

INFORMATION MEMORANDUM dated 21 December 2017

Mestenio Limited

(incorporated with limited liability in the Cayman Islands under registered number DB-293003)

U.S.\$50,000,000,000

Limited Recourse Secured Debt Issuance Programme

Mestenio Limited (the "**Issuer**") may from time to time issue Securities and enter into Alternative Investments (together with the Securities, the "**Debt Investments**") under its U.S.\$50,000,000,000 Limited Recourse Secured Debt Issuance Programme (the "**Programme**"). Securities will be issued to the Dealers specified below, and any additional dealer appointed under the Programme from time to time, which appointment may be for a specific Series of Securities or on an ongoing basis. Such Debt Investments may be denominated in any currency agreed between the Issuer and any relevant dealer(s) (each a "**Dealer**" and together the "**Dealers**") as specified in the Issue Terms, the initial Dealer in respect of the Programme being Merrill Lynch International.

The maximum aggregate nominal amount of all Debt Investments from time to time outstanding and that the Issuer is permitted to incur will not exceed U.S.\$50,000,000,000 (or its equivalent in other currencies), subject to increase from time to time.

This information memorandum (the "**Information Memorandum**") has been prepared for use only in connection with Securities issued by the Issuer.

This Information Memorandum has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under the Directive 2003/71/EC (the "**Prospectus Directive**"). The Central Bank only approves this Information Memorandum as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Securities which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area.

Application has been made to the Irish Stock Exchange plc for Securities issued under the Programme during the 12 months from the date of this Information Memorandum to be admitted to its Official List (the "**Official List**") and trading on the regulated market of the Irish Stock Exchange (the "**Main Securities Market**"). Securities may be listed or admitted to trading, as the case may be, on such other stock exchange(s) or market(s) as may be specified in the Issue Terms. The Issue Terms will specify whether or not Securities will be listed on the Irish Stock Exchange. The Issuer may also issue unlisted Securities and/or Securities not admitted to trading on any market.

The Central Bank in its capacity as competent authority has only approved this Information Memorandum in relation to Securities which are to be listed on the Irish Stock Exchange or any other EU Regulated Market and the Central Bank has neither reviewed nor approved this Information Memorandum in relation to any unlisted Securities. This Information Memorandum has been filed with and approved by the Central Bank as required by the Prospectus (Directive 2003/71/EC) Regulations 2005 (the "Prospectus Regulations").

References in this Information Memorandum to Securities being **listed** in Ireland (and all related references) shall mean that such Securities have been admitted to trading on the Main Securities Market and have been admitted to the Official List. References in this Information Memorandum to "**Irish Stock Exchange**" (and all related references) shall mean the regulated market of the Irish Stock Exchange.

Securities may be issued in bearer or registered form and may be represented by one or more Global Securities or by Individual Certificates, in each case as specified in the relevant Issue Terms.

Claims of the Securityholders and the Counterparty (if any) of each Series will be limited in recourse to the Mortgaged Property relating to such Series (see "Risk Factors - Limited recourse" on page 21).

Selling and transfer restrictions will apply to any offer or sale of Securities within the United States, or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act")) outside the United States, as set out in this Information Memorandum and/or in the relevant Supplemental Information Memorandum.

The Securities forming part of a U.S. Series have not been registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, resold, delivered or transferred within the United States or its possessions or to, or for the benefit of, U.S. persons (as defined in Regulation S)

except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Securities forming part of a U.S. Series may not be offered, sold, resold, delivered or transferred to persons who are not Eligible Investors.

The Securities forming part of a Non-U.S. Series 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 and may not be offered, sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of U.S. persons (as defined in Regulation S) or to persons who are not Eligible Investors.

Investors are hereby notified of the following: (a) any losses in the Issuer will be borne solely by investors in the Issuer and not by Deutsche Bank (Cayman) Limited or its affiliates; therefore, Deutsche Bank (Cayman) Limited's losses in the Issuer will be limited to losses attributable to the ownership interests in the Issuer held by Deutsche Bank (Cayman) Limited and any affiliate in its capacity as investor in the Issuer or as beneficiary of a restricted profit interest in the Issuer held by Deutsche Bank (Cayman) Limited or any affiliate; (b) ownership interests in the Issuer are not insured by the Federal Deposit Insurance Corporation, and are not deposits, obligations of, or endorsed or guaranteed in any way, by any banking entity; and (c) Deutsche Bank AG or an affiliate thereof sponsors and provides bona fide fiduciary services to the Issuer.

Prospective investors should be aware of the risks involved in investing in the Securities (see "*Risk Factors*" on page 20 and, where applicable, the relevant Supplemental Information Memorandum).

Any reference to websites within this Information Memorandum is for information purposes only and such websites shall not form part of this Information Memorandum.

This Information Memorandum replaces and supersedes the Information Memorandum dated 7 December 2016.

Arranger and Dealer
Merrill Lynch International

The date of this Information Memorandum is 21 December 2017.

Capitalised terms used in this Information Memorandum shall have the meanings given to them in this Information Memorandum (which are defined on the relevant page(s) of this Information Memorandum as set out in the "***Index of Defined Terms***") or, as the case may be, in the relevant Supplemental Information Memorandum.

This Information Memorandum comprises a base prospectus for the purposes of the Prospectus Directive.

This Information Memorandum has been prepared for the purpose of providing information with regard to the Issuer and the Securities. The Issuer (the "**Responsible Person**") accepts responsibility for the information contained in this Information Memorandum. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

In addition to the Issuer, Merrill Lynch International accepts responsibility for the information contained in the section entitled "***Description of Merrill Lynch International and Bank of America Corporation***". To the best of the knowledge and belief of Merrill Lynch International (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

In addition to the Issuer, Bank of America, N.A. accepts responsibility for the information contained in the section entitled "***Description of Bank of America, N.A.***". To the best of the knowledge and belief of Bank of America, N.A. (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

In addition to the Issuer, Bank of America Merrill Lynch International Limited accepts responsibility for the information contained in the section entitled "***Description of Bank of America Merrill Lynch International Limited***". To the best of the knowledge and belief of Bank of America Merrill Lynch International (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

In addition to the Issuer, Bank of America Corporation accepts responsibility for the information contained in the section entitled "***Description of Merrill Lynch International and Bank of America Corporation***". To the best of the knowledge and belief of Bank of America Corporation (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information

The Issuer has only made very limited queries with regards to the accuracy and completeness of the information under the sections entitled "***Description of Merrill Lynch International and Bank of America Corporation***", "***Description of Bank of America, N.A.***" and "***Description of Bank of America Merrill Lynch International Limited***" in this Information Memorandum (the "***Third Party Information***"). This information has been accurately reproduced from publicly available information identified by the relevant entities and, so far as the Issuer is aware, no facts have been omitted which would render the reproduced information inaccurate or misleading – please see <http://investor.bankofamerica.com>. Prospective investors in the Securities should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information.

This Information Memorandum should be read in conjunction with the relevant supplemental information memorandum (the "**Supplemental Information Memorandum**") setting out the specific terms for each Series of Securities, which Supplemental Information Memorandum incorporates by reference this Information Memorandum. Each Supplemental Information Memorandum shall comprise a Prospectus for the purposes of the Prospectus Directive.

Neither the Trustee nor any Dealer has or will have separately verified the information contained herein or in any Supplemental Information Memorandum. Accordingly, no representation, warranty or undertaking, express or implied, is or will be made and no responsibility or liability is or will be accepted by the Trustee or any Dealer as to the accuracy or completeness of the information contained in this Information Memorandum or in any Supplemental Information Memorandum or any other information provided by the Issuer in connection with the Programme or the Securities or their distribution. The statements made in this paragraph are made without prejudice to the responsibility of the Issuer under the Programme.

None of the Dealer, the Issuer or the Trustee makes any representation to any investor in the Securities regarding the legality of its investment under any applicable laws. Any investor in the Securities should be able to bear the economic risk of an investment in the Securities for an indefinite period of time.

The delivery of this Information Memorandum or any Supplemental Information Memorandum does not at any time imply that the information contained herein or therein concerning the Issuer is correct at any time subsequent to the date hereof or thereof (as the case may be) or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same.

This Information Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Securities in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Information Memorandum and any Supplemental Information Memorandum and the offer or sale of Securities may be restricted by law in certain jurisdictions. The Issuer, the Trustee and the relevant Dealer(s) do not and will not represent that this Information Memorandum or any Supplemental Information Memorandum may be lawfully distributed, or that the Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any such 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 or will be taken by the Issuer, the Trustee or any Dealers (save as specified in the relevant Supplemental Information Memorandum) which is intended to permit a public offering of the Securities or distribution of this Information Memorandum or any Supplemental Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, the Securities may not be offered or sold, directly or indirectly, and neither this Information Memorandum nor any Supplemental Information Memorandum nor 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. Persons into whose possession this Information Memorandum, any Supplemental Information Memorandum or any Securities come must inform themselves about, and observe, any such restrictions. In particular, there are restrictions on the distribution of this Information Memorandum and any Supplemental Information Memorandum and the offer or sale of Securities in the United States, the European Economic Area (including the United Kingdom and Ireland), Japan and the Cayman Islands (see "***Subscription and Sale and Transfer Restrictions***" on page 119 below).

The Securities 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 and may include Securities in bearer form that are subject to U.S. tax law requirements. The Securities in bearer form that are subject to

U.S. tax law requirements may not be offered, sold, or delivered within the United States or its possessions or to United States persons, 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 and the regulations promulgated thereunder.

