition 4(d) (*Application of Proceeds*) upon the occurrence of any of the following events (each an “**Event of Default**”):

(i) if default is made for a period of 14 days or more in the case of interest payments or 7 days or more in the case of principal in the payment of any sum or, as the case may be, delivery of any assets due in respect of such Notes or any of them; or

- (ii) if the Issuer of such Series fails to perform or observe any of its other obligations under the Notes or the Trust Deed and, where the Trustee considers, in its absolute discretion that such default can be remedied, such failure continues for a period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
 - (iii) if any order shall be made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer or the appointment of an examiner or an order is made for the Issuer's bankruptcy (or any analogous proceedings) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms approved by the Trustee; or
 - (iv) if (a) any other proceedings are initiated against the Issuer under any applicable liquidation, bankruptcy, examinership, insolvency, composition, reorganisation, readjustment or other similar laws (but excluding the presentation of any application for an administration order) and such proceedings are not being disputed in good faith, or (b) an administrative receiver or other receiver, administrator or other similar official (not being an administrative receiver or other receiver or manager appointed by the Trustee pursuant to the Principal Trust Deed) is appointed in relation to the Issuer or in relation to the whole or any substantial part of the undertaking or assets of the Issuer or (c) an encumbrancer (not being the Trustee or any Receiver or manager appointed by the Trustee) shall take possession of the whole or any substantial part of the undertaking or assets of the Issuer or (d) a distress or execution or other process shall be levied or enforced upon or sued out against the whole or any substantial part of the undertaking or assets of the Issuer (other than, in any such case, by the Trustee or pursuant to any of the Transaction Documents or Trade Documents) or (e) an examiner or other similar official is appointed in relation to the Issuer or there is a prohibition on the taking of enforcement action by any creditors in relation to the Issuer under Irish insolvency law or regulation and in any of the foregoing cases (other than in relation to the circumstances described in (b) where no grace period shall apply) such order, appointment, possession or process (as the case may be) is not discharged or stayed or does not cease to apply within 30 days; or
 - (v) if the Issuer initiates or consents to judicial proceedings relating to itself (except in accordance with paragraph (iii) above) under any applicable liquidation, bankruptcy, examinership, insolvency, composition, reorganisation, readjustment or other similar laws or makes a conveyance or assignment for the benefit of its creditors generally; or
 - (vi) if the Issuer is adjudicated or found bankrupt.
- (b) The Issuer shall provide written confirmation and/or affirmation to the Trustee, on an annual basis, that no Event of Default or Potential Event of Default or other matter which is required to be brought to the Trustee's attention has occurred.
 - (c) In the event of the security constituted by the Security Documents becoming enforceable following an acceleration of the Notes of a particular Series as provided in this Condition 10, the Trustee shall, but in each case without any liability as to the consequence of such action and without having regard to the effect of, or being required to account for, such action to, the Secured Creditors, have the right to enforce its rights under the Transaction Documents and the Trade Documents, in

relation to the relevant Charged Assets in relation to such Series only, provided that the Trustee shall not be required to take any action that would involve the Trustee in any liability or expense unless previously indemnified to its satisfaction.

The provisions of the Trust Deed are expressed to apply separately to each Series. Accordingly, the occurrence of an Event of Default under one Series does not per se constitute an Event of Default under any other Series.

The Events of Default may be varied or amended in respect of any Series of Notes as set out in the Applicable Transaction Terms.

11. Limited Recourse Enforcement

If the amounts realised from the Charged Assets in respect of any Series (including, without limitation, a realisation of the Security or a sale or redemption of the Underlying Assets and termination of any Related Agreement in accordance with these Conditions) are not sufficient to make payment of all amounts due in respect of the Notes and/or other Obligations of such Series and all other Secured Obligations with respect to that Series including, without limitation any amount due to the Counterparty as a result of the termination of any Related Agreement, no other assets of the Issuer will be available to meet that shortfall. Any such shortfall shall be borne in accordance with the relevant Order of Priority (applied in reverse order) specified in the Supplemental Trust Deed and/or stated in the Applicable Transaction Terms. Any claim of the Holders of the relevant Series remaining after such application shall be extinguished and such Holders will have no further recourse to the Issuer and any failure to make any payment in respect of such shortfall shall in no circumstances constitute an Event of Default under Condition 10 (*Events of Default*).

Only the Trustee may pursue the remedies available under the Trust Deed, the Conditions, the Transaction Documents, the Obligation Documents and the Trade Documents and enforce the rights of the Secured Creditors in relation to the Underlying Assets of the relevant Series. No Secured Creditor is entitled to proceed directly against the Issuer or any assets of the Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed or the Security Documents, fails or neglects to do so within a reasonable period and such failure or neglect is continuing. However, the Trustee shall not be bound to enforce the Security or pursue the remedies available under the Trust Deed, the Conditions or any of the Transaction Documents or any Obligation Documents or any Trade Documents unless it is indemnified and/or secured to its satisfaction and has, if so required by the Conditions, been requested to do so by the Instructing Creditor.

After realisation of the Security in respect of the Notes which has become enforceable and distribution of (a) the Liquidation Amount in accordance with Condition 4(d) (*Application of Proceeds*) or the net proceeds thereof and/or (b) in the case of Alternative Settlement, delivery of the relevant Deliverable Property, neither the Trustee nor any Secured Creditor (if any) may take any further steps against the Issuer or any of its assets to recover any sums and/or, as the case may be, assets due but unpaid and/or undelivered in respect of the Notes or other Obligations and the relevant Related Agreement will provide that the Counterparty may not take any further steps against the Issuer or any of its assets to recover any sums and/or, as the case may be, assets due to it but unpaid and/or undelivered in respect of the relevant Related Agreement in respect of the Notes and/or other Obligations and all claims against the Issuer in respect of each such sum unpaid and/or undelivered asset shall be extinguished.

No Secured Creditor may institute against, or join any person in instituting against, the Issuer any bankruptcy, winding up, examinership, re organisation, arrangement, insolvency or liquidation proceeding (except for the appointment of a receiver and manager pursuant to the terms of the Trust Deed) or other proceeding (whether court based or otherwise) under any similar law for so long any Notes and/or other Obligations are outstanding or (i) for any Issuer incorporated in Ireland for two years and one day, or (ii) for any Issuer not

incorporated in Ireland for one year and a day, after the latest maturing date on which any Note of the Issuer is due to mature. The Noteholders, Couponholders and Receiptholders (if any) and the Secured Creditors accept and agree, and in the relevant Related Agreement the Counterparty will accept and agree, that the only remedy of the Trustee against the Issuer after any of the Notes or other Obligations of that Series have become due and payable and/or, as the case may be, deliverable pursuant to Condition 10 (*Events of Default*) is to enforce the Security for the Notes for the relevant Series created by the fixed charges pursuant to the provisions of the Trust Deed or any other Security Document.

The net proceeds of enforcement of the Security or realisation of the Charged Assets for the relevant Series may be insufficient to pay all amounts due to the Secured Creditors in respect of such Series in which event claims in respect of all such amounts will be extinguished.

12. **Prescription**

Claims against the Issuer for payment in respect of the Notes, Receipts or Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7(d) (*Early Redemption of Zero Coupon Notes*)) in respect thereof.

13. **Replacement of Notes, Coupons, Receipts and Talons**

If any Bearer Note, Registered Note Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws and stock exchange requirements, at the specified office of the Principal Paying Agent in London or, if the Notes are listed on the Irish Stock Exchange, the specified office of the Irish Paying Agent upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

14. **Meetings of Noteholders, Modification, Waiver, Authorisation and Substitution**

(a) *Meetings of Noteholders, Modifications and Waiver*

The Trust Deed contains provisions for convening meetings of Noteholders of a Series to consider matters affecting their interests, including the modification by Extraordinary Resolution of the Conditions or the provisions of the Trust Deed. The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing not less than one quarter of the Principal Amount of the Notes of the relevant Series for the time being outstanding, or, at any adjourned such meeting, two or more persons being or representing Noteholders of the relevant Series, whatever the Principal Amount of the Notes so held or represented, except that, among others, the terms of the security and certain terms concerning the amount and currency and the postponement of the due dates of payment of the Notes and the Coupons or Receipts (if any) may be modified only by resolutions passed at a meeting the quorum at which shall be two or more persons holding or representing three quarters, or at any adjourned such meeting, not less than one quarter, in Principal Amount of the Notes of the relevant Series for the time being outstanding. In addition, a resolution in writing signed by or on behalf of three quarters of Noteholders who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it were an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders of the relevant Series, whether or not

they were present at such meeting, and on Couponholders and Receiptholders (if any). The Trustee may, but without consulting or requiring the consent of the Secured Creditors, determine that an event which would otherwise be an Event of Default shall not be so treated but only if and in so far as in its opinion the interests of Noteholders shall not be materially prejudiced thereby.

The Holder of a Global Note will be treated as two persons for the purposes of any quorum requirement of a Meeting of Noteholders.

The Trustee may agree:

- (i) with the prior confirmation and/or affirmation from the Rating Agency or Rating Agencies which have assigned a credit rating to the relevant Series or any Notes comprised therein that such rating will not be adversely affected (if such Notes are rated); and
- (ii) without the consent of the Secured Creditors of any Series, to:
 - (A) any modification of any of the provisions of the Trade Documents, Trust Deed or the Transaction Documents that is of a formal, minor or technical nature or is made to correct a manifest error or an error which, in the opinion of the Trustee, is proven, or to cure any ambiguity, inconsistency or defective provision; and
 - (B) any other modification (except as mentioned in the Trust Deed) and any waiver or authorisation of any breach or proposed breach of any of these Conditions or any of the provisions of the Trust Deed or the Transaction Documents or the Trade Documents which, in the opinion of the Trustee, is not materially prejudicial to the interests of the Secured Creditors of that Series (in relation to which it is Trustee).

Any such modification, authorisation or waiver shall be binding on the Secured Creditors of that Series and, if the Trustee so requires, such modification shall be notified to the Secured Creditors of that Series and if such Series is listed on the Irish Stock Exchange, and such modification is material, the Irish Stock Exchange as soon as practicable thereafter.

(b) *Authorisation*

The Issuer will not, except as specified in the Applicable Transaction Terms, exercise any rights in its capacity as a holder of, or person beneficially entitled to or participating in the Underlying Assets, unless directed to do so by the Trustee and, if such direction is given, the Issuer will act only in accordance with such directions. The Trustee may, but need not, vote, provided that it will vote if requested to do so by the Instructing Creditor and if the Trustee does vote pursuant to such request, it will bear no liability for doing so. In particular, the Issuer will not attend or vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the Underlying Assets or give any consent, waiver, indulgence, time or notification or make any declaration in relation to such Underlying Assets unless it shall have been so directed by the Trustee in writing.

(c) *Substitution*

- (i) The Trust Deed contains provisions permitting the Trustee to agree:
 - (A) without the consent of the Secured Creditors; and

- (B) if any Notes are rated by a Rating Agency or Rating Agencies subject to the prior receipt by the Issuer and the Trustee of confirmation and/or affirmation from such Rating Agency or Rating Agencies that the credit rating of such Notes will not be adversely affected,

to the substitution in place of the Issuer as principal debtor under the Trust Deed and the Notes of any other company (incorporated in any jurisdiction);

- (ii) In connection with any proposed substitution or change of jurisdiction of the Issuer, the Trustee may agree:

- (A) without the consent of the Secured Creditors; and

- (B) if any Notes are rated by a Rating Agency or Rating Agencies subject to the prior receipt by the Issuer and the Trustee of confirmation and/or affirmation from such Rating Agency or Rating Agencies that the credit rating of such Notes will not be adversely affected,

to a change of the law governing the Trust Deed, the Supplemental Trust Deed, any other Security Document, the Notes, the Receipts, the Coupons, the Talons (if any), provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the relevant Noteholders or the Counterparty.

- (d) *Entitlement of the Trustee*

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed modification, waiver, authorisation or substitution as aforesaid) the Trustee shall not have regard to the consequences of such exercise for individual Secured Creditors or of holders of any other notes or bonds, resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory and the Trustee shall not be entitled to require, nor shall any Secured Creditor be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual Secured Creditors.

- (e) *Prioritised Tranches*

The Supplemental Trust Deed will contain certain provisions relating to meetings, modification, waiver and substitution for Prioritised Tranches.

15. Notices

Notices to holders of Registered Notes will be posted to them at their respective addresses in the Register and deemed to have been given on the date of posting. Other notices to Noteholders will be deemed to be validly given if published in a leading daily newspaper having general circulation in London (which is expected to be the Financial Times or, if in the opinion of the Trustee such publication shall not be practicable, in an English language newspaper of general circulation in Europe if the Notes are denominated in euros, or in New York if denominated in U.S. dollars) and, if the Notes are listed on the Irish Stock Exchange, submitted to the Companies Announcements Office of the Irish Stock Exchange. The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any listing authority, stock exchange and/or quotation system on which the Notes are for the time being listed. Any such notice (other than to holders of Registered Notes as specified above) shall be deemed to have been given on the date of such publication, submission or, if published more than once or on different dates, on the first date on which publication or submission is made. Couponholders and Receiptholders will be deemed for all

purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 15.

Until such time as any Definitive Notes are issued, there may, so long as Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange or other relevant authority. Any such notice will be deemed to have been given on the date of delivery to Euroclear and/or Clearstream, Luxembourg or, if such publication is required on the date of the first publication in all required newspapers.

16. **Trustee's Indemnification, Retirement and Removal**

The Trust Deed contains provisions for indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking any action including taking proceedings to enforce repayment unless indemnified and/or secured to its satisfaction. The Trustee or any of its affiliates is entitled to enter into business transactions with the Issuer, any issuer or guarantor of (or other obligor in respect of) any of the securities or other assets, rights and/or benefits comprising the Charged Assets or the Secured Creditors or any of their respective subsidiaries or associated companies without accounting to the Secured Creditors for any profit resulting therefrom.

The Trustee, in the absence of negligence, bad faith or wilful default, is exempted from any liability in respect of any loss, diminution in value or theft of all or any part of the Charged Assets, from any obligation to insure all or any part of the Charged Assets (including, in either such case, any documents evidencing, constituting or representing the same or transferring any rights, benefits and/or obligations thereunder) or to procure the same to be insured or monitoring the adequacy of any insurance arrangements and from any claim arising if all or any part of the Underlying Assets (or any such document aforesaid) are held in an account with Euroclear, Clearstream, Luxembourg or any similar clearing system in accordance with that system's rules or otherwise held in safe custody by the Custodian or a bank or other custodian selected by the Trustee. The Trustee will incur no liability, vicarious or otherwise, for any actions or inactions of the Custodian.

The Trustee was appointed trustee in respect of Notes to be issued by the Issuer under the Programme pursuant to the terms of the Principal Trust Deed. Pursuant to the terms of the Principal Trust Deed, the Trustee may retire upon the giving of three months notice to the Issuer and each Secured Creditor or may be removed by an Extraordinary Resolution of the Holders of the relevant Series of Notes. In such circumstances, the Issuer shall procure the appointment of a new trustee as soon as reasonably practicable and such retirement or removal shall not become effective until a successor trustee has been appointed in accordance with the terms of the Principal Trust Deed.

17. **Governing Law**

(a) *Governing Law*

The Trust Deed, the Supplemental Trust Deed, the Notes, the Coupons, the Receipts, the Talons (if any) and the Agency Agreement, and any rights and obligations (including any non-contractual obligations) arising out of or in connection with any of them, shall be governed by, and the Trust Deed, the Supplemental Trust Deed, the Notes, the Coupons, the Receipts, the Talons (if any) and the Agency Agreement, shall be construed in accordance with, English law. Any Supplemental Security

Document will be governed by and construed in accordance with the law specified therein.

(b) *Submission to jurisdiction*

Each Issuer has, in the Trust Deed, irrevocably agreed for the benefit of the Noteholders, the Receiptholders and the Couponholders that the courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the Notes, including any non-contractual obligations that may arise out of or in connection with the Notes (respectively, “**Proceedings**” and “**Disputes**”) and, for such purposes, irrevocably submits to the exclusive jurisdiction of such courts.

(c) *Waiver*

Each Issuer has, in the Trust Deed, irrevocably waived any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes and agrees not to claim that any such court is not a convenient or appropriate forum.

(d) *Process agent*

Each Issuer has irrevocably appointed a process agent in England to receive, on its behalf, service of Proceedings in England. LORALLY has agreed that the process by which any Proceedings are begun may be served upon it by being delivered to Maples and Calder at 7 Princes Street, London EC2R 8AQ, United Kingdom or its registered office for the time being. Cortex has agreed that the process by which any Proceedings are begun may be served upon it by being delivered to Aquila International Services Limited at 2nd Floor, Berkeley Square House, Berkeley Square, London W1Y 6BD, United Kingdom or its other registered office for the time being. The relevant process agent for any other Issuer shall be set out in the relevant Deed of Accession and/or Supplemental Trust Deed. If any such person is not or ceases to be effectively appointed to accept service of process on the Issuer’s behalf, the Issuer shall, on the written demand of the Trustee, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the Trustee shall be entitled to appoint such a person by written notice to the Issuer. Nothing contained herein shall affect the right of any Secured Creditor to serve process in any other manner permitted by law.

(e) *Non-exclusivity*

The submission by the Issuer to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of the Secured Creditors to take Proceedings against the Issuer in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

(f) *Third Party Rights*

A person who is not a party to the Notes or the Trust Deed has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce term or condition of the Notes or the Trust Deed, but this shall not affect any right or remedy of a third party which exists or is available apart from that Act.

SUMMARY OF CONDITIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

Bearer Notes

Unless otherwise specified in the Applicable Transaction Terms, each Tranche of Notes in bearer form will initially be represented by a Temporary Global Note, without Coupons, Talons or Receipts, which will be deposited on or about the issue date of the relevant Notes on behalf of the subscribers of the relevant Notes (a) in the case of a Series intended to be cleared through Euroclear and/or Clearstream, Luxembourg with a common depository (the “**Common Depository**”) for Euroclear and for Clearstream, Luxembourg, or (b) in the case of a Series intended to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg, as agreed between each of the Issuers, the Issuing Agent, the Trustee and the relevant Dealer(s). Interests in a Temporary Global Note will be exchangeable, in accordance with its terms, for interests in a Permanent Global Note. Whilst a Note is in global form, the Noteholder in relation thereto shall be the Common Depository or other holder agreed upon as aforementioned. No interest will be payable in respect of a Temporary Global Note, except as provided below.

The Applicable Transaction Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the “**TEFRA C Rules**”) or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the “**TEFRA D Rules**”) are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: “Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.”

Registered Notes

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold in offshore transactions to non-U.S. persons outside the United States, will initially be represented by a global note in registered form, without Receipts or Coupons (a “**Global Note**”) which will be deposited on or about the issue date of the relevant Notes on behalf of the subscribers of the relevant Notes (a) in the case of a Series intended to be cleared through Euroclear and/or Clearstream, Luxembourg with a common depository (the “**Common Depository**”) for Euroclear and for Clearstream, Luxembourg, or (b) in the case of a Series intended to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg, as agreed between each of the Issuers, the Issuing Agent, the Trustee and the relevant Dealer(s). Prior to the expiry of the Distribution Compliance Period (as defined below) applicable to each Tranche of Notes, beneficial interests in a Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person save as otherwise provided herein and may not be held otherwise than through Euroclear or Clearstream, Luxembourg or any applicable alternate clearing system and such Global Note will bear a legend regarding such restrictions on transfer.

General

The Global Notes contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this Base Prospectus. A summary of those provisions is set out below:

(a) *Exchange of a Temporary Global Note and a Permanent Global Note*

Each Temporary Global Note is exchangeable in whole or in part for interests in a Permanent Global Note on or after the date which is 40 days after the completion of the distribution of all of the Notes of the relevant Tranche (as determined and certified by the relevant Dealer(s)) (the “**Distribution Compliance Period**”) upon certification as to non-U.S. beneficial

ownership in the form set out in the Temporary Global Note. Each Temporary Global Note is also exchangeable in whole or in part, if so specified in the Applicable Transaction Terms, for Definitive Notes, or if so specified in the relevant Applicable Transaction Terms, for Registered Note Certificates or for a combination of Definitive Notes and Registered Note Certificates.

Each Permanent Global Note is exchangeable in whole but not in part for the corresponding Definitive Notes described below or, if so specified in the relevant Applicable Transaction Terms, for Registered Note Certificates or for a combination of Definitive Notes and Registered Note Certificates if:

- (i) any Note of the relevant Series becomes immediately redeemable following the occurrence of an Event of Default or Early Redemption Event and enforcement of the Charged Assets of such Series in relation thereto; or
- (ii) Euroclear or Clearstream, Luxembourg (or any other relevant clearing system) (as applicable) is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention to cease business permanently or in fact does so,

and each relevant Issuer shall bear the cost and expense of the exchange.

On or after any Exchange Date (as defined below) the bearer of a Permanent Global Note may surrender it to or to the order of the Principal Paying Agent.