The Securities forming part of a U.S. Series may not be offered, sold, resold, delivered or transferred within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Securities forming part of a U.S. Series may not be offered, sold, resold, delivered or transferred to persons who are not Eligible Investors.

The Securities forming part of a Non-U.S. Series may not be offered, sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons or to persons who are not Eligible Investors.

The Securities have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities reviewed or passed upon the accuracy or adequacy of this Information Memorandum or any Supplemental Information Memorandum. Any representation to the contrary is a criminal offence in the United States. Prospective purchasers of Securities that are QIBs are hereby notified that the seller of such Securities may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A thereof.

In addition, the Issuer has not been and will not be registered as an "investment company" under the United States Investment Company Act of 1940, as amended (the "**1940 Act**"). Accordingly, the Securities (whether of a U.S. Series or a Non-U.S. Series) may only be sold, re-offered, resold, delivered or transferred to Eligible Investors in compliance with Rule 3a-7 under the 1940 Act. For a description of certain restrictions on offers and sales of Securities in the United States, see "**Subscription and Sale and Transfer Restrictions**" on page 119 below and such further restrictions as may be described in the relevant Supplemental Information Memorandum.

In addition, the Securities may not be offered, sold or transferred to any U.S. person (as defined in Regulation S) that is a benefit plan investor, is using the assets of a benefit plan investor to acquire such Securities or that will at any time hold such Securities for a benefit plan investor (including assets that may be held in an insurance company's separate or general accounts where assets in such accounts may be deemed "plan assets" for purposes of ERISA). For the purposes hereof, the term "**benefit plan investor**" means (A) any employee benefit plan (as defined in section 3(3) of ERISA), which is subject to Title I of ERISA, (B) any plan described in and subject to section 4975 of the U.S. Internal Revenue Code, or (C) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (within the meaning of the U.S. Department of Labor Regulations section 2510.3-101) and the term "**ERISA**" means the U.S. Employee Retirement Income Security Act of 1974, as amended.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW

HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

This Information Memorandum is being submitted on a confidential basis in the United States to a limited number of QIBs and, if so indicated in the Issue Terms, IAIs (each term as defined below) for informational use solely in connection with the consideration of the purchase of the Securities. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The Issuer is not and will not be regulated by the Central Bank as a result of issuing Securities. Any investment in the Securities 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.

Where the Issuer wishes to issue Securities with a maturity of less than one year, it shall ensure that the Securities are issued in accordance with an exemption granted under section 8(2) of the Central Bank Act, 1971, as amended.

All references in this Information Memorandum or any Supplemental Information Memorandum to "**U.S. dollars**", "**U.S.\$**" and "**U.S. cents**" are to the currency of the United States of America, those to "**Sterling**", "**Pounds Sterling**", "**Pounds**" and "**£**" are to the currency of the United Kingdom, those to "**Japanese Yen**", "**Yen**" and "**¥**" are to the currency of Japan and those to "**euro**", "**EUR**" and "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

Any reference to a website in this Information Memorandum is for information purposes only and the content of any website referred to herein does not form any part of this Information Memorandum.

PRIIPs Regulation

The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared by the Issuer and the Dealer and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. Investors are to note that the PRIIPs Regulation is due to apply from 1 January 2018.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Issuer is a company incorporated with limited liability under the laws of the Cayman Islands. All of the officers and directors of the Issuer reside outside the United States and all or a substantial portion of the assets of the Issuer and of such officers and directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside the Cayman Islands upon the Issuer or such persons, or to enforce judgments against them obtained in courts outside the Cayman Islands predicated upon civil liabilities of the Issuer or such directors and officers under laws other than Cayman Islands law, including any judgment predicated upon United States federal securities laws. The Issuer has been advised by Walkers, its Cayman Islands counsel, that there is doubt as to the enforceability in the Cayman Islands in original actions or in actions for enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

TABLE OF CONTENTS

	Page
Overview	9
Risk Factors	20
Supplements	33
Documents Incorporated by Reference	34
Use of Proceeds	35
Terms of the Securities	36
3a-7 Bearer Securities Base Conditions Module	37
3a-7 Registered Securities Conditions Module	70
3a-7 General Definitions Module	82
Description of the Issuer	108
Description of Merrill Lynch International and Bank of America Corporation	111
Description of Bank of America, N.A.	112
Description of Bank of America Merrill Lynch International Limited	114
Taxation	115
Subscription and Sale and Transfer Restrictions	119
General Information	129
Index of Defined Terms	132

OVERVIEW

This Overview must be read as an introduction to this Information Memorandum. Any decision to invest in any Securities should be based on a consideration of this Information Memorandum as a whole, including the documents incorporated by reference and, in relation to any particular Series of Securities, the relevant Supplemental Information Memorandum and the relevant Issue Terms. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability attaches to the Responsible Person in respect of this Overview, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Information Memorandum. Where a claim relating to information contained in this Information Memorandum is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Information Memorandum and, in relation to any particular Series of Securities, the relevant Supplemental Information Memorandum and the relevant Issue Terms before the legal proceedings are initiated.

This Overview is qualified in its entirety by the remainder of this Information Memorandum and, in relation to any particular Series of Securities, the relevant Supplemental Information Memorandum and the relevant Issue Terms.

Issuer: Mestenio Limited.

Description: U.S.\$50,000,000,000 Limited Recourse Secured Debt Issuance Programme.

Arranger: Merrill Lynch International.

Dealer: Merrill Lynch International and any other Dealers appointed in respect of an issue of Securities.

The Issuer may from time to time appoint additional dealers either in respect of one or more Series of Securities or in respect of the whole Programme or terminate the appointment of any Dealer under the Programme.

Counterparty: The Counterparty (if any) shall be:

- (a) Merrill Lynch International;
- (b) Bank of America, N.A.; or
- (c) any other entity specified in the relevant Issue Terms from time to time,

as may be specified in the relevant Issue Terms. In certain circumstances Bank of America Merrill Lynch International Limited may act as agent for and on behalf of Bank of America, N.A. The Counterparty may transfer its rights and obligations under the Charged

Agreement to any subsidiary of Bank of America Corporation without the prior consent of the Securityholder or other person.

Principal Paying Agent:	HSBC Bank plc.
Paying Agent in the United States:	HSBC Bank USA, National Association.
Registrar:	HSBC Bank USA, National Association unless otherwise specified in the Issue Terms.
Custodian:	HSBC Bank plc unless otherwise specified in the Issue Terms.
Trustee:	HSBC Bank USA, National Association.

The Securityholders may by Extraordinary Resolution remove any trustee, provided that a suitable successor has been found. The Issuer has the power to appoint a replacement trustee but no successor shall be appointed without the prior approval of the Securityholders.

Any trustee must be an Eligible Trustee, and no resignation, removal or replacement of a trustee will become effective until the acceptance of appointment of a successor Eligible Trustee.

Administrator/Corporate Services Provider:	Deutsche Bank (Cayman) Limited.
Maximum Amount of Programme:	U.S.\$50,000,000,000 (or its equivalent in other currencies), subject to increase from time to time.
Currencies:	Subject to any applicable legal or regulatory restrictions, Securities may be issued in any currency as agreed between the Issuer and the relevant Dealer(s).
Distribution:	The Securities of each Series will be issued to the relevant Dealer(s) or to the other subscriber(s) to such Series by way of private placement or public issue, as specified in the relevant Supplemental Information Memorandum.
Maturities:	Subject to any applicable legal or regulatory restrictions, such maturity as may be specified in the relevant Issue Terms.

Securities with a maturity of less than one year:

Securities having a maturity of less than one year 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, see "*Subscription and Sale and Transfer Restrictions*" on page 119 below.

Issue Price: Where applicable, Securities may be issued on a fully-paid basis and at an issue price which is at par or at a discount or premium to par.

Fixed Rate Securities: Fixed interest will be payable at such rate or rates and on such dates as may be agreed between the Issuer and the relevant Dealer(s) and will be calculated on the basis of such Fixed Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) (as specified in the relevant Issue Terms).

Floating Rate Securities: Floating rate interest will be payable at such rate and on such dates as may be agreed between the Issuer and the relevant Dealer(s) as specified in, or determined pursuant to, the Issue Terms and will be calculated on the basis of such Floating Day Count Fraction as may be agreed between the Issuer and the relevant Dealer(s) (as specified in the relevant Issue Terms).

Interest at a floating rate will be determined either:

- (i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Currency of Issue governed by an agreement incorporating the relevant ISDA Definitions;
- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or
- (iii) on such other basis as may be agreed between the Issuer and the relevant Dealer(s),

in each case, as indicated in the Issue Terms.

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

The Margin (if any) relating to such floating rate will be agreed between the Issuer and the relevant Dealer(s) for each Series of Floating Rate Securities.

Types of Securities: The relevant terms applicable to any type of Security which the Issuer and any Dealer may agree to issue under the Programme will be set out in the relevant Issue Terms. Types of Securities which may be issued by the Issuer, other than Fixed Rate Securities and Floating Rate Securities referred to above, include, without limitation, Zero Coupon Securities.

Form of Securities: Securities may be issued in bearer or registered form.

Bearer Securities will either (a) initially be represented by a Temporary Bearer Global Security or (b) be represented by a Permanent Bearer Global Security, in each case which will be delivered to a common safekeeper for or common depository on behalf of Euroclear and Clearstream, Luxembourg on or before the Issue Date. Beneficial interests in a Temporary Bearer Global Security will be exchangeable for either beneficial interests in a Permanent Bearer Global Security or definitive Bearer Securities, in each case on or after the date which is 40 days after the date on which the Temporary Bearer Global Security is issued and upon certification:

- (i) as to non-U.S. beneficial ownership as required by U.S. Treasury regulations;
- (ii) that the transferee is an Eligible Investor; and
- (iii) that the transferee is not a U.S. person.