In exchange for a Permanent Global Note, each relevant Issuer will deliver or procure the delivery of, an equal aggregate Principal Amount of duly executed and authenticated Definitive Notes (and/or, where applicable, Registered Note Certificates) corresponding thereto (having attached to them all Coupons and, where applicable, Receipts, in respect of principal and interest which has not already been paid on such Permanent Global Note and, where required, a Talon), security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Principal Trust Deed. On exchange in full of the Permanent Global Note, such Permanent Global Note will be cancelled.

“**Exchange Date**” means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located and in the cities in which the relevant clearing system is located.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Authorised Denomination(s) only. A Noteholder who holds a Principal Amount of less than the minimum Authorised Denomination will not receive a Definitive Note in respect of such holding and would need to purchase a Principal Amount of Notes such that it holds an amount equal to one or more Authorised Denominations.

(b) *Exchange of a Registered Global Note*

Each Registered Global Note is exchangeable in whole but not in part for Note certificates in definitive form (the “**Registered Note Certificates**”) at the cost and expense of each of the Issuers if (a) any Note becomes immediately redeemable following the occurrence of an Event of Default or Early Redemption Event and enforcement of the Charged Assets of such Series in relation thereto or (b) Euroclear or Clearstream, Luxembourg or any other relevant clearing system, as applicable, is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or have announced an intention to cease business permanently or in fact have done so.

Whenever a Registered Global Note is to be exchanged for Registered Note Certificates, each of the Issuers will deliver or procure the prompt delivery of an equal aggregate Principal Amount of duly executed and unauthenticated Registered Note Certificates, registered in such names as the Paying Agent shall specify, to the Registrar (and in any event within five business days (as defined below) of receipt by the Paying Agent of the Registered Global Note and any further information required to complete, authenticate and deliver such Registered Note Certificates) against the surrender by Euroclear or Clearstream, Luxembourg (or any other relevant clearing system), as applicable, of the Registered Global Note at the specified office of the Paying Agent and the Registrar shall authenticate such Registered Note Certificates, all in accordance with the provisions of the Agency Agreement, the Principal Trust Deed and the Terms and Conditions. In this paragraph, “**business day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for business (including dealings in foreign currencies) in the cities in which the Paying Agents and the Registrar has its specified office.

The Registered Note Certificates shall be in substantially the same form provided in the Principal Trust Deed save that the legend thereon shall read as provided in the Registered Global Note.

(c) *Payments in respect of a Temporary Global Note and a Permanent Global Note*

No payment falling due more than 40 days after the completion of the distribution of all of the Notes of the relevant Tranche (as determined and certified by the relevant Dealer(s)) will be made on a Temporary Global Note unless exchange for an interest in a Permanent Global Note is improperly withheld or refused. Payments on any Temporary Global Note during the period up to 40 days after the completion of all of the Notes of the relevant Tranche will only be made against presentation of certification of non-U.S. beneficial ownership in the form set out in the relevant Temporary Global Note.

Payments of principal and interest in respect of Notes represented by a Permanent Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes represented thereby, surrender of such Permanent Global Note to, or to the order of, the Principal Paying Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to the relevant Permanent Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes.

Payments due in respect of Notes for the time being represented by a Global Note shall be made to the bearer of the Global Note and each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make the entries referred to above shall not affect such discharge.

(d) *Payments in respect of a Registered Global Note*

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the nominee of Euroclear or Clearstream, Luxembourg (or any other relevant clearing system), as applicable, as the registered holder of the Registered Global Notes. None of the Issuers, any Paying Agent and the Registrar will have any responsibility of liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Note Certificates in definitive form will, in the absence of provisions to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition (8)(b))

(*Registered Notes*) immediately preceding the due date for payment in the manner provided herein.

(e) *Notices*

Until such time as any Definitive Notes are issued, there may, so long as Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, be substituted for publication in newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange and the guidelines of that stock exchange or other relevant authority so require, such notice will be published either in a daily newspaper of general circulation in the place or places required by that stock exchange or other relevant authority, or submitted to the Companies Announcements Office of the Irish Stock Exchange (for example, in the case of Notes listed on the Irish Stock Exchange). Any such notice will be deemed to have been given on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or, if such publication is required, on the date of the first publication in all required newspapers.

(f) *Prescription*

Claims against any Issuer in respect of principal and interest on the Notes of any Series while such Notes are represented by a Global Note will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the appropriate due date.

(g) *Meetings*

The holder of a Global Note will be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders whose Notes are represented thereby and, at any such meeting, as having one vote in respect of each integral currency unit of the Specified Currency of the Notes.

(h) *Purchase and Cancellation*

Cancellation of any Note required by the Conditions to be cancelled following its purchase will be effected by reduction in the Principal Amount of the relevant Temporary or Permanent Global Note or Registered Global Note.

(i) *Recognition of Interests*

For so long as any of the Notes is represented by a Temporary Global Note or Permanent Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg or any other relevant clearing system, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by each of the Issuers, the Agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by each of the Issuers, the Agents and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "Noteholder" and "holder of Notes" and related expressions shall be construed accordingly. In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as

it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

For so long as any of the Notes is represented by a Registered Global Note registered in the name of Euroclear and/or Clearstream, Luxembourg (or any other relevant clearing system) or its nominee, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg (or any other relevant clearing system) or its nominees as the holder of a particular nominal amount of such Notes shall be treated by each of the Issuers, the Agents and the Trustee as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on, or voting, giving consents or making requests in respect of, such nominal amount of such Notes for which purpose Euroclear and/or Clearstream, Luxembourg (or any other relevant clearing system) or its nominee or, in the case of payments only, its nominee shall be treated by each of the Issuers, the Agents and the Trustee as the holder of such nominal amount of such Notes in accordance with and subject to the terms of such Registered Global Note, and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly. In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

BOOK-ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that each of the Issuers believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the “**Clearing Systems**”) currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Each of the Issuers accepts responsibility solely for the correct reproduction of the information contained in this Section and that such information has been accurately reproduced and that, so far as they are aware and are able to ascertain from publicly available sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Issuers, the Trustee, the Arranger, the Dealers or any Agent party to the Agency Agreement (or any Affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established with Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and transfers of the Notes associated with secondary market trading. (See “*Settlement and Transfer of Interests in Global Notes*” below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book-entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally-traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are world-wide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in the Global Notes directly through Euroclear or Clearstream, Luxembourg if they are accountholders (“**Direct Participants**”) or indirectly (“**Indirect Participants**” and together with Direct Participants, “**Participants**”) through organisations which are accountholders therein.

Distributions of payments with respect to interests in the Global Notes, held through Euroclear or Clearstream, Luxembourg, as applicable, will be credited to the extent received, to the cash accounts of Euroclear and Clearstream, Luxembourg participants in accordance with the relevant system’s rules and procedures.

As Euroclear and Clearstream, Luxembourg act on behalf of their respective accountholders only, who in turn may act on behalf of their respective clients, the ability of beneficial owners who are not accountholders with Euroclear or Clearstream, Luxembourg to pledge interests in the Global Notes to persons or entities that are not accountholders with Euroclear or Clearstream, Luxembourg, or otherwise take action in respect of interests in the Global Notes, may be limited.

Book-Entry Ownership

Each Global Note intended to be cleared through Euroclear and Clearstream, Luxembourg will have an ISIN and a Common Code and will be registered (in the case of a Registered Global Note only) in the name of The Bank of New York Mellon Depositary (Nominees) Limited as nominee for, and

deposited (in the case of all Global Notes) with The Bank of New York Mellon as common depository on behalf of, Euroclear and Clearstream, Luxembourg.

Payments on Global Notes

Under the terms of the Trust Deed, each of the Issuers and the Trustee will treat the registered holder of the Global Notes (being the common depository for Euroclear or Clearstream, Luxembourg (or its nominee)) as the owner thereof for the purposes of receiving payments and for all other purposes. Consequently, none of the Issuers, the Trustee or any agent of any Issuer or the Trustee have or will have any responsibility or liability for:

- (a) any aspect of the records of Euroclear or Clearstream, Luxembourg or any Participant or Indirect Participant relating to or payments made on account of an ownership interest in a Global Note (a “**Book-Entry Interest**”) or for maintaining, supervising or reviewing any of the records of Euroclear or Clearstream, Luxembourg or any Participant or Indirect Participant relating to or payments made on account of a Book-Entry Interest; or
- (b) Euroclear or Clearstream, Luxembourg or any Participant or Indirect Participant.

Payments by Participants to owners of Book-Entry interests in the Global Notes held through these Participants are the responsibility of such Participants, as is now the case with securities held for the accounts of customers registered in “street name”.

Settlement and Transfer of Interests in Global Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of interests in the Global Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such interests in the Global Notes on the Clearing System’s records. The ownership interest of each actual purchaser of each such interest in a Global Notes (the “**Beneficial Owner**”) will in turn be recorded on the Direct and Indirect Participant’s records. Beneficial Owners will not receive written confirmation from any clearing system of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Global Notes held within the clearing system will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners.

No Clearing System has knowledge of the actual Beneficial Owners of the Global Notes held within such Clearing Systems and their records will reflect only the identity of the Direct Participants to whose accounts such Global Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Book-Entry Interests owned through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional eurobonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream, Luxembourg holders on the business day following the settlement date against payment for value on the settlement date.

Initial settlement

Upon the issuance of the Global Notes by any of the Issuers, Euroclear and Clearstream, Luxembourg, as applicable, will credit the respective Principal Amounts of the individual beneficial interests in the Global Notes to the relevant accountholder(s), as notified by or on behalf of a Dealer. Ownership of beneficial interests in the Global Notes will be limited to persons who maintain

accounts with Euroclear and Clearstream, Luxembourg, as applicable, or persons who hold interests through such persons. Ownership of beneficial interests in the Global Notes will be shown on, and the transfer of such interests will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg and in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg.

Unless Registered Note Certificates or Definitive Notes, as applicable, are issued, owners of beneficial interests in Global Notes will not be entitled to have any portions of such Global Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in certificated form and will not be considered the owners or holders of such Global Note (or any Notes represented thereby) under the Trust Deed or the Notes.

In the event of an increase or decrease in the aggregate nominal amount of Notes represented by any Global Note, whether pursuant to the issue of additional Notes to be represented by such Global Note, the issue of Registered Note Certificates or Definitive Notes, as applicable, or the repurchase and cancellation of Notes represented by such Global Note or otherwise, the holder will present such Global Note to each of the Issuers or its agent for increase or decrease, as the case may be, of the aggregate Principal Amount of Notes represented by such Global Note by annotation thereon.

Neither the Issuers, the Trustee nor any of their respective agents will have any responsibility or liability for any aspect of the records relating to beneficial ownership interests in the Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Initial settlement for the Notes will be made in the currency of denomination of the Notes.

Secondary Market Trading

The Book-Entry Interests will trade through Participants of Euroclear and Clearstream, Luxembourg and will settle in same-day funds.

Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Transfers between accountholders in Euroclear and Clearstream, Luxembourg will be effected in the ordinary way in accordance with their respective rules and operating procedures. Such transfers may be subject to certain restrictions. See "*Transfer Restrictions*" below.

Registered Global Notes

The Registered Global Notes are exchangeable in whole but not in part for Registered Note Certificates in definitive form if and only if (i) Euroclear or Clearstream, Luxembourg (or any alternative clearing system on behalf of which the Registered Global Notes may be held) is closed for business for a continuous period of 14 days or more (other than by reason of legal holidays) or announces an intention permanently to cease business or does in fact do so or (ii) any Note of the relevant Series becomes immediately redeemable following the occurrence of an Event of Default in relation thereto. Registered Note Certificates will be issued in registered form only, without coupons, and will be registered in the name or names of such person or persons as the holder of the Global Notes shall notify the Registrar. It is expected that such notification will be based upon directions received by the Registrar from Euroclear and Clearstream, Luxembourg as applicable as to ownership of beneficial interests in the Registered Global Notes.

Registered Note Certificates issued in exchange for interests in a Registered Global Note will bear the legends as set out in "*Transfer Restrictions*" below.

Each Permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not in part for Definitive Notes (or, if so specified in the Supplemental Trust Deed, for Registered Note Certificates or for a combination of Definitive Notes and Registered

Note Certificates), if (i) any Note of the relevant Series becomes immediately redeemable following the occurrence of an Event of Default in relation thereto; or (ii) the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or (iii) if so specified on the Supplemental Trust Deed, at the option of the bearer thereof.

General

None of the Issuers will impose any fees in respect of the Notes; however, holders of book-entry interests in the Global Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream, Luxembourg.

Although the foregoing sets out a general summary of the procedures of Euroclear and Clearstream, Luxembourg in order to facilitate the transfers of interests in the Global Notes among participants of Euroclear and Clearstream, Luxembourg none of Euroclear or Clearstream, Luxembourg are under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

None of the Issuers nor the Trustee nor any of their agents will have any responsibility or liability for the performance by Euroclear or Clearstream, Luxembourg or their respective accountholders of their respective obligations under the rules and procedures governing their operations.

USE OF PROCEEDS

The net proceeds of the issue of each Series of Notes will be used by the relevant Issuer in the purchase of the Underlying Assets and/or to make payments in respect of any Related Agreement, unless otherwise specified in the relevant Applicable Transaction Terms.

DESCRIPTION OF CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK

The information relating to Crédit Agricole Corporate and Investment Bank contained in this section headed “*Description of Crédit Agricole Corporate and Investment Bank*” has been provided by Crédit Agricole Corporate and Investment Bank. Crédit Agricole Corporate and Investment Bank accepts responsibility that to the best of its knowledge and belief this information is in accordance with the facts and does not omit anything likely to affect the import of such information.

General

Crédit Agricole Corporate and Investment Bank (formerly Calyon and formerly Crédit Agricole Indosuez) is a limited liability company incorporated in France as a “*société anonyme*”. Crédit Agricole Corporate and Investment Bank is a banking institution. Its registered office is at 9 Quai du Président Paul Doumer, 92920 Paris La Défense Cedex, France.

Listing

Crédit Agricole Corporate and Investment Bank has securities listed on the Luxembourg Stock Exchange.

Website

Further information on Crédit Agricole Corporate and Investment Bank is available on its website: www.ca-cib.com

SUBSCRIPTION AND SALE

Crédit Agricole Corporate and Investment Bank has, in a Programme Dealer Agreement dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time) (the “**Programme Dealer Agreement**”), agreed with each of the Existing Issuers (or any Specified Company pursuant to a Deed of Accession) a basis upon which it or any other dealer appointed pursuant to the Programme Dealer Agreement may from time to time agree to purchase Notes issued by each of the Issuers. Any such agreement for any particular purchase will extend to those matters stated under “*Description of the Programme*” and “*Terms and Conditions of the Notes*” above.

In the Programme Dealer Agreement, each of the Issuers has agreed to indemnify the Dealer(s) against certain liabilities in connection with the offer and sale of the Notes issued by each of the Issuers and has agreed to reimburse Crédit Agricole Corporate and Investment Bank as Arranger for certain of its expenses in connection with the establishment, and amendments to, this Programme. The Programme Dealer Agreement in respect of each of the Issuers may be terminated in relation to all the Dealer(s) or any of them by each of each of the Issuers or, in relation to itself, by any Dealer, at any time on giving not less than 15 days’ written notice.

TRANSFER RESTRICTIONS

Unless otherwise specified in the relevant Drawdown Prospectus, the following selling restrictions shall apply:

United States of America

The Notes have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States. In addition, none of the Issuers have been or will be registered as an investment company under the Investment Company Act. The Notes may not be offered, sold or delivered directly or indirectly within the United States or to, or for the account of, U.S. persons. Accordingly, the Notes may not be offered, sold or otherwise transferred except in a transaction outside the United States to persons that are not U.S. persons in accordance with Rule 903 or Rule 904 of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has acknowledged and agreed that it will not offer, sell or deliver any Notes within the United States or to, or for the account or benefit of, any U.S. person (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Issue Date and that it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration to which it sells Notes during the period of 40 consecutive days after the later of the commencement of the offering of the Notes and the Issue Date a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, any U.S. person. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering, an offer or sale of Regulation S Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Each of the Issuers and each Dealer reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the Principal Amount of Notes which may be offered. Distribution of this Base Prospectus to any U.S. person or to any person within the United States is unauthorised and any disclosure of any of its contents, without the prior written consent of each of the Issuers, is prohibited.

The Notes may include Notes that are in bearer form that are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended, and the Treasury regulations issued thereunder.

Purchasers of the Notes will be subject to the following selling restrictions unless otherwise provided in the Applicable Transaction Terms. As a condition to the purchase of the Notes offered hereby, each purchaser will be deemed to have acknowledged, represented and agreed as follows:

1. The purchaser has received a copy of this Base Prospectus and the Applicable Transaction Terms relating to the Notes, has carefully read this Base Prospectus and the Applicable Transaction Terms and understands the risks relating to its purchase of the Notes. The purchaser has such knowledge and experience in business and financial matters as to be capable of evaluating the merits and risks of an investment in the Notes. The purchaser understands that its investment in the Notes is speculative and involves a high degree of risk, including the possible loss of the purchaser's entire investment, and the purchaser is financially able to bear such loss.
2. The purchaser was, and the person, if any, for whose account or benefit the purchaser is acquiring the Notes was, located outside the United States at the time the buy order for the

Notes was originated and continues to be located outside the United States and has not purchased the Notes for the benefit of any person in the United States or entered into any arrangement for the transfer of the Notes to any person in the United States. Terms used in the previous sentence have the meaning given them in Regulation S.

3. The purchaser understands that each of the Issuers has not been and will not be registered under the Investment Company Act, that the Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and that the sale of Notes to such purchaser is being made in reliance on Regulation S. Terms used in the previous sentence have the meaning given them under Regulation S.
4. The purchaser is aware of the restrictions on the offer and sale of the Notes pursuant to Regulation S described in this Base Prospectus and the Applicable Transaction Terms and will be deemed to have agreed to give any subsequent purchaser of such Notes notice of any restrictions on the transfer thereof.
5. The purchaser understands that unless each of the Issuers determines otherwise in compliance with applicable law, the Notes will bear a legend to the effect set forth above and that Notes issued under Regulation S may not, at any time, be held by, or on behalf of, U.S. persons or U.S. residents. Terms used in the previous sentence have the meaning given to them under Regulation S.
6. The purchaser acknowledges that (a) it is not entitled to rely on Crédit Agricole Corporate and Investment Bank or any of its affiliates or any person acting on its behalf for any purpose, including without limitation the provision of legal, financial, economic or investment advice, or the performance of any verification or due diligence investigation, with respect to its purchase of the Notes, and none of such persons have made any representation to the purchaser, express or implied, with respect thereto; (b) except for this Base Prospectus and the Applicable Transaction Terms, the purchaser has not been furnished with any information concerning the Notes or each of the Issuers by each of the Issuers, Crédit Agricole Corporate and Investment Bank or any person acting on its or their behalf in connection with its decision to purchase the Notes; (c) the purchaser has conducted its own investigation with respect to the Notes and each of the Issuers and has relied on that investigation in making its decision to purchase the Notes; and (d) the purchaser has received all information that it believes is necessary or appropriate in connection with its decision to purchase the Notes.
7. The purchaser acknowledges that each of the Issuers, the Arranger, the Trustee, the Registrar, the Paying Agents, the Dealer(s) and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.
8. The purchaser agrees that these deemed acknowledgements, representations and agreements shall be governed and construed in accordance with the laws of England and Wales and disputes arising out of these deemed acknowledgements, representations and agreements shall be resolved exclusively in the courts of England.

United Kingdom

Each Dealer has represented and agreed that:

- (a) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom; and
- (b) **Investment advertisements:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in

connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to any Issuer.

Cayman Islands

The Issuer is prohibited from making any invitation to the public in the Cayman Islands to subscribe for any of the Notes pursuant to section 175 of the Companies Law (2010 Revision).

Switzerland

This document does not constitute a prospectus in the sense of article 652a resp. article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SWX Swiss Exchange. The Issuer has not applied for a listing of the Notes being offered pursuant to this document on the SWX Swiss Exchange or on any other regulated securities market in Switzerland, and consequently, the information presented in this document does not necessarily comply with the information standards set out in the relevant listing rules.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), each Dealer represents and agrees that with effect from (and including) the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) it has not made and will not make an offer of Notes to the public in that Relevant Member State which are the subject of the offering contemplated by a prospectus in relation to those Notes other than the offers contemplated by such prospectus in (or in Germany, where the offer starts within) the period beginning on the date of publication of such prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of each publication, except that it may, with effect from (and including) the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (b) to any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than EUR 43,000,000; and (iii) an annual net turnover of more than EUR 50,000,000, as shown in its last annual or consolidated accounts;
- (c) to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Dealer; or
- (d) at any time in any other circumstances which do not require the publication by any Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive,

provided that no such offer of Notes shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the preceding paragraphs, the expression “**an offer of Notes to the public**” in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Ireland

Each Dealer represents, warrants and agrees that:

- (a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;
- (b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Central Bank Acts 1942 – 2010 and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989; and
- (c) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under Section 34 of the Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland.