A Permanent Bearer Global Security will be exchangeable in whole for definitive Bearer Securities only upon an Exchange Event and upon certification that (i) the transferee is an Eligible Investor and (ii) the holder is not a U.S. person.

Beneficial interests in a Bearer Global Security may not be offered, sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons or to a person who is not an Eligible Investor. Such beneficial interest may only be transferred upon certification:

- (i) as to non-U.S. beneficial ownership as required by U.S. Treasury regulations;
- (ii) that the transferee is an Eligible Investor; and
- (iii) that the transferee is not a U.S. person.

Definitive Bearer Securities may not be sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons or to a person who is not an Eligible Investor.

Registered Securities will be issued as specified below.

Registered Securities sold in an issue offered or sold outside the United States to non-U.S. persons only in compliance with Regulation S (a "**Non-U.S. Series**") will be represented by a N-USD Regulation S Global Certificate in the case of N-USD Securities or a USD Regulation S Global Certificate in the case of USD Securities, in each case, deposited with a common depository for, and registered in the

name of a common nominee of, Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate issued in relation to a U.S. Series may not be offered or sold to, or for the account or benefit of, a U.S. person or a person who is not an Eligible Investor and may not be held otherwise than through Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate issued in relation to a Non-U.S. Series may not be offered or sold to, or for the account or benefit of a U.S. person or to a person who is not an Eligible Investor and may not be held otherwise than through Euroclear and Clearstream, Luxembourg.

The relevant Supplemental Information Memorandum may specify that all or a portion of a Series of Registered Securities may be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (a "**U.S. Series**") in accordance with the restrictions set out under "**Subscription and Sale and Transfer Restrictions**" on page 119 below, as may be modified by the relevant Supplemental Information Memorandum. Any such Registered Securities may be issued either (i) in fully registered individual physical certificates ("**Individual Certificates**") which will not be eligible for trading in any clearing system, or (ii) in the form of one or more fully registered USD Rule 144A Global Certificates which will be deposited with or on behalf of DTC and registered in the name of its nominee, in the case of USD Securities, or, in the case of N-USD Securities, in the form of one or more fully registered N-USD Rule 144A Global Certificates deposited with a common depository for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg. In the event that the Registered Securities offered or sold in the United States are represented by USD Rule 144A Global Certificates, any portion of the U.S. Series offered outside the United States to non-U.S. persons will be in the form of one or more fully registered USD Regulation S Global Certificate. See "**Subscription and Sale and Transfer Restrictions**" on page 119 below. Global Securities may not be exchanged for individually registered physical securities ("**Definitive Registered Securities**") except in very limited circumstances. The Securities (whether of a U.S. Series or a Non-U.S. Series) may only be sold, re-offered, resold, delivered or transferred to Eligible Investors in compliance with Section 3a-7 of the 1940 Act.

No beneficial owner of an interest in a Bearer Global Security or a Registered Global Certificate will be able to exchange or transfer that interest, except in accordance with the applicable procedures of DTC, Euroclear and/or Clearstream, Luxembourg or, where the context so permits, any additional or alternative clearing system specified in the Issue Terms. In addition, Bearer Global Securities, Regulation S Global Certificates, Rule 144A Global Certificates, Individual Certificates and, if applicable, any Definitive Registered Securities and definitive Bearer Securities will be subject to certain restrictions

on transfer set out in a legend thereon, including the delivery of a duly completed Investment Letter and as further set out in the relevant Supplemental Information Memorandum.

For so long as any of the Securities is represented by a Bearer Global Security, a Regulation S Global Certificate, or a N-USD Rule 144A Global Certificate held by a common safekeeper for or common depositary on behalf of Euroclear and/or Clearstream, Luxembourg, or for so long as DTC or its nominee is the registered holder of a USD Rule 144A Global Certificate, each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg or, as the case may be, DTC as entitled to a particular nominal amount of Securities shall be deemed to be the holder of such nominal amount of Securities for all purposes other than with respect to the payment of principal, premium (if any), interest or other amounts on such Securities, for which purpose such common safekeeper, common depositary or, as the case may be, DTC or its nominee shall be deemed to be the holder of such nominal amount of Securities in accordance with and subject to the terms of the relevant Global Security.

Denominations:

Securities will be issued in such denominations as may be specified in the relevant Supplemental Information Memorandum save that the minimum denomination of each Security will be such amount 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 of Issue. See also "*Maturities - Securities with a maturity of less than one year*" above.

Early Redemption:

Securities will be redeemable by the Issuer prior to maturity only in limited circumstances upon the occurrence of certain events relating to the Issuer as set out in Condition 8 (*Redemption*) or relating to an acceleration of the Securities as specified in Condition 11 (*Events of Default*) or as otherwise specified in the Issue Terms. Unless permitted by then current laws and regulations, Securities (including Securities denominated in Sterling) in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies), unless such Securities may not be redeemed until the first anniversary of their date of issue.

Optional Early Redemption:

Securities may be redeemed at the option of the Issuer prior to their stated maturity, on such dates and on such terms as are specified in the Issue Terms.

Taxation:

The Issuer will not be obliged to gross up any payments in respect of the Securities (including for tax suffered in respect of a payment under the Charged Assets or any Charged Agreements).

However, the Issuer may in certain circumstances described in the Conditions be obliged to use its reasonable endeavours to arrange a substitution of the principal debtor. If any Securities of the Issuer are rated, such substitution would be subject to prior notification to, and confirmation from, any rating agency by which the relevant Securities are rated that the credit rating granted by such rating agency would not be adversely changed.

If no substitution is effected, the Issuer may be required to sell the Charged Assets and redeem the Securities.

Cross Default:

None.

Listing:

This Information Memorandum has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Directive 2003/71/EC (the "**Prospectus Directive**"). The Central Bank only approves this Information Memorandum as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Securities 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 or which are to be offered to the public in any Member State of the European Economic Area.

Application has been made to the Irish Stock Exchange for Securities issued under the Programme during the 12 months from the date of this Information Memorandum to be admitted to the Official List (the "**Official List**") and trading on its regulated market.

The Securities may also be listed on such other or further stock exchanges as may be specified in the Issue Terms in which event such additional listing shall be notified to the Irish Stock Exchange. The Issuer may also issue unlisted Securities.

Rating:

Securities of any Series may be rated by Standard and Poor's Ratings Services, a Division of the McGraw-Hill Companies, Inc., Moody's Investors Service, Inc., Fitch, Inc. and/or any other recognised debt rating agency, as specified in the relevant Supplemental Information Memorandum. The ratings will vary depending upon, among other things, the rating of the obligor(s) in respect of the relevant Charged Assets and the relevant Charged Agreements (if any). Each rating will address the Issuer's ability to perform its obligations under the terms of the Securities and, where the amount of those obligations is calculated by reference to a credit dependent index, the likelihood that payments will be due under the Securities. Where the amount of the obligations is determined by reference to a market dependent index, the ratings do not currently address the likelihood that payments will be due under the terms of the Securities. Where Securities of any

Series are not rated (or are rated by a different rating agency), any rating agency providing a rating in respect of an existing Series of Securities will be notified and confirmation sought that such ratings will not be adversely affected by the new issue of Securities. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. A suspension, reduction or withdrawal of the rating assigned to the Securities may adversely affect the market price of the Securities.

The rating of certain Series of Securities to be issued under the Programme may be specified in the applicable Issue Terms.

Status of Securities:

Securities of each Series will be secured, direct, limited recourse obligations of the Issuer ranking *pari passu* and without preference among themselves.

Security:

Unless otherwise specified in the Issue Terms, the Issuer will grant to the Trustee the following security to secure its obligations under each Series of Securities and the relevant Charged Agreement(s):

- (i) a first ranking assignment by way of security of all of the Issuer's Rights under the Agency Agreement;
- (ii) a first ranking assignment by way of security of all of the Issuer's Rights to, under and in respect of, the Charged Assets;
- (iii) a first ranking assignment by way of security of the Issuer's Rights under the Charged Agreement(s), the Issuer's Rights under the Sale Agreement and the Issuer's Rights under any Additional Agreement; and
- (iv) a first ranking assignment by way of security of all of the Issuer's Rights to any of its bank accounts in respect of such Series (but excluding, for the avoidance of doubt, the Issuer's bank account containing the paid up ordinary share capital of the Issuer).

The secured creditors of all Series of Securities of the Issuer have also been secured under the Trust Instrument executed in respect of the first Series of Securities issued by the Issuer by a first floating charge over the whole of the assets and undertaking of the Issuer (other than, *inter alia*, the money representing paid up ordinary share capital of the Issuer and any transaction fees payable to the Issuer on each issue of Securities) which will become enforceable upon formal notice being given of an intention to appoint an administrator in relation to the Issuer or an application being made to, or a petition being lodged or a document being filed with, the court for administration in relation to

the Issuer.

The Securities may also be secured by additional security documents and/or on such other assets as may be specified in the Issue Terms.

The Issuer has covenanted to grant security only in limited circumstances as set out in Condition 18 (*Restrictions*) to secure other limited recourse debt incurred by it.

Attention of investors is drawn to "*Risk Factors - Limited recourse*" below.