The Netherlands

- (a) Notes (including rights representing an interest in a Note in global form) which (1) have a maturity of less than a year and (2) qualify as money market instruments within the meaning of within the meaning of article 1a(d) of the Dutch Decree on the Securities Market Supervision Act 1995 (*Besluit toezicht effectenverkeer* 1995) issued by each of the Issuers may only be offered, as part of their initial distribution or by way of re-offering, in The Netherlands if such Notes and having an individual denomination of less than EUR 50,000 (or its equivalent in any other currency), to Professional Investors, provided that it is made clear both upon making the offer and in any documents or advertisements in which a forthcoming offering of such Notes is publicly announced (whether electronically or otherwise) in The Netherlands that such offer is exclusively made to such Professional Investors.
- (b) Notwithstanding the provisions of paragraph (a) above, Notes which are not Interest Bearing Notes may not, directly or indirectly, as part of their initial distribution (or immediately thereafter) or as part of any re-offering be offered, sold, transferred or delivered in The Netherlands. For purposes of this paragraph, “Notes which are not Interest Bearing Notes” are Notes that are in bearer form (whether in definitive or in global form) and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.
- (c) “**Professional Investors**” means individuals or legal entities who or which trade or invest in securities in the conduct of a business or profession (which includes banks, securities intermediaries (including dealers and brokers), insurance companies, pension funds, collective investment institutions, central governments, large international and supranational organisations, other institutional investors and other parties, including treasury departments of commercial enterprises, which as an ancillary activity regularly invest in securities.

General

These selling restrictions may be modified by the agreement of each of the Issuers and the relevant Dealer(s) following a change in a relevant law, regulation or directive. Any such modification will be set out in the Applicable Transaction Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

Other than the approval of this Base Prospectus by the Central Bank of Ireland, no action has been or will be taken in any jurisdiction that would, or is intended to permit a public offering of any of the Notes, or possession or distribution of the Base Prospectus or any other offering material or any

Applicable Transaction Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus, any other offering material or any Applicable Transaction Terms.

FORM OF PRICING SUPPLEMENT¹

[LORALLY CDO Limited][Cortex Finance p.l.c.] [Specified Company]

Issue of

Series [●]

[Aggregate Nominal Amount of Tranche] [Title of Notes]

under the

EUR 5,000,000,000 LORALLY Multi-Issuer Asset Backed Medium Term Note Programme

[Name of Issuer] (the “**Issuer**”) accepts responsibility for the information contained in this document and to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Pricing Supplement must be read in conjunction with the Base Prospectus dated 6 December 2010 relating to the above Programme.

[The [insert title of series] shall have the following terms and conditions which shall complete, modify and amend the terms and conditions (the “**Conditions**”) set out in the Schedule 2 (*Terms and Conditions of the Notes*) of the Principal Trust Deed dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time, on or prior to the Issue Date)].

Non Applicable Conditions

Conditions [●] shall not apply.

Additional Conditions

[Insert any special conditions or variations to the standard terms and conditions]

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions.

[If the Notes are rated, ratings statement to be agreed and inserted]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs.]

1. Issuer: [LORALLY CDO Limited]
[Cortex Finance p.l.c.]
[Specified Company]
2. (a) Series Number: [●]

(If fungible with existing series, details of that Series, including the date on which the Notes become fungible and the aggregate nominal amount of the

¹ In case of Notes to be admitted to listing and admitted to trading on the regulated market (for the purposes of the Markets in Financial Instruments Directive) of the Irish Stock Exchange and/or any other stock exchange a Drawdown Prospectus will be required.

- Series)
- (b) Tranche Number: [●]
3. Specified Currency or Currencies: [●]
4. (i) Authorised Denomination(s): [Note - where multiple denominations above €100,000 or equivalent] are being used the following sample wording should be followed:
- [€100,000] or integral multiples of [€1,000] in excess thereof [up to and including [€●]]. No Notes in definitive form will be issued with a denomination above [€●]².]*
- [€300,000 for Notes with a maturity of less than 365 days issued by Cortex Finance p.l.c. and any other Issuer incorporated in Ireland.]*
- (ii) Calculation Amount: *[If only one Authorised Denomination, insert the Authorised Denomination. If more than one Authorised Denomination, insert the highest common factor (e.g. €1,000 in the case of €101,000, €102,000 or €103,000)] [Note: there must be a common factor in the case of two or more Authorised Denominations]*
5. Aggregate Nominal/Principal Amount: [●]
6. [(i) Issue Date: [●]]
- [(ii) Interest Commencement Date (if different): [●]]
7. Maturity Date: [●]
8. Interest Basis: [[●]% Fixed Rate]
- [[LIBOR] +/- % Floating Rate]
- [Zero Coupon]
- [Index Linked]
- [Credit Linked]
- [Other (specify)]
- (further particulars specified below)
9. Redemption/Payment Basis: [Redemption at par]
- [Credit Linked Redemption]
- [Index Linked Redemption]
- [Index Linked (Interest)]

² Delete if Notes being issued are in registered form.

- [Dual Currency]
- [[Partly Paid]
- [Instalment]
- [Other (Specify)]
10. Change of Interest or Redemption Basis: [Specify details of any provision for convertibility of Notes into another interest or payment basis]
11. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
12. Issue Price: [●] per cent. of the aggregate Nominal Amount
13. (a) Status of the Notes: [Unsubordinated/Subordinated (*Description of ranking (Condition 3(b) (Subordinated Notes))*)]
[*Description of provisions relating to Prioritised Tranches*]
- (b) Pre-enforcement Waterfall [●]
14. Instructing Creditor: [Counterparty/Noteholders]]
15. Listing: [(specify)/None]
16. Method of distribution: [Syndicated/Non-syndicated]

RATINGS

17. Rating(s): [[●] (S&P)]
[[●] (Moody's)]
[[●] (Fitch)]
[[●] ([Other])]
[None]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

18. Fixed Rate Note Provisions: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub paragraphs of this paragraph)
- (i) Interest Rate: [●] per cent. per annum
- (ii) Interest Payment Date(s): [●] in each year
- (iii) Fixed Coupon Amount: [●] per Calculation Amount
[Insert particulars of any broken interest amounts which do not correspond with the Fixed Coupon]

		Amount]
(iv)	Broken Amount(s):	[●] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [●]
(v)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	[Not Applicable/give details]
19.	Floating Rate Note Provisions:	[Applicable/Not applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
(i)	Specified Period(s)/Specified Interest Payment Dates:	[●]
(ii)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Convention/ Preceding Business Day Convention/ other (give details)]
(iii)	Additional Relevant Business Days:	[●]
(iv)	Manner in which the Rate of Interest is to be determined:	[Screen Rate Determination / ISDA Determination / Reference Banks / other (give details)]
(v)	Determination Agent:	[●]
(vi)	Calculation Agent:	[●]
(vii)	Screen Rate Determination:	
	● Relevant Rate/Benchmark:	[●]
	● Interest Determination Date(s):	[●]
	● Relevant Screen Page	[●]
(viii)	ISDA Determination:	[●]
	● Floating Rate Option:	[●]
	● Designated Maturity:	[●]
	● Reset Date:	[●]
(ix)	If Reference Banks:	[●]
(x)	If other, specify basis for determination of the Rate of Interest, any relevant Spread and any fall-back provisions:	[●]
(xi)	Spread(s):	[+/-][●] per cent. per annum
(xii)	Minimum Rate of Interest:	[●] per cent. per annum

- (xiii) Maximum Rate of Interest: [●] per cent. per annum
 - (xiv) Day Count Fraction [●]
 - (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: [●]
20. Zero Coupon Note Provisions: [Applicable/Not applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Zero Coupon Yield: [●] per cent. per annum
 - (ii) Reference Price: [●]
 - (iii) Any other formula/basis of determining amount payable: [●]
21. Index/Formula-Linked Note Provisions: [Applicable/Not applicable] *(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (i) Index/Formula: [give or annex details]
 - (ii) Calculation Agent responsible for calculating the principal and/or interest due: [●]
 - (iii) Provisions for determining coupon or redemption amount where calculation by reference to Index and/or Formula is impossible or impracticable: [●]
 - (iv) Specified Period(s)/Specified Interest Payment Dates: [●]
 - (v) Business Day Convention: [Floating Rate Convention / Following Business Day Convention / Modified Following Business Convention / Preceding Business Day Convention / other (give details)]
 - (vi) Additional Relevant Business Days: [●]
 - (vii) Minimum Rate of Interest: [●] per cent. per annum:
 - (viii) Maximum Rate of Interest [●] per cent. per annum
 - (ix) Day Count Fraction: [●]

22. Dual Currency Note Provisions: [Applicable/Not applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
 - (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest payable: [●]
 - (iii) Determination Agent, if any, responsible for calculating the principal and/or interest payable: [●]
 - (iv) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
 - (vi) Person at whose option Specified Currency(ies) is/are payable: [●]
23. Variable Coupon Amount Provisions: [Applicable/Not applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Specify basis for calculating interest amounts: [●]

PROVISIONS RELATING TO REDEMPTION, PURCHASE AND EXCHANGE

24. Early Redemption Events:
- (i) Underlying Disposal Event:
 - (a) Applicable grace periods (Condition 7(b)(i)(A)): [●]
 - (b) Termination of Related Agreement (Condition 7(b)(i)(B)): [Give details]
 - (c) Variation to early tax redemption provisions (Condition 7(b)(i)(C)): [Not Applicable/Specify]
 - (ii) Early Redemption of Underlying Assets:
 - (a) Notice period if other than as set out in Condition 7(b)(ii) *(Early Redemption of Underlying Assets)*: [Not Applicable/Specify]
 - (iii) Credit Event: [Applicable/Not Applicable] *(if applicable, give details. If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- | | | |
|-----|--|---|
| | (a) Credit Event Redemption Amount: | [●] |
| | (b) Notice period if other than as set out in (Condition 7(b)(iii) (<i>Credit Event</i>)): | [Not Applicable/Specify] |
| 25. | Purchase at Issuer's Option:
(Condition 7(c) (<i>Purchase</i>)) | [Not Applicable/give details] |
| 26. | Redemption at the option of each of the Issuers: | [Applicable/Not applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>) |
| | (i) Optional Redemption Date(s)/Redemption Option Period: | [●] |
| | (ii) Redemption Amount(s) and method, if any, of calculation of such amount(s): | [●] |
| | Calculation Agent: | [●] |
| | Determination Agent: | [●] |
| | (iii) Partial redemption of Notes/partial exercise of Issuer's option: | [Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs</i>) |
| | (a) Selection of whole Notes/ <i>pro rata</i> payment: | [●] |
| | (b) Release of security over Underlying Assets: | [●] |
| | (c) Termination of Related Agreement: | [●] |
| | (iv) Notice period if other than as set out in Condition 7(f) (<i>Redemption at the Option of the Issuer and Exercise of Issuer's Option</i>): | [●] |
| 27. | Redemption at the [option/request] of the Noteholders: | [Applicable/Not applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>) |
| | (i) Optional Redemption Date(s): | [●] |
| | (ii) Redemption Amount(s) and method, if any, of calculation of such amount(s): | [●] |
| | (iii) Release of security over Underlying Assets: | [●] |

- (iv) Termination of Related Agreement: [●]
- (v) Notice period if other than as set out in Condition [7(g) *(Redemption at the Option of Noteholders and Exercise of Noteholders' Option)*][7(k) *(Exchange of Series)*]: [●]
28. Termination of Related Agreement at the option of the Counterparty: [In whole/In part only] *(Specify additional terms and conditions)*
29. Exchange: [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Additional conditions: [●]
- (ii) Amount due on termination of Related Agreement: [●]
- (iii) Notice period if other than as set out in Condition 7(j) *(Exchange of Notes for Underlying Assets)*: [●]
30. Notes exchangeable for Notes of another Series: [Not Applicable/give details]
31. Settlement Basis: [Standard Settlement and/or Alternative Settlement – *specify to which redemption provisions the method of settlement relates*]
32. Alternative Settlement:
- (i) Physical Delivery Agent: [●]
- (ii) Maximum Days of Disruption: [●]
- (iii) Longstop Date: [Not Applicable] [specify if other than as provided in the Conditions]
33. Final Redemption Amount: [Par/other [specified above]]
34. Early Redemption Amount: [Par/other [specified above]]
- Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 7 *(Redemption, Purchase and Exchange)*):

GENERAL PROVISIONS APPLICABLE TO THE NOTES

35. Form of Notes: [Bearer Notes: *(if not applicable, delete the remaining sub paragraphs relating to Bearer Notes)*
[Temporary Global Note exchangeable for Permanent Global Note exchangeable for

Definitive Notes [[on [●] days' notice][at any time/]]³ in the limited circumstances specified in the Permanent Global Note].

[Temporary Global Note exchangeable for Definitive Notes [on [●] days' notice]]³

[Permanent Global Note exchangeable for Definitive Notes [[on [●] days' notice][at any time/]]³ in the limited circumstances specified in the Permanent Global Note/] [[at the option of the bearer and at [●]'s cost and expense]]³.

[Bearer Notes exchangeable for Registered Note Certificates].

[Registered Notes: *(insert relevant provisions)*]

- | | | |
|-----|--|--------------------------------|
| 36. | Additional business days or other special provisions relating to payment for the purposes of Condition 8(g) (<i>Non-Business Days</i>): | [●] |
| 37. | Paying Agent/Registrar/Alternative Registrar (if other than as specified in the Agency Agreement): | [●] |
| | (i) Specified office of Paying Agent: | [●] |
| | (ii) Replacement Agent (if not Paying Agent): | [Not Applicable/Specify] |
| 38. | Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): | [Yes/No. If yes, give details] |
| 39. | Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of each of the Issuers to forfeit the Notes and interest due on late payment: | [Not Applicable/give details] |
| 40. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | [Not Applicable/give details] |
| 41. | Variation to provisions of Condition 10 (<i>Events of Default</i>): | [Not Applicable/give details] |
| 42. | Use of Proceeds (if other than as set out in the Conditions): | [Not Applicable/Specify] |
| 43. | Other terms or special conditions (including any additional provisions | [Not Applicable/give details] |

³ Not applicable if the Authorised Denomination of the Notes is multiple denominations above €100,000 or the equivalent thereof.

relating to (a) enforcement of Prioritised Tranches and (b) conflicts of interest between Prioritised Tranches):

DISTRIBUTION

44. (i) If syndicated, names of Managers: [Not Applicable/give names]
[Not Applicable/give name]
(ii) Stabilising Manager (if any):
45. If non-syndicated, name of Dealer: [●]
46. Additional selling restrictions: [Not Applicable/give details]
47. [Commission payable: [●] per cent.
48. [Selling Concession: [●] per cent.]
49. [Expenses: [●]]

OPERATIONAL INFORMATION

50. ISIN Code: [●]
51. Common Code: [●]
52. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): [Not Applicable/give name(s) and number(s)]
53. Delivery: Delivery [against/free] of payment

RELATED AGREEMENTS AND SECURITY

54. Related Agreements: [●]
55. Swap Counterparty: [●]
56. Swap Guarantor: [●]
57. Description of Swap Agreement: [●]
58. Date of termination of Swap Agreement: [●]
59. Application of Proceeds: [Specify order of priority: [Counterparty Priority]/[Pari Passu Ranking]/[Noteholder Priority/Other]]
60. Liquidation Amount: [As defined in Condition 4(d) (*Application of Proceeds*)/Other]
61. Substitution of Underlying Assets: [Not Applicable/give details]
62. Gross-up: [Yes/No. If yes, give details]
63. Security: [●]

ADDITIONAL INFORMATION

64. Custodian: [●]

65. Description of Underlying Assets: [●]
66. Description of Issuer of Underlying Assets: [●]
67. Redenomination: *[Applicable/Not Applicable] [If Redenomination is applicable, specify any provision necessary to deal with floating rate interest calculation]*

DESCRIPTION OF LORALLY CDO LIMITED

General

LORALLY CDO Limited (“**LORALLY**”) is a special purpose exempted company incorporated with limited liability in the Cayman Islands (registered number MC-166969) under the Companies Law (2010 Revision) on 4 May 2006 for an unlimited duration. LORALLY has no subsidiaries. The authorised share capital of LORALLY is USD 50,000 divided into 50,000 shares of USD 1 each. The issued share capital of LORALLY is USD 250 divided into 250 shares with a nominal value of USD 1, each of which is fully paid up. All of the issued shares (the “**Shares**”) are fully-paid and are held by MaplesFS Limited as share trustee in such capacity (the “**Share Trustee**”) under the terms of a declaration of trust (the “**Declaration of Trust**”) dated 25 May 2006 under which the Share Trustee holds the Shares in trust until the Termination Date (as defined in the Declaration of Trust) and may only dispose or otherwise deal with the Shares with the approval of the Trustee for so long as there are Notes outstanding. Prior to the Termination Date, the trust is an accumulation trust but the Share Trustee has power, with the consent of the Trustee, to benefit the Noteholders or Qualified Charities (as defined in the Declaration of Trust). It is not anticipated that any distribution will be made whilst any Note is outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Shares.

Registered Office

LORALLY’s registered office is situated at the offices of MaplesFS Limited, PO Box 1093, Queensgate House, South Church Street, George Town, Grand Cayman KY1-1102, Cayman Islands (telephone +1 345 945 7099).

Management

The directors of LORALLY, their respective business addresses and other principal activities at the date hereof are:

<i>Name</i>	<i>Business Address</i>	<i>Principal Activity Outside LORALLY</i>
Carrie Bunton	PO Box 1093 Boundary Hall Cricket Square George Town Grand Cayman KY1-1102 Cayman Islands	Senior Vice President MaplesFS Limited
George Bashforth	PO Box 1093 Boundary Hall Cricket Square George Town Grand Cayman KY1-1102 Cayman Islands	Vice President MaplesFS Limited

The company secretary of LORALLY is Maples Secretaries Limited of PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands.

Each of the directors of LORALLY is entitled to be reimbursed for costs and expenses properly and reasonably incurred in connection with his duties.

Corporate Administration

MaplesFS Limited also acts as the administrator of LORALLY (in such capacity, the “**Administrator**”). The office of the Administrator will serve as the general business office of

LORALLY. Through the office, and pursuant to the terms of an administration agreement dated 26 May 2006 and entered into between LORALLY and the Administrator (the “**Administration Agreement**”), the Administrator will perform in the Cayman Islands various management functions on behalf of LORALLY, including communications with shareholders and the general public, and the provision of certain clerical, administrative and other services until termination of the Administration Agreement. In consideration of the foregoing, the Administrator will receive various fees payable by LORALLY at rates agreed upon from time to time, plus expenses. The terms of the Administration Agreement provide that LORALLY may terminate the appointment of the Administrator by giving 14 days’ notice to the Administrator at any time within 12 months of the happening of any of certain stated events, including any breach by the Administrator of its obligations under the Administration Agreement. In addition, the Administration Agreement provides that the Administrator shall be entitled to retire from its appointment by giving at least three months’ notice in writing subject to the appointment of an alternative administrator on similar terms to the Administrator.

The Administrator will be subject to the overview of LORALLY’s Board of Directors. The Administration Agreement may be terminated (other than as stated above) by either LORALLY or the Administrator giving the other three months written notice.

The Administrator’s principal office is PO Box 1093, Boundary Hall, Cricket Square, George Town, Grand Cayman KY1-1102, Cayman Islands.

Business of LORALLY

LORALLY has, and will have, no assets other than the sum of USD 250 representing the issued and paid-up share capital, such transaction fees (as agreed) payable to it in connection with the issue of the Notes, the bank account into which such paid-up share capital and fees are deposited and any other assets on which the Notes are secured. Save in respect of fees generated in connection with the issue of the Notes any related profits and proceeds of any deposits and investments made from such fees or from amounts representing LORALLY’s issued and paid-up share capital, LORALLY does not expect to accumulate any surpluses.

The Principal Trust Deed requires LORALLY to certify to the Trustee, on an annual basis, the absence of any Event of Default or other matter required to be brought to the attention of the Trustee.

The Principal Trust Deed contains restrictions on the activities in which LORALLY may engage. Pursuant to these restrictions, the business of LORALLY is limited to acquiring and holding the Charged Assets, issuing Notes (including further issuances), entering into the Transaction Documents and Related Agreements and performing its obligations and exercising its rights thereunder, and entering into other related transactions and other incidental activities, in each case, in respect of or in relation to each Series of Notes. While any Notes are outstanding LORALLY will not, without the prior consent of the Trustee, declare any dividends or engage in any other business.

Financial Statements and Auditors’ Report

LORALLY will prepare and publish audited financial statements on an annual basis. Since the date of its incorporation, LORALLY has commenced operations and as of the date hereof LORALLY has prepared financial statements (interim or otherwise) for its first fiscal year ending 31 December 2006 and for the fiscal years ending on 31 December in each of 2007, 2008 and 2009, which at the date hereof have been submitted to and filed with the Irish Stock Exchange. LORALLY only intends to prepare and publish audited annual financial statements. Each fiscal year of LORALLY will end on 31 December, with the first fiscal year ending on 31 December 2006.

The auditors appointed in respect of LORALLY are KPMG Cayman Islands, Chartered Accountants of Century Yard Building, Elgin Avenue, PO Box 493GT, George Town, Grand Cayman, Cayman Islands. KPMG Cayman Islands is a member firm of the Cayman Islands Society of Public Accountants. KPMG Cayman Islands is a partnership established under Cayman Islands law and is a member of KPMG International, a Swiss cooperative.