Charged Assets:

The Charged Assets will primarily comprise bonds, notes, covered bonds, the benefit of loans, schuldscheine, and certain swaps that do not create investment exposure, indices, other assets or contractual or other rights, carbon credits, insurance policies, or partnership interests, all as more particularly specified in the relevant Issue Terms.

The Charged Assets relating to each Series will be owned by the Issuer and (unless otherwise specified in the relevant Issue Terms) shall be deposited with the Custodian for such Series of Securities subject to the security in favour of the Trustee. In such event, the payments of principal and interest in respect of the Charged Assets shall be paid into a Counterparty Account as specified in the Issue Terms (where there is a Charged Agreement) or otherwise to the Principal Paying Agent to be paid to Securityholders or as may otherwise be specified in the Issue Terms.

The Issuer may substitute or replace Charged Assets in certain circumstances as specified in the Issue Terms.

Charged Agreements:

The Charged Agreements (if any) will comprise the Swap Agreement or Swap Agreements (together with any related Swap Guarantee (if any)) entered into in connection with a particular Series of Securities and any other agreements specified in the relevant Issue Terms.

Priority of Claims:

The relative priority of claims of the Securityholders of each Series and the Counterparty will be "Securityholder Priority Basis", "*Pari Passu* Basis", "Counterparty Priority Basis", or "Counterparty/Securityholder Priority Basis" as specified in the relevant Issue Terms. See Condition 5 (*Application of proceeds*).

Instructing Creditor:

The Instructing Creditor shall be the person(s) entitled to request the Trustee to take certain actions contemplated in the Conditions (in particular Condition 11 (*Events of Default*) and Condition 12 (*Enforcement*)) in respect of a particular Series of Securities. The Trustee shall not be obliged to act unless it is indemnified, secured and/or prefunded to its satisfaction.

The relevant Issue Terms will specify, in relation to the related Series of Securities, whether the Instructing Creditor is:

- (i) the Counterparty only;
- (ii) the Securityholders only; or
- (iii) the Counterparty or the Securityholders.

For the avoidance of doubt, where the Instructing Creditor is specified in the Issue Terms as the Counterparty or the Securityholders in accordance with paragraph (iii) above, (a) there is no requirement for both the Counterparty and the Securityholders to act together, and (b) in the event that the Trustee receives conflicting requests, directions or instructions from each of the Counterparty and the Securityholders (both acting as Instructing Creditor), the instructions of the Counterparty shall prevail, unless at such time, the Counterparty is the Defaulting Party in respect of and as defined in the Swap Agreement, in which case the instructions of the Securityholders shall prevail.

Accordingly, the Instructing Creditor in respect of a Series of Securities will not necessarily be the Securityholders.

Notwithstanding anything to the contrary in the Issue Terms, if (i) the Counterparty is the Defaulting Party in respect of and as defined in the Swap Agreement at any time and (ii) "the Counterparty only" is specified as the Instructing Creditor in the Issue Terms, the Instructing Creditor shall be the Counterparty or the Securityholders.

Where the Instructing Creditor is the Securityholders (or the Counterparty or the Securityholders), the Securityholders may (where specified) request the Trustee to take actions contemplated in the Conditions by means of an Extraordinary Resolution of such Securityholders.

Where the Instructing Creditor is the Counterparty (or the Counterparty or the Securityholders), the Counterparty may (where specified) request the Trustee to take actions contemplated in the Conditions by means of a written request.

Having received such a request from the Instructing Creditor, the Trustee shall not be obliged (subject to applicable legal and regulatory

requirements) to consider the interests of any other secured or unsecured creditors for such Series.

Governing Law:

The Securities and any non-contractual obligations arising out of or in connection with the Securities will be governed by, and construed in accordance with, English law.

Selling Restrictions:

There are selling restrictions in relation to the United States, the European Economic Area (including the United Kingdom and Ireland), Japan, the Cayman Islands and such other restrictions as may be required (and specified in the relevant Supplemental Information Memorandum) in connection with the offering and sale of a particular Series of Securities. See "*Subscription and Sale and Transfer Restrictions*" on page 119 below.

Bearer Securities will be issued in compliance with U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section, including, without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "**D Rules**") unless (i) the relevant Supplemental Information Memorandum states that Securities are issued in compliance with U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury regulation section, including, without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) (the "**C Rules**") or (ii) such Securities are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Securities will not constitute "registration-required obligations" under Section 163 of the Code .

The Supplemental Information Memorandum for each U.S. Series of Securities all or a portion of which are being offered and sold in the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), will disclose the exemption from the Securities Act being relied upon by the Issuer for the issuance of the particular Series of Securities together with the selling and transfer restrictions applicable to such Series and will not be offered to a person who is not an Eligible Investor. Any Securities offered in a Non-U.S. Series in the form of one or more Regulation S Global Certificates may not be offered or sold to, or for the account or benefit of, a U.S. person (as defined in Regulation S) or to a person who is not an Eligible Investor. See "*Subscription and Sale and Transfer Restrictions*" on page 119 below.

RISK FACTORS

The purchase of the Securities may involve substantial risks and is suitable only for sophisticated purchasers who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Securities. The Securities are not principal protected and purchasers of the Securities are exposed to the risk of full loss of principal. The Issuer believes that the following factors may affect either its ability to fulfil its obligations under the Securities or the performance of the Securities. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Securities, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Securities may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Securities are exhaustive.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under Securities issued under the Programme. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

Prospective purchasers should also read the detailed information set out elsewhere in this Information Memorandum and, in the light of their own financial circumstances and investment objectives, reach their own views prior to making any investment decision.

For the avoidance of doubt, where any Loan Terms Module applies in respect of a Series, any reference to "Securityholders" shall be deemed to be reference to "Lenders".

Investor suitability

Prospective investors who consider purchasing the Securities should reach an investment decision only after carefully considering the suitability of the Securities in light of their particular circumstances. Investment in the Securities may only be suitable for investors who:

- (i) have substantial knowledge and experience in financial, business matters and expertise in assessing credit risk which enable them to evaluate the merits and risks of an investment in the Securities and the rights attaching to the Securities;
- (ii) are capable of bearing the economic risk of an investment in the Securities for an indefinite period of time;
- (iii) are acquiring the Securities for their own account (as principal and not as agent) for investment, not with a view to resale, distribution or other disposition of the Securities (subject to any applicable law requiring that the disposition of the investor's property be within its control); and
- (iv) recognise that it may not be possible to make any transfer of the Securities for a substantial period of time, if at all.

Independent review and advice

Each prospective purchaser of the Securities must determine, based on its own independent review (including as to the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer,

the Counterparty, the Swap Guarantor and any relevant obligor in respect of the Charged Assets and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate under the circumstances, to assess the economic, social and political condition of the jurisdiction in which each relevant obligor is located and determine whether an investment in the Securities is appropriate in its particular circumstances.

In so doing, and without restricting the generality of the preceding paragraph, such prospective purchaser must determine that its acquisition and holding of the Securities (i) is fully consistent with its (or if it is acquiring the Securities 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 it is acquiring the Securities as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or if it is acquiring the Securities in a fiduciary capacity, for the beneficiary), notwithstanding the clear and substantial risks inherent in investing in or holding the Securities. None of the Issuer, the Trustee, the Dealer(s) or any of their respective affiliates is acting as an investment adviser, or assumes any fiduciary obligation, to any purchaser of Securities.

Neither this Information Memorandum nor any Supplemental Information Memorandum is intended to provide the basis of any credit or other evaluation or should be considered as a recommendation or as constituting an invitation or offer that any recipient of this Information Memorandum or any Supplemental Information Memorandum should purchase any of the Securities. The Trustee and the Dealer(s) expressly do not undertake to review the financial condition, creditworthiness or affairs of any relevant obligor(s).

No secondary market

Neither the Issuer, the Trustee, the Agents, the Dealer nor any of their respective affiliates is under an obligation to provide liquidity for the Securities and no secondary market is expected to develop in respect of the Securities. Whilst the Securities may be listed or admitted to trading on the Irish Stock Exchange, the Issuer does not expect a trading market for the Securities to develop. In the unlikely event that a secondary market does develop, there can be no assurance that it will provide the Securityholders with liquidity of investment or that it will continue for the life of the Securities. Any secondary market may be sensitive to changes in financial markets. Accordingly, the purchase of the Securities is suitable only for investors who can bear the risks associated with a lack of liquidity in the Securities and the financial and other risks associated with an investment in the Securities. Investors must be prepared to hold the Securities for an indefinite period of time or until final redemption or maturity of the Securities.

Limited recourse

Claims against the Issuer by the Securityholders of a Series and by the Counterparty will be limited to the Mortgaged Property relating to such Series. The proceeds of realisation of such Mortgaged Property may be less than the sums due to the Securityholders and the Counterparty. Any shortfall will be borne by the Securityholders and by the Counterparty in accordance with the Security Ranking Basis specified in the relevant Issue Terms. Each Securityholder, by subscribing for or purchasing such Securities, will be deemed to accept and acknowledge that it is fully aware that, in the event of a shortfall, (i) the Issuer shall be under no obligation to pay, and the other assets (if any) of the Issuer including, in particular, assets securing other Series of Securities or Alternative Investments 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 Securityholders and the Counterparty shall have no further claim against the Issuer in respect of such unpaid amounts and will accordingly not be able to petition for the winding up of the Issuer as a consequence of such shortfall.

The Securities of each Series are direct, limited recourse obligations of the Issuer alone and not of the officers, members, directors, employees, shareholders or incorporator of the Issuer, the Counterparty, the Swap Guarantor or the issuer(s) in respect of the Charged Assets or any of their respective successors or assigns. Furthermore, they are not obligations of, or guaranteed in any way by, any Dealer(s).

Credit risk

The ability of the Issuer to meet its obligations under the Securities will be dependent, where applicable, upon the payment of principal and interest due on the Charged Assets, the payment of all sums due from the relevant Counterparty or any Swap Guarantor under the Charged Agreements, upon the Principal Paying Agent and the Custodian making the relevant payments when received and upon all parties to the Transaction Documents (other than the Issuer) performing their respective obligations thereunder. Moreover, in certain cases, the security for the Securities will be limited to the claims of the Issuer against the Counterparty and any Swap Guarantor under the Charged Agreements. Accordingly, Securityholders are exposed, *inter alia*, to the creditworthiness of the issuer(s) in respect of the Charged Assets, the Counterparty, the Swap Guarantor, the Principal Paying Agent, the other Paying Agents and the Custodian.

Business relationships

Each of the Issuer, the Dealer(s), the Trustee, the Agents and/or any of their affiliates may have existing or future business relationships with any Counterparty, Swap Guarantor, issuer(s) in respect of any Charged Assets of any Series of Securities (including, but not limited to, lending, depository, risk management, advisory and banking relationships), and will pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a Securityholder. Furthermore, the Dealer(s), the Trustee, the 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 issuer(s) in respect of Charged Assets.

Conflicts of Interest

Each of the Counterparty and any of its affiliates is acting or may act in a number of capacities in connection with the issue of Securities. The Counterparty and any of its affiliates acting in such capacities in connection with the issue of Securities shall have only the duties and responsibilities expressly agreed to by it in the relevant capacity and shall not, by virtue of its or any other affiliates acting in any other capacity, be deemed to have other duties or responsibilities or be deemed to hold a standard of care other than as expressly provided with respect to each such capacity. Each of the Counterparty and any of its affiliates in its various capacities in connection with the issue of Securities may enter business dealings, including the acquisition of investment securities as contemplated by the Transaction Documents from which it may derive revenues and profits in addition to any fees stated in various documents, without any duty to account therefor, provided that any such revenue, profits or fees will be paid or received only in accordance with applicable regulations.

Various potential and actual conflicts of interest may arise between the interests of the Securityholders and either the Issuer and/or the Counterparty, as a result of the various businesses, management, investment and other activities of such persons, and none of such persons is required to resolve such conflicts of interest in favour of the Securityholders. The following briefly summarises some of those conflicts, but is not intended to be an exhaustive list of all such conflicts. The Counterparty shall manage any conflicts of interest in accordance with its conflicts of interest policy.

The Counterparty and/or any of its affiliates may (a) deal in Charged Assets or securities and (b) act with respect to such business in the same manner as if the Securities did not exist, regardless of whether any such relationship or action might have an adverse effect on the Charged Assets, the Securities, or on the position of any other party to the transaction described herein or otherwise.

No Obligations owing by the Calculation Agent

The Calculation Agent shall have no obligations to the Securityholders, and shall only have the obligations expressed to be binding on it pursuant to the Agency Agreement, unless otherwise specified in the Issue Terms. All designations and calculations made by the Calculation Agent in respect of any Securities shall be conclusive and binding on the Securityholders.

Legal opinions

Legal opinions relating to the Securities will be obtained on issue with respect to the laws of England and of the Cayman Islands and, in the case of a U.S. Series, the federal securities laws of the United States, 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 Securities. Any such legal opinions will not be addressed to, and may not be relied on by, Securityholders. In particular, save as aforesaid, no legal opinions will be obtained in relation to:

- (i) the laws of the country of incorporation of the issuer(s) in respect of the Charged Assets;
- (ii) the laws of the country in which the Obligations of the Charged Assets are situated; or
- (iii) the laws of the country which are expressed to govern any Obligations of the Charged Assets.

Such laws, depending upon the circumstances, may affect, among other things, the validity and legal and binding effect of the Obligations of the Charged Assets and the effectiveness and ranking of the security for the Securities. Consequently, no responsibility is accepted by the Issuer in relation to such matters.

Legality of purchase

None of the Issuer, the Dealer(s) or any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Securities by a prospective purchaser of the Securities, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective purchaser with any law, regulation or regulatory policy applicable to it.

However, notwithstanding the lawfulness of any acquisition of the Securities, sales or transfers of Securities that would, in the sole determination of the Issuer, cause the Issuer to be required to register as an investment company under the 1940 Act or result in a Security being held by or on behalf of a person who is not an Eligible Investor at the time of such transfer or disposition will be void *ab initio* and will not be honoured by the Issuer.

Furthermore, if at any time the Issuer in its sole determination determines that:

- (a) a Security is held by or on behalf of a person who is not an Eligible Investor at the time it purchases such Security;

- (b) the Trustee is or becomes "affiliated" (as such term is defined in Rule 405 of the Securities Act) with any person or entity involved in the organisation or operation of the Issuer;
- (c) the Trustee retires or is removed and no successor Trust Corporation incorporated in the United States of America is appointed in accordance with Clause 25 of the 3a-7 Trust Terms Module; and/or
- (d) it is necessary to do so to maintain any applicable exemption from or exception to the 1940 Act,

the Issuer may, in its discretion and at the expense and risk of such holder redeem all of such Securities.

Taxation

Each Securityholder 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 Securities. The Issuer will not be obliged to pay any additional amounts to Securityholders to reimburse them for any tax, assessment or charge required to be withheld or deducted from payments in respect of the Securities by the Issuer or the Principal Paying Agent or any other person except as provided for in the relevant Issue Terms. In addition to the extent that the Issuer suffers any tax in respect of its income from the Charged Assets or payments under a Charged Agreement (including the deduction of tax from such payments) so that it would be unable to make payment of the full amount payable on the Securities without recourse to further sources of income the Securities may be redeemed early and investors may not recover all amounts invested in the Securities. The attention of each prospective purchaser is drawn to the section entitled "**Taxation**" in the Information Memorandum. None of the Issuer, the Dealer or any of their respective affiliates make any representation nor has given to any potential purchaser and nor will give any advice concerning the appropriate accounting treatment or possible tax consequences of purchasing the Securities.

EU financial transaction tax

On 14 February 2013, the European Commission issued proposals, including a draft Directive (the "**Commission's proposal**"), for a financial transaction tax ("**FTT**") to be adopted in certain participating EU member states (including Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia, although Estonia has since stated that it will not participate). If the Commission's proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which could include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating member states. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating member state. A financial institution may be, or be deemed to be, "established" in a participating member state in a broad range of circumstances, including (a) by transacting with a person established in a participating member state or (b) where the financial instrument which is subject to the financial transaction is issued in a participating member state.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Securities (including secondary market transactions) in certain circumstances.

However, the FTT proposal remains subject to negotiation between the participating member states. It may therefore be altered prior to implementation, the timing of which remains unclear. Additional EU member

states may decide to participate. Prospective holders of the Securities are advised to seek their own professional advice in relation to the FTT.

Volcker Rule and Issuer Reliance on Rule 3a-7

Under Section 619 of the Dodd-Frank Act and the corresponding implementing rules (the "**Volcker Rule**"), relevant banking entities are generally prohibited from, among other things, (i) conducting proprietary trading activities in a wide variety of financial instruments unless the transaction is excluded from the scope of the rule and (ii) acquiring or retaining any ownership interest in, or acting as sponsor in respect of, certain investment entities referred to as covered funds. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain credit exposure related transactions with covered funds. The conformance period (during which banking entities were required to bring their activities into conformance with the Volcker Rule) expired on 21 July 2015.

Key terms are broadly defined under the Volcker Rule, including "banking entity", "ownership interest", "sponsor" and "covered fund". In particular, "banking entity" is defined to include certain non-U.S. affiliates of U.S. banking entities and "covered fund" is defined to include an issuer that would be an investment company, as defined in the 1940 Act but for section 3(c)(1) or 3(c)(7). "Ownership interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in the covered fund or through any right of the holder to participate in the selection of an investment manager or advisor or the board of directors of such covered fund.

The Issuer will fall within the definition of "covered fund" under the Volcker Rule unless it falls within a specific exclusion from this definition. For the Issuer the most relevant exclusion from the definition of "covered fund" is the exception from the definition of "investment company" provided by Rule 3a-7 under the 1940 Act (see further also "*Risk Factors – 1940 Act – Issuer Reliance on Rule 3a-7*"). There can be no assurance, however, that compliance with those restrictions will be adequate in order for the Issuer to avail itself of Rule 3a-7 and none of the Issuer, the Arranger, the Dealer, the Trustee nor any of their Affiliates make any representation regarding whether the Issuer will fall within the Rule 3a-7 exception.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Securities and, in addition, may have a negative impact on the price and liquidity of the Securities in the secondary market. There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the secondary market liquidity and value of the Securities. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in the Securities should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each purchaser must determine for itself whether it is a banking entity subject to regulation under the Volcker Rule. None of the Issuer, the Arranger, the Dealer, the Trustee nor any of their Affiliates make any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Securities, now or at any time in the future.