Memorandum of Association of LORALLY

Section 3 of the Memorandum of Association of LORALLY provides that LORALLY has unrestricted corporate objects.

Process Agent

LORALLY has appointed Maples and Calder at 7 Princes Street, London EC2R 8AQ, United Kingdom as its process agent under the Programme from and including 6 December 2010.

DESCRIPTION OF CORTEX FINANCE P.L.C.

General

Cortex Finance p.l.c. (“**Cortex**”) is a special purpose vehicle established for the purpose of issuing asset backed securities and was incorporated in Ireland as a public limited company on 22 August 2006, registered number 425272, under the Companies Acts 1963-2005 (as amended) of Ireland (the “**Companies Acts**”). The authorised share capital of Cortex is EUR 40,000 divided into 40,000 ordinary shares of par value EUR 1 each (the “**Shares**”). Cortex has issued 40,000 Shares, all of which are fully paid and are held on trust by Bedell Trustees Limited (the “**Share Trustee**”) under the terms of a declaration of trust (the “**Declaration of Trust**”) dated 8 September 2006, under which the Share Trustee holds the Shares on trust for charity. The Share Trustee has no beneficial interest in and derives no benefit (other than any fees for acting as Share Trustee) from its holding of the Shares. The Share Trustee will apply any income derived from Cortex solely for the purposes set out below.

Registered Office

The registered office of Cortex is 19-20 City Quay, Dublin 2, Ireland and phone number is +353 1 633 6030.

Management

Cortex’s Articles of Association provide that the Board of Directors of Cortex will consist of at least two directors:

<u>Name</u>	<u>Address</u>
Derek Maltby	19-20 City Quay, Dublin 2, Ireland
Nigel Woods	19-20 City Quay, Dublin 2, Ireland

The Company Secretary is Bedell Trust Ireland Limited.

No director has any interest in the promotion of, or any property acquired or proposed to be acquired by, Cortex.

Corporate Administration

Bedell Trust Ireland Limited (the “**Corporate Services Provider**”), an Irish company, will act as the corporate services provider for Cortex. The office of the Corporate Services Provider will serve as the general business office of Cortex. Through the office and pursuant to the terms of the corporate services agreement dated 13 September 2006 (as amended on 12 July 2010) and entered into between Cortex, the Corporate Services Provider and Crédit Agricole Corporate and Investment Bank (the “**Corporate Services Agreement**”), the Corporate Services Provider will perform various management functions on behalf of Cortex, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider will receive various fees and other charges payable by Cortex at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, the Company or the Trustee may terminate the Corporate Services Agreement at any time by giving at least 30 days written notice to the Corporate Services Provider and the Corporate Services Provider may resign by giving 60 days notice to the Company. The Corporate Services Agreement contains provisions for the appointment of a successor corporate services provider.

The Corporate Services Provider’s principal office is 19-20 City Quay, Dublin 2, Ireland.

Business of Cortex

The principal objects of Cortex are set forth in clause 3 of its Memorandum of Association and include, *inter alia*, the power to issue securities and to raise or borrow money, to grant security over its assets for such purposes, to lend with or without security and to enter into derivative transactions. Cash flow derived from the Charged Assets securing the Notes will be Cortex's only source of funds to fund payments in respect of such Notes.

So long as any of the Notes remain outstanding, Cortex will be subject to the restrictions set out in Condition 5 (*Restrictions*) and in the Principal Trust Deed. In particular, Cortex has undertaken not to carry out any business other than the establishment of the Programme and the issue of Notes and the entry into of agreements related thereto and does not and will not have any substantial assets other than the Charged Assets for the Notes and does not and will not have any substantial liabilities other than in connection with the Notes and any Charged Assets.

Cortex has, and will have, no material assets other than the sum of EUR 40,000 representing the proceeds of its issued share capital, such fees (as agreed) per Series payable to it in connection with the issue of Notes or the purchase, sale or incurring of other obligations and any Charged Assets and any other assets on which the Notes are secured. Save in respect of the fees generated in connection with each issue of Notes, any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of Cortex's issued share capital, Cortex will not accumulate any surpluses.

The Notes are obligations of Cortex and not of the shareholder(s) of Cortex, the Share Trustee, the Trustee, the Arranger, the Corporate Services Provider, any Swap Counterparty or any obligor in respect of any Charged Assets. Furthermore, they are not obligations of, or guaranteed in any way by, any of the Dealers.

Save as disclosed herein, there has been no material adverse change in the financial position or prospects of Cortex since the date of its incorporation. Other than issues of Notes under the Programme, Cortex has no borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees or other contingent liabilities

Financial Statements and Auditors' Report

Cortex published its financial statements in respect of the periods ending on 30 September 2008 and 30 September 2009, which have been filed with the Irish Stock Exchange. However, to the extent that Cortex issues any Notes with a denomination of less than EUR 50,000 which are admitted to trading on a regulated market, it will prepare interim financial statements in accordance with the provisions of the Transparency (Directive 2004/109/EC) Regulations 2007. The financial year of Cortex ends on 30 September in each year.

The auditors of Cortex are PricewaterhouseCoopers of George's Quay, Dublin 2, Ireland who are chartered accountants and are members of the Institute of Chartered Accountants and registered auditors qualified to practise in Ireland.

Process Agent

Cortex has appointed Aquila International Services Limited at 2nd Floor, Berkeley Square House, Berkeley Square, London W1Y 6BD, United Kingdom as its process agent under the Programme on 6 December 2010.

TAXATION

Cayman Islands Taxation

Payments of interest and principal on the Notes will not be subject to taxation in the Cayman Islands. Holders of the Notes are not subject to any tax in the Cayman Islands in respect of the holding, sale or other disposition of such Notes. Payments of interest and principal may be paid by each of the Issuers without withholding for or on account of any Cayman Islands tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue or transfer of the Notes although duty may be payable if Notes are executed in or brought into the Cayman Islands.

Certificates evidencing the Notes, in registered form, to which title is not transferable by delivery, should not attract Cayman Islands stamp duty. However, an instrument transferring title to a Note, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty.

LORALLY has been incorporated as an exempted company and, as such, has obtained an undertaking from the Governor in Cabinet of the Cayman Islands in substantially the following form:

The Tax Concessions Law

1999 Revision

Undertaking as to Tax Concessions

In accordance with the provision of Section 6 of The Tax Concession Law (1999 Revision), the Governor in Cabinet undertakes with LORALLY CDO Limited the “**Company**”.

1. That no law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
2. In addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
 - (a) on or in respect of the shares, debentures or other obligations of the Company;
 - (b) by way of the withholding in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1999 Revision).

These concessions shall be for a period of twenty years from 16 May 2006.

Irish Taxation

1. Introduction

The following is a summary of the principal Irish tax consequences for individuals and companies of the purchase, ownership and disposition of the Notes based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes. It deals with Noteholders who beneficially own their Notes and Coupons thereon as an investment and may not apply to certain other classes of persons such as dealers in securities. The summary does not apply to other obligations. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile. In particular, holders of Notes should be aware that they may be liable to taxation under the laws

of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of Ireland. Noteholders should be aware that the particular terms of issue of any series of Notes as specified in the relevant Terms and Conditions may affect the tax treatment of that and other series of Notes.

2. **Withholding Tax**

Interest on Notes issued for a term of less than one year (and which are not issued under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) may be paid by the relevant Issuer without withholding or deduction for or on account of Irish income tax.

Interest on Notes issued for a term of one year or more (or under arrangements the effect of which is to render the Notes part of a borrowing with a total term of one year or more) (“Annual Interest”) may be paid by the relevant Issuer without withholding or deduction for or on account of Irish income tax so long as such interest does not have an Irish source. Interest on Notes may have an Irish source where, for example, (i) the Notes are issued by an Irish resident company, (ii) the Notes are issued for the purposes of a trade or other business carried on by the relevant Issuer in Ireland, (iii) the Notes are secured on assets situate in Ireland, (iv) the Notes are in bearer form and are physically located in Ireland, or (v) the interest is paid out of funds maintained in Ireland.

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source Annual Interest. Annual Interest which has an Irish source may be paid by the relevant Issuer without withholding or deduction for or on account of Irish income tax so long as the relevant Note falls within one of the following categories:

2.1 *Interest paid on a quoted Eurobond:* A quoted Eurobond is a security which is issued by a company (such as the Issuer), is listed on a recognised stock exchange (such as the Irish Stock Exchange) and carries a right to interest. Provided that the Notes issued under this Programme carry an amount in respect of interest and are listed on the Irish Stock Exchange (or any other recognised stock exchange), interest paid on them can be paid free of withholding tax provided:

- (a) the person by or through whom the payment is made is not in Ireland; or
- (b) the payment is made by or through a person in Ireland and either:
 - (i) the Note is held in a clearing system recognised by the Irish Revenue Commissioners; (Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or
 - (ii) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form.

Thus, so long as the Notes continue to be quoted on the Irish Stock Exchange and are held in a recognised clearing system, interest on the Notes can be paid by any paying agent acting on behalf of the Issuer without any withholding or deduction for or on account of Irish income tax. If the Notes continue to be so quoted but cease to be held in a recognised clearing system, interest on the Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland.

- 2.2 *Interest paid on a wholesale debt instrument:* A “wholesale debt instrument” includes commercial paper (as defined in Section 246A(1) of the Taxes Consolidation Act, 1997, of Ireland (the “TCA”). In that context “commercial paper” means a debt instrument, either in physical or electronic form, relating to money in any currency, which is issued by a financial institution, or a company that is not a financial institution, recognises an obligation to pay a stated amount, carries a right to interest or is issued at a discount or at a premium, and matures within 2 years. The exemption from Irish withholding tax applies if:
- (a) the wholesale debt instrument is held in a recognised clearing system (which includes Euroclear and Clearstream, Luxembourg); and
 - (b) the wholesale debt instrument is of an approved denomination; and in this context an approved denomination means a denomination of not less than:
 - (i) in the case of an instrument denominated in euro, €500,000;
 - (ii) in the case of an instrument denominated in United States Dollars, US\$500,000; or
 - (iii) in the case of an instrument denominated in a currency other than euro or United States Dollars, the equivalent in that other currency of €500,000 (using the conversion rate applicable at the time the programme under which the instrument is to be issued is first publicised).
- 2.3 *Interest paid by a qualifying company or in the ordinary course of business to certain non-residents:* If, for any reason, the exemptions referred to above cease to apply, interest payments may still be made free of withholding tax, provided that:
- (a) the Issuer remains a “qualifying company” as defined in Section 110 of the TCA and the Noteholder is a person which is resident in a relevant territory, and where the recipient is a company, the interest is not paid to it in connection with a trade or business carried on by it in Ireland through a branch or agency; and, in this context a relevant territory is a Member State of the European Union (other than Ireland) or a country with which Ireland has a double taxation agreement in force by virtue of Section 826(1) of the TCA or that is signed and which will come into force once all ratification procedures set out in Section 826(1) of the TCA have been completed (“**Relevant Territory**”), or
 - (b) the interest is paid in the ordinary course of the Issuer's business and the Noteholder is:
 - (i) a company which (1) by virtue of the law of a Relevant Territory, is resident in the Relevant Territory for the purposes of tax, and that Relevant Territory imposes a tax that generally applies to interest receivable in that Relevant Territory by companies from sources outside that Relevant Territory, and (2) does not receive the interest payment in connection with a trade or business which is carried on in Ireland by it through a branch or agency; or
 - (ii) a company (1) in respect of which the interest payable to it is exempted from the charge to income tax under a double taxation treaty in force between Ireland and another territory, or would be exempted from the charge to income tax if a double taxation treaty made between Ireland and another territory on or before the date of payment, but not yet in force, had the force of law when the interest was paid, and (2) which does not receive the interest payment in connection with a trade or business carried on in Ireland by it through a branch or agency.