Investors should do their own analysis to determine whether the Issuer is a covered fund for their purposes. While the Issuer may take other steps to comply with a different exception to the definition of "covered fund", there is no guarantee that any such steps would be successful. Accordingly, the Issuer may become a "covered fund" in the future. If the Issuer were to be or become a "covered fund", then covered banking entities and other entities subject to the Volcker Rule would be restricted from acquiring and retaining certain ownership interests in the Issuer and from sponsoring and engaging in certain credit transactions with

the Issuer. The Volcker Rule and interpretations thereunder are still uncertain, may restrict or discourage the acquisition of Securities by such entities, may adversely affect the secondary market liquidity of the Securities and could require any banking entity that is deemed to be a "sponsor" of the Issuer to take steps to avoid such status. Although the Volcker Rule provides limited exceptions and exemptions to its prohibitions, each investor in the Securities must make its own determination as to whether it is subject to the Volcker Rule, whether its investment in the Securities would or could in the future be restricted or prohibited under the Volcker Rule, and the potential impact of the Volcker Rule on its investment, any liquidity in connection therewith and on its portfolio generally.

1940 Act

The Issuer intends to qualify for the exemptions from the definition of investment company under the 1940 Act provided by Rule 3a-7 under the 1940 Act.

Issuer Reliance on 3a-7

It is expected that the Issuer will be relying on an exemption from the definition of investment company, and from the resulting requirement to register under the 1940 Act, provided by Rule 3a-7 under the 1940 Act. So long as the Issuer relies on Rule 3a-7, its ability to acquire assets other than the Charged Assets and engage in certain swaps and derivative transactions will be limited. Notwithstanding these restrictions, none of the Issuer, the Arranger, the Dealer, the Trustee nor any of their Affiliates undertakes or guarantees to ensure that the Issuer satisfies the requirements of Rule 3a-7 or accepts any liability or responsibility whatsoever in respect thereof.

There can be no assurance that the Issuer will satisfy the requirements of Rule 3a-7 or that any investor will be able to treat the Issuer as exempt under Rule 3a-7 for such purposes, and none of the Issuer, the Arranger, the Dealer, the Trustee nor any of their Affiliates make any representation with respect thereto. It is expected that, in connection with certain capital raising activities of certain investors in the Securities, the SEC may consider the applicability of Rule 3a-7 to the Issuer or other issuers engaged in similar activities. There can be no assurance as to the results of any such consideration, and such action by the SEC or any other regulator in the US could adversely affect the Issuer and the Securityholders. See further also "*Volcker Rule and the Issuer's Reliance on Rule 3a-7*".

If necessary as a result of such consideration or otherwise, in order to permit the Issuer to rely on Rule 3a-7 or otherwise avoid constituting an investment company required to register under the 1940 Act, the Issuer will be permitted to redeem the Securities if it in its sole and absolute discretion determines that it is necessary to do so to maintain any applicable exemption from or exception to the 1940 Act, which could adversely affect the return to Securityholders.

Investors should note in particular that the SEC has interpreted exemptions from requirements to register under the 1940 Act narrowly over time and, in 2011 published an advance notice of proposed rulemaking to potentially consider proposing amendments to Rule 3a-7 which would narrow its application. At present, the SEC has yet to take any further formal action in this regard. It cannot be predicted what changes, if any, the SEC may impose on the availability of the Rule 3a-7 exception or on its interpretation thereof, or whether issuers will be able to continue to rely thereupon in the future. Any guidance from the SEC or its staff regarding Rule 3a-7, including changes that the SEC may ultimately adopt to Rule 3a-7, that narrow the scope of Rule 3a-7, could further inhibit the business activities of the Issuer and adversely affect the holders of the Securities.

Modifications to the terms of the Securities

The attention of prospective investors is drawn to Condition 19 (*Meetings of Securityholders, Modification, Waiver and Substitution*) and in particular, the provision that the Trustee shall agree to make any modification (whether or not it may be materially prejudicial to the Securityholders) requested by the relevant Dealer(s) in respect of a Series of Securities if, and to the extent that, such modification is to correct an error in the Conditions arising from a discrepancy between the Conditions and the final termsheet provided to the initial Securityholders, as certified by the relevant Dealer(s) to the Trustee.

Trustee Indemnity

Upon the occurrence of an Event of Default in relation to the Securities, Securityholders may be required to provide an indemnity to the Trustee to its satisfaction as provided for in Condition 11 (*Events of Default*) before the Trustee gives notice to the Issuer accelerating the Securities. The Trustee shall not be obliged to take any action if not indemnified, secured and/or prefunded to its satisfaction.

Provision of information

Neither the Issuer, the Trustee, the Agents, the Dealer(s) nor any of their respective affiliates make any representation as to the credit quality of the Counterparty, the Swap Guarantor or the issuer(s) in respect of the Charged Assets for any Series of Securities. Any of such persons may have acquired, or during the term of the Securities may acquire, non-public information with respect to such Counterparty, Swap Guarantor or the issuer(s) in respect of the Charged Assets. None of such persons is under any obligation to make available any information relating to, or keep under review on the Securityholders' behalf, the business, financial conditions, prospects, creditworthiness or status of affairs of the issuer(s) in respect of the Charged Assets or conduct any investigation or due diligence into any such issuer(s) in respect of the Charged Assets.

Market Conditions

Any liquidity shortage and volatility in the credit markets will introduce a variety of increased risks relating to several aspects of the Issuer's operations. Such additional risks include the inability of the Issuer to sell its assets which, among other things, may render it unable to dispose of underperforming or defaulted assets and satisfy its obligations in respect of the redemption of the Securities. Such market conditions may also lead to the inability of the Issuer to determine a reliable valuation of its assets. All of such factors could materially adversely affect the interests of Securityholders.

If, during any such liquidity shortage and volatility in the credit markets, the Securities were to redeem early, unwind costs related to the termination of the Charged Agreement may be increased, potentially resulting in the loss of a substantial portion or all of a Securityholder's investment in the Securities.

Concerns have been raised with respect to current economic, monetary and political conditions in the Eurozone (including the credit risk of sovereigns and of those entities which have exposure to sovereigns). If such concerns persist and/or such conditions further deteriorate (including as may be demonstrated by any relevant credit rating agency action, any default or restructuring of indebtedness by one or more states or institutions and/or any changes to, including any break-up of, the Eurozone), then these matters may increase stress in the financial system generally and/or may adversely affect the Issuer, one or more of the other parties to the Transaction Documents (including the Vendor and/or the Counterparty) and/or any obligor in respect of the Charged Assets. Given the current uncertainty and the range of possible outcomes, no assurance can be given as to the impact of any of the matters described herein and, in particular, no

assurance can be given that such matters would not adversely affect the rights of the Securityholders, the market value of the Securities and/or the ability of the Issuer to satisfy its obligations under the Securities.

Comparative Returns

Risk-adjusted returns and absolute returns on the Securities may be lower than those of comparable investments. Each prospective purchaser should be aware that any return on the Securities may not exceed or even equal the return that might have been achieved had the amount of its initial investment been placed on deposit for the same period.

The Charged Assets

The value of any Charged Assets will have a direct impact on the amounts payable to Securityholders in respect of the Securities.

Prospective purchasers are advised to review carefully the offering documents for the Charged Assets before deciding whether an investment in the Securities is suitable for them.

Illiquid Charged Assets

The Charged Assets may comprise assets which are not admitted to any public trading market and may therefore be illiquid and not readily realisable.

Substitution of Charged Assets

The terms of the Securities may provide that the Charged Assets may be substituted in accordance with the terms of Condition 4(b) (*Substitution of Charged Assets*). Such substitution may either be at the direction of the Counterparty pursuant to Condition 4(b)(i) (*Substitution at the direction of the Counterparty*) on a Nominal Basis or Market Value Basis or at the request of Securityholders pursuant to Condition 4(b)(ii) (*Substitution at the request of Securityholders*). In the event that such request is made by Securityholders representing at least 50 per cent. of the aggregate Outstanding Principal Amount of the Securities, the Securities shall be restructured and amended as set out in Condition 4(b)(ii) (*Substitution at the request of Securityholders*). All Securityholders are deemed to have accepted Condition 4(b)(ii) (*Substitution at the request of Securityholders*) and to be bound by the terms thereof even if not Consenting Holders.

Further issues

The terms of the Securities may provide for the issue of further fungible Securities in certain circumstances. The additional Charged Assets which the Issuer may be required to provide as security for such further Securities relative to the aggregate nominal amount of the further Securities may be such as to affect the value of the original security provided for the Securities.

Substitution of Charged Assets for Cash Collateral

Where the Securities are secured by Cash Collateral on the Issue Date pursuant to Condition 4(b)(iii) (*Substitution with Cash Collateral*), prospective investors should be aware that Initial Charged Assets may be substituted for the Cash Collateral. If an event of default (howsoever described in the terms and conditions of the Initial Charged Assets) has occurred with respect to the Initial Charged Assets prior to the delivery by the Vendor of all or any part of the Initial Charged Assets, any undelivered Initial Charged

Assets shall be deemed to have been delivered by the Vendor to the Issuer and sold by the Selling Agent in accordance with the Agency Agreement.

Credit Ratings

Credit ratings of securities (including any securities of the Issuer or Charged Assets that are rated) represent the opinions of the relevant rating agencies as to the credit quality of the relevant securities and are not a guarantee of any credit quality. Rating agencies attempt to evaluate the safety of principal and interest payments (if any) and do not evaluate the risks of fluctuation in market value. Credit ratings therefore do not fully reflect all risks of an investment. In addition, prospective purchasers should note that rating agencies may fail to make timely changes in credit ratings in response to subsequent events, and the credit quality of any security may be worse than a credit rating indicates. Prospective purchasers should not rely on any rating in relation to any securities necessarily remaining unaffected, or in place at all, at the time any losses are incurred in respect of such securities. A credit rating is not a recommendation to buy, sell or hold a security, inasmuch as such rating does not comment as to market price or suitability for a particular purchaser. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by a rating agency if, in its judgement, circumstances in the future so warrant.

In general, European regulated investors are restricted under Regulation EC No. 1060/2009 (the "**CRA Regulation**"), as amended, from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified ratings agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included on such a list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings will be disclosed in the Issue Terms.

Currency Risk

An investment in Securities denominated or payable in a currency other than the currency of the jurisdiction of a particular purchaser (the "**Purchaser's Currency**"), entails significant risks that are not associated with a similar investment in a security denominated and/or payable in the Purchaser's Currency. These risks include, but are not limited to:

- the possibility of significant market changes in rates of exchange between the Purchaser's Currency and the currency in which the Securities are denominated and/or payable;
- the possibility of significant changes in rates of exchange between the Purchaser's Currency and the currency in which the Securities are denominated and/or payable resulting from the official redenomination or revaluation of the currency; and
- the possibility of the imposition or modification of foreign exchange controls by either the jurisdiction of the purchaser or foreign governments.

UK Banking Act 2009

Under the Banking Act 2009, as amended, (the "**Banking Act**"), substantial powers have been granted to HM Treasury, the Bank of England and the PRA and FCA as successors to the United Kingdom Financial Services Authority (the "**FSA**", and together with HM Treasury, the Bank of England, the PRA and FCA, the "**Authorities**") as part of the special resolution regime (the "**SRR**"). These powers enable the Authorities to deal with and stabilise certain UK-incorporated institutions that are failing or are likely to fail to satisfy certain threshold conditions. The SRR consists of five stabilisation options: (i) transfer of all or part of the business of the relevant entity or the shares of the relevant entity to a private sector purchaser; (ii) transfer of all or part of the business of the relevant entity to a "bridge bank" established and wholly-owned by the Bank of England; (iii) transfer all or part of the relevant entity or "bridge bank" to an asset management vehicle; (iv) making of one or more resolution instruments by the Bank of England; and (v) temporary public ownership of the relevant entity. HM Treasury may also take a parent company of a relevant entity into temporary public ownership where certain conditions are met. The SRR also provides for two new insolvency and administration procedures for relevant entities. Certain ancillary powers include the power to modify certain contractual arrangements in certain circumstances.

The final text of the EU Directive 2014/59/EU establishing an EU-wide framework for the recovery and resolution of credit institutions and investment firms ("**BRRD**") was published in the Official Journal of the European Union on 12 June 2014 and entered into force on 2 July 2014, with Member States required to adopt necessary implementing measures under national law by no later than 31 December 2014. In the United Kingdom (the "**UK**"), the Banking Reform Act made provision for certain aspects of the 'bail-in' power and further legislation was enacted during 2014 in order to give full effect to the majority of the provisions of BRRD from 1 January 2015.

The stated aim of the BRRD is to provide authorities designated by Member States to apply the resolution tools and exercise the resolution powers set forth in the BRRD (the "**resolution authorities**") with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimise taxpayers' exposure to losses. The powers granted to resolution authorities give resolution authorities the ability to write down or write off all or a portion of the claims of certain unsecured creditors of a failing institution or group and/or convert certain debt claims into another security, including ordinary shares of the surviving entity, if any, and to modify both the interest payable in respect of the Notes and the maturity date or the dates on which any payments are due, including by suspending payment for a temporary period. Such powers were implemented in the UK with effect from 1 January 2015.

The conditions for use of the bail-in power are, in summary, that: (i) the regulator determines that the bank is failing or likely to fail, (ii) having regard to timing and other relevant circumstances, it is not reasonably likely that (ignoring the stabilisation powers) action will be taken by or in respect of the bank to avoid the failure of the bank, (iii) the relevant UK resolution authority determines that it is necessary having regard to the public interest to exercise the bail-in power in the advancement of one of the statutory objectives of resolution and (iv) one or more of those objectives would not be met to the same extent by the winding up of the bank. The BRRD, as implemented, contains certain other limited safeguards for creditors in specific circumstances which in the case of senior creditors, aim to ensure that they do not incur greater losses than they would have incurred had the relevant financial institution been wound up under normal insolvency proceedings.

As UK-incorporated institutions, HSBC Bank plc as Principal Paying Agent or Custodian and Merrill Lynch International as Counterparty are subject to the Jurisdiction of the Authorities under the Banking Act and accordingly, could become subject to the SRR. If an instrument or order were to be made under the Banking

Act in respect of HSBC Bank plc or Merrill Lynch International, such instrument or order may (amongst other things) affect the ability of such entity to satisfy its obligations under the Transaction Documents and/or result in modifications to such documents. Whilst at present, the UK authorities have not made an instrument or order under the Banking Act in respect of either HSBC Bank plc or Merrill Lynch International and there has been no indication that it will make any such instrument or order, there can be no assurance that this will not change and/or that Securityholders will not be adversely affected by any such instrument or order if made.

UK Referendum on Membership of the European Union

On 23 June 2016 the United Kingdom (the "UK") held a referendum to decide on the UK's membership of the European Union (the "EU"). The UK vote was to leave the EU. There are a number of uncertainties in connection with the future of the UK and its relationship with the EU. Article 50 of the Treaty on European Union ("**Article 50**") provides that a Member State which decides to withdraw from the EU is required to notify the European Council of its intention to do so. The UK government invoked Article 50 on 29 March 2017 by notifying the European Council of its intention to withdraw from the EU. The EU and the UK will now negotiate and may conclude an agreement setting out the arrangements for the withdrawal of the UK from the EU. In accordance with the terms of Article 50, such negotiations shall take a maximum of 2 years unless the Member States (acting through the European Council) unanimously agree to extend this period.

Until the terms of the UK's exit from the EU are clearer, it is not possible to determine the impact that the referendum, the UK's departure from the EU and/or any related matters may have on the business of the Issuer, one or more of the other parties to the Transaction Documents, or on the regulatory position of any such entity or of the transactions contemplated by the Transaction Documents under EU regulation or more generally. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Securities.

PRIIPs Regulation

The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive 2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared by the Issuer and the Dealer and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. Investors are to note that the PRIIPs Regulation is due to apply from 1 January 2018.

In connection with the issue of any Tranche of Securities, 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 Issue Terms may over-allot Securities or effect transactions with a view to supporting the market price of the Securities of the Series of which such Tranche forms part at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Securities is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Securities and 60 days after the date of the allotment of the relevant Tranche of Securities. Any stabilisation action or over-

allotment must be conducted by the relevant Stabilising Manager(s) (or person(s) acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

SUPPLEMENTS

Following the publication of this Information Memorandum, a supplement may be prepared by the Issuer and approved by the Central Bank in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Information Memorandum. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Information Memorandum.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Information Memorandum which is capable of affecting the assessment of any Securities, prepare a supplement to this Information Memorandum or publish a new Information Memorandum for use in connection with any subsequent issue of Securities.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published and have been published and filed with the Irish Stock Exchange and the Central Bank and shall be incorporated in, and form part of, this Information Memorandum:

- (a) the annual financial statements of the Issuer for the period ended 31 December 2015, available at: http://www.ise.ie/debt_documents/2015%20Financial%20Statements_3010002c-f786-49b8-a387-44c9816602a6.pdf; and
- (b) the annual financial statements of the Issuer for the period ended 31 December 2016, available at: http://www.ise.ie/debt_documents/Annual%20Financial%20Statement_27d37f24-b56b-4372-b61e-ce6391391d48.pdf

USE OF PROCEEDS

The net proceeds from each Series of Securities will be applied by the Issuer to purchase the Charged Assets applicable to such Series and/or to fund any initial payment obligations under any related Charged Agreement(s) and/or in meeting certain expenses and fees payable in connection with the operations of the Issuer and the issue of any Securities as set out in the relevant Supplemental Information Memorandum relating to any Series of Securities or as may otherwise be specified in the relevant Supplemental Information Memorandum.

TERMS OF THE SECURITIES

Each Series of Securities shall have the terms and conditions as set out in the Conditions Modules incorporated by reference and as completed, modified or supplemented by the provisions set out in the Issue Terms.

As so completed, modified or supplemented, such terms and conditions will be the "**Conditions**" for the purposes of such Securities.

3a-7 BEARER SECURITIES BASE CONDITIONS MODULE

DECEMBER 2017 EDITION

**to be incorporated by reference into
the Conditions and the Trust Instrument for
an issue of repackaged Securities
arranged by
MERRILL LYNCH INTERNATIONAL**

3a-7 BEARER SECURITIES BASE CONDITIONS MODULE

DECEMBER 2017 EDITION

This 3a-7 Bearer Securities Base Conditions Module sets out the basic terms and conditions for Securities governed by English law and will apply in respect of all Series of Securities issued in bearer form. Other Conditions Modules will apply in addition, as specified in the Issue Terms.

1. FORM, DENOMINATION AND TITLE

- (a) Bearer Securities are serially numbered and in the Currency of Issue and the Specified Denomination(s) set out in the Issue Terms. Title to Bearer Securities and (if applicable) the related Coupons will pass by delivery.
- (b) Bearer Securities will either:
 - (i) initially be represented by a Temporary Bearer Global Security; or
 - (ii) be represented on issue by a Permanent Bearer Global Security,as specified in the Issue Terms.

The Temporary Bearer Global Security or Permanent Bearer Global Security, as the case may be, will be delivered on or before the Issue Date to the Common Safekeeper or Common Depositary (as the case may be).

Beneficial interests in a Temporary Bearer Global Security will be exchangeable for either beneficial interests in a Permanent Bearer Global Security or definitive Bearer Securities, as provided in the Temporary Bearer Global Security. A Temporary Bearer Global Security may be exchanged on or after the Exchange Date and upon certification:

- (i) as to non-U.S. beneficial ownership as required by U.S. Treasury regulations;
- (ii) that the transferee is an Eligible Investor; and
- (iii) that the transferee is not a U.S. person.

A Permanent Bearer Global Security will be exchangeable, in whole but not in part, for definitive Bearer Securities only upon the occurrence of an Exchange Event, as provided in the Permanent Bearer Global Security and upon certification that (i) the transferee is an Eligible Investor and (ii) the transferee is not a U.S. person.

Beneficial interests in a Bearer Global Security may not be offered, sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons or to a person who is not an Eligible Investor. Such beneficial interest may only be transferred upon certification

- (i) as to non-U.S. beneficial ownership as required by U.S. Treasury regulations;
- (ii) that the transferee is an Eligible Investor; and

- (iii) that the transferee is not a U.S. person.

Definitive Bearer Securities may not be sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons or to a person who is not an Eligible Investor.

- (c) No beneficial owner of an interest in a Global Security will be able to exchange or transfer that interest, except in accordance with the applicable procedures of the Clearing Systems and in accordance with and subject to the terms of such Global Security.
- (d) For so long as any of the Securities is represented by a Bearer Global Security held by a Common Safekeeper or Common Depository, each person who is for the time being shown in the records of the Clearing Systems as entitled to a particular nominal amount of Securities shall be deemed to be the holder of such nominal amount of Securities for all purposes other than with respect to the payment of principal, premium (if any), or interest or other amount on such Securities. With respect to such payment, such Common Safekeeper or Common Depository shall be deemed to be the holder of such nominal amount of Securities in accordance with and subject to the terms of the relevant Global Security. Any certificate or other document issued by the Clearing Systems as to the nominal amount of Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error. In determining whether a particular person is entitled to a particular nominal amount of Securities 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.
- (e) Subject to paragraph (d) above, the Issuer, the Counterparty (if any), the Trustee and the Agents may deem and treat the holder of any Bearer Security as the owner thereof for all purposes. Except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, each Counterparty, the Trustee and the Agents shall not be affected by any notice to the contrary, whether or not the Security shall be overdue. All payments made to any such holder shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon such Securities.
- (f) Any transfer or other disposition of any Securities will be void *ab initio* and such transfer or other disposition will not be honoured by the Trustee if, in the sole determination of the Issuer, such transfer or other disposition would:
 - (i) require the Issuer to register as an "investment company" under the provisions of the 1940 Act; or
 - (ii) result in a Security being held by or on behalf of a person who is not an Eligible Investor at the time of such transfer or disposition.
- (g) No Bearer Securities shall be issued unless the Trustee shall have first received a tax opinion from reputable tax counsel in respect of the U.S. tax treatment of such Bearer Securities.

2. STATUS

The Securities are secured, limited recourse obligations of the Issuer, secured in the manner described in Condition 3 (*Security*) and recourse in respect of which is limited in the manner

described in Condition 12 (*Enforcement*). The Securities rank and will rank, unless otherwise specified in the Issue Terms, *pari passu* without any preference among themselves.

3. SECURITY

The Securities are constituted and secured by a Trust Instrument.

Unless otherwise specified in the Issue Terms, the Issuer's obligations under the Securities and the Charged Agreement(s) (if any) will be secured by the following security:

- (a) a first ranking assignment by way of security of all of the Issuer's Rights under the Agency Agreement;
- (b) a first ranking assignment by way of security of all of the Issuer's Rights to the Charged Assets;
- (c) a first ranking assignment by way of security of the Issuer's Rights under the Charged Agreement(s) (other than in respect of the Issuer's obligations under the Charged Agreement(s)), the Issuer's Rights under the Sale Agreement and the Issuer's Rights under any Additional Agreement; and
- (d) a first ranking assignment by way of security of all of the Issuer's Rights to any of its bank accounts in respect of the Securities (but excluding, for the avoidance of doubt, the Issuer's bank account containing the paid up ordinary share capital of the Issuer).

The secured creditors of all Series of Securities of the Issuer will also be secured under the Trust Instrument executed in respect of the first Series of Securities by a first floating charge over the whole of the assets and undertaking of the Issuer (other than, *inter alia*, the money representing paid up ordinary share capital of the Issuer and any transaction fees payable to the Issuer on each issue of Securities) which will become enforceable upon formal notice being given of an intention to appoint an administrator in relation to the Issuer or an application being made to, or a petition being lodged or documents being filed with, the court for administration in relation to the Issuer.

The Issue Terms will specify whether any other security interest will be created under the Trust Instrument and/or under an Additional Charging Document.

4. CHARGED ASSETS

(a) Initial Charged Assets

The Vendor will procure that the initial Charged Assets as specified in the Issue Terms (the "**Initial Charged Assets**") are delivered to the Custodian on the Issue Date, to the extent that such Charged Assets are capable of being delivered. With effect from such delivery, the Charged Assets will be held by the Custodian on behalf of the Issuer, subject to the Security Interests.

(b) (i) Substitution at the direction of the Counterparty

The Issue Terms will specify whether the Initial Charged Assets may be substituted from time to time for alternative charged assets and, if substitution is applicable, whether such substitution is on the Nominal Basis or the Market Value Basis. If no such specification is

made in the Issue Terms, substitution at the direction of the Counterparty shall be deemed to be not applicable. Where such substitution is applicable, the Counterparty (if any) may, from time to time, at its cost and subject to the Trust Instrument, by giving not less than 5 Business Days' (or such other period of notice as may be specified in the Issue Terms) notice (a "**Substitution Notice**") in writing to the Issuer and the Trustee require that any securities or other assets for the time being comprising the Charged Assets be replaced by Eligible Investments and the Trustee shall accordingly release the Charged Assets from the Security Interests in accordance with the 3a-7 Trust Terms Module to enable such substitution.

A substitution may occur provided that:

- (A) upon any release of the substituted Charged Assets from the Security Interests, the replacement Charged Assets are secured by the Issuer on the same terms (*mutatis mutandis*) as the substituted Charged Assets;
- (B) all requirements of any relevant Stock Exchange or competent authority are complied with; and
- (C) any other conditions specified in the Issue Terms (including Rating Agency requirements, if any) are complied with.

Upon receipt of a Substitution Notice, the Issuer shall notify the Principal Paying Agent, the Custodian, the Calculation Agent, the Securityholders and, in the case of Securities that are rated, the relevant Rating Agencies.

The Counterparty shall bear and pay, and shall indemnify the Issuer and the Trustee against, all costs, expenses and taxes (including, without limitation, stamp duty) payable in connection with a substitution.

(ii) **Substitution at the request of Securityholders**

The Issue Terms will specify whether the Initial Charged Assets may be substituted from time to time for alternative charged assets and, if substitution is applicable, whether such substitution is on the Nominal Basis or the Market Value Basis. If no such specification is made in the Issue Terms, substitution at the request of the Securityholders shall be deemed to be applicable on the Nominal Basis. If substitution is applicable, any Securityholder may, by delivering a written request (a "**Sale Request**" and any such Securityholder delivering such request, a "**Requesting Securityholder**") to the Principal Paying Agent, request the Issuer to sell the Charged Assets and reinvest the proceeds thereof in cash or one or more Eligible Assets identified by such Securityholder in the Sale Request (the "**Replacement Assets**") in accordance with this Condition 4(b)(ii).

If the Principal Paying Agent receives a Sale Request it shall, within three Business Days of such receipt, forward a copy of the Sale Request to each Securityholder in accordance with Condition 15 (*Notices*) and the Issuer, copied to the Custodian, the Trustee and the Counterparty, asking the Securityholders if they consent to such sale and replacement; provided that the Principal Paying Agent shall not forward such request to the

Securityholders if the Replacement Assets have been purchased pursuant to a prior Sale Request within the prior three months.

If within five Business Days' following the Principal Paying Agent's delivery of a copy of the Sale Request to the Securityholders, the Required Minimum Securityholders notify the Principal Paying Agent in writing (copied to the Trustee, the Selling Agent and the Custodian) that they consent to such sale of the Charged Assets and reinvestment in the Replacement Assets, and that they agree to pay all costs incurred in connection with the sale of the then Charged Assets and the purchase of the Replacement Assets (including, without limitation, any Swap Adjustment Costs and Collateral Top-Up Costs (each as defined below) as well as legal fees in amending any of the documents relating to the Securities to accommodate such change and the documents in respect of the new issue (together, the "**Restructure Documents**")), the Principal Paying Agent shall inform the Selling Agent and the Trustee. The Selling Agent will, upon release of the security by the Trustee, sell such principal amount of the Charged Assets, rounded down to the nearest denomination of such Charged Assets (the "**Liquidation Assets**") as bears the same proportion to the then total principal amount of the outstanding Charged Assets as the principal amount of the Securities held by the Securityholders which have consented to the sale of the Charged Assets (the "**Consenting Holders**") bears to the then total Outstanding Principal Amount of the Securities.

The Selling Agent shall solicit bids for the purchase of the Charged Assets from at least two bidders (other than Merrill Lynch International or any of its Affiliates) and shall then arrange for the sale of the Charged Assets to the person which has made the higher or highest, as applicable, firm bid for such securities; provided however, that if two or more bidders have the same highest bid, then the Selling Agent may elect to sell such securities to any such bidder; provided, further