The Issuer must be satisfied that all the terms of the relevant exemptions are satisfied. The test of residence in each case is determined by reference to the law of the Relevant Territory in which the Noteholder claims to be resident. For other holders of Notes, interest may be paid free of withholding tax if the Noteholder is resident in a double tax treaty country and under the provisions of the relevant treaty with Ireland such Noteholder is exempt from Irish tax on the interest and clearance in the prescribed form has been received by the Issuer before the interest is paid.

3. **Encashment Tax**

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from interest on any Note, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder. There is an exemption from encashment tax where the beneficial owner of the interest is not resident in Ireland and has made a declaration to this effect in the prescribed form to the encashment agent or bank.

4. **Taxation of Noteholders**

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish tax with respect to such interest. Noteholders resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, social insurance (PRSI) contributions, the health levy and the income levy in respect of interest they receive on the Notes.

Interest paid on the Notes may have an Irish source and therefore may be within the charge to Irish income tax notwithstanding that the Noteholder is not resident in Ireland. In the case of Noteholders who are non-resident individuals such Noteholders may also be liable to pay the health levy and the income levy in respect of interest they receive on the Notes.

Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA, the recipient is not resident in Ireland and is resident in a Relevant Territory and the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its business are exempt from income tax provided the recipient is a company (a) not resident in Ireland and resident in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory, or (b) which is, in respect of the interest, exempted from the charge to Irish income tax under the terms of a double taxation treaty which is either in force or which will come into force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax, where the recipient is a person not resident in Ireland and resident in a Relevant Territory. For these purposes, residence is determined under the terms of the relevant double taxation agreement or in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the income levy.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the health levy and the income levy. In the past the Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, there can be no assurance that the Irish Revenue Commissioners will apply this treatment in the case of any Noteholder.

5. **Capital Gains Tax**

A holder of Notes will not be subject to Irish tax on capital gains on a disposal of Notes unless such holder is either resident or ordinarily resident in Ireland or carries on a trade or business in Ireland through a branch or agency in respect of which the Notes were used or held.

6. **Capital Acquisitions Tax**

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs, is currently levied at 25 per cent.) if either (i) the disponent or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponent is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the Notes are regarded as property situate in Ireland (i.e. if the Notes are in bearer form and are physically located in Ireland or if the Notes are in registered form and the register of the Notes is maintained in Ireland).

7. **Stamp Duty**

No stamp duty or similar tax is imposed in Ireland (on the basis of an exemption provided for in Section 85(2)(c) of the Irish Stamp Duties Consolidation Act, 1999 so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA and the proceeds of the Notes are used in the course of the Issuer's business), on the issue, transfer or redemption of the Notes.

8. **EU Directive on the Taxation of Savings Income**

Ireland has implemented the EC Council Directive 2003/48/EC on the taxation of savings income into national law. Accordingly, any Irish paying agent making an interest payment on behalf of the Issuer to an individual or certain residual entities resident in another Member State of the European Union or certain associated and dependent territories of a Member State will have to provide details of the payment and certain details relating to the Noteholder (including the Noteholder's name and address) to the Irish Revenue Commissioners who in turn is obliged to provide such information to the competent authorities of the state or territory of residence of the individual or residual entity concerned.

The Issuer, or any person or agent acting on behalf of the Issuer, shall be entitled to require Noteholders to provide any information regarding their tax status, identity or residency in order to satisfy the disclosure requirements in Directive 2003/48/EC and Noteholders will be deemed by their subscription for Notes to have authorised the automatic disclosure of such information by the Issuer, or any person or agent acting on behalf of the Issuer to the relevant tax authorities.

EU Directive on the Taxation of Savings Income

Under EC Council Directive 2003/48/EC on the taxation of savings income, each member state of the European Union (for the purpose of this section, an “**EU Member State**”) is required to provide to the tax authorities of another EU Member State details of payments of interest or other similar income (as defined by EC Council Directive 2003/48/EC) paid by a person within its jurisdiction to, or

collected by such a person for, an individual resident or certain limited types of entities called “**residual entities**” (as defined by EC Council Directive 2003/48/EC) established in that other EU Member State; however, for a transitional period, Austria and Luxembourg will, subject to certain restrictions, apply a withholding tax system in relation to such payments, deducting tax at rates rising over time to 35% (unless during that transitional period they elect to provide information in accordance with the EC Council Directive 2003/48/EC which has been the case for the Belgian State which elected to abandon the transitional withholding system and provide information in accordance with the EC Council Directive 2003/48/EC as from 1 January 2010). The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments.

A number of non-EU countries, including Switzerland, and certain dependent or associated territories of certain EU Member States have adopted similar measures (either provision of information or transitional withholding tax) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident or a “residual entity” established in a EU Member State. In addition, the EU Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a EU Member State to, or collected by such a person for, an individual resident or “residential entity” established in one of those territories.

On 13 November 2008 the European Commission published a proposal for amendments to the EC Directive 2003/48/EC, which included a number of suggested changes which, if implemented, would broaden the scope of the requirements described above. The European Parliament approved an amended version of this proposal on 24 April 2009. Investors who are in any doubt as to their position should consult their professional advisers.

THE ABOVE SUMMARIES ARE NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO THE OWNERSHIP OF NOTES. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN TAX ADVISORS CONCERNING THE CONSEQUENCES OF THEIR PARTICULAR SITUATION.

GENERAL INFORMATION

1. The Base Prospectus has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Base Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

Application will be made to the Irish Stock Exchange for certain Notes issued under the Programme pursuant to the Principal Trust Deed between, inter alios, the Existing Issuers and the Trustee, as more fully described in this Base Prospectus for the period of 12 months from the date of this Base Prospectus to be admitted to the Official List and trading on its regulated market.

However, Notes may be issued pursuant to the Programme which will not be listed on the Irish Stock Exchange or any other stock exchange or which will be listed on such stock exchange as the Issuer and the relevant Dealer(s) may agree.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive nor is Arthur Cox Listing Services Limited seeking admission of the Notes to trading on the Global Exchange Market of the Irish Stock Exchange.

2. The total expenses in relation to the approval of the Base Prospectus are approximately EUR 2,500.00.
3. None of the Issuers are nor have they been, involved in any legal, governmental or arbitration proceedings which may have or have had since the Issuers' respective dates of incorporation, a significant effect on the financial position of any Issuer nor so far as each of the Issuers is aware are any such legal, governmental or arbitration proceedings pending or threatened.
4. There has been no significant change in the financial or trading position of any Issuer and no material adverse change in the financial position or prospects of any Issuer since 31 December 2009 (in the case of LORALLY), being the date of its last published audited financial statements and 30 September 2009 (in the case of Cortex), being the date of its last published audited financial statements.
5. Each Issuer has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of any Notes.
6. Neither Issuer intends to provide any post-issuance transaction information regarding the Notes or the Underlying Assets.
7. The update of the Programme was authorised by the directors of LORALLY on 2 December 2010 and the directors of Cortex on 2 December 2010.
8. Each Bearer Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
9. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg (and/or any other relevant clearing system as set out in the relevant Applicable Transaction Terms). The International Securities Identification Number (ISIN) and Common Code (and any other relevant identification number of any alternative clearing system) for each Series or Tranche of Notes will be set out in the relevant Applicable Transaction Terms.

10. Where each of the Issuers accepts the proceeds of Notes which have a maturity of less than one year in the United Kingdom, it will do so pursuant to an exclusion contained in Article 9 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (the “**RAO**”) and therefore it will not be deemed to be “accepting deposits in the United Kingdom”. In order to satisfy the requirements of Article 9 of the RAO:
- (a) the Notes will only be offered to persons:
 - (i) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
 - (ii) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their business; and
 - (b) the redemption value of each Note will be not less than £100,000 (or an amount of equivalent value denominated wholly or partly in a currency other than sterling), and no part of a Note may be transferred unless the redemption value of that part is not less than £100,000 (or such an equivalent amount).
11. For so long as the Programme remains in effect or any Notes remain outstanding, the following documents will be made available for inspection from the date hereof, during usual business hours on any weekday (Saturdays and public holidays excepted), at the Specified Office of the Paying Agent appointed in Dublin and at the registered office of the relevant Issuer:
- (a) the Principal Trust Deed dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time) (which includes the forms of Global Notes and of the Notes in definitive form);
 - (b) any Supplemental Trust Deed and any other Supplemental Security Document;
 - (c) the Agency Agreement dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time);
 - (d) the Programme Dealer Agreement dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time);
 - (e) the Custody Agreement dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time);
 - (f) the Master Schedule of Definitions, Interpretation and Construction Clauses dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time);
 - (g) the Proposals and Advice Agreement dated 19 September 2007 (as amended and restated on 6 December 2010 and from time to time);
 - (h) any Transaction Documents not otherwise specified herein;
 - (i) the Memorandum and Articles of Association of LORALLY;
 - (j) the Memorandum and Articles of Association of Cortex;
 - (k) the Administration Agreement of LORALLY dated 26 May 2006;
 - (l) the Corporate Services Agreement of Cortex dated 13 September 2006 (as amended on 12 July 2010);
 - (m) the Declaration of Trust of LORALLY dated 25 May 2006;

- (n) the Declaration of Trust of Cortex dated 8 September 2006;
- (o) a copy of this Base Prospectus;
- (p) the most recent publicly available financial statements of LORALLY dated 31 December 2008 and 31 December 2009;
- (q) the most recent publicly available financial statements of Cortex dated 30 September 2008 and 30 September 2009; and
- (r) a copy of any Drawdown Prospectus in respect of any Series of Notes to be admitted to listing on the Irish Stock Exchange.

The documents listed in sub-paragraphs (a) to (r) above will be available for inspection in electronic format.

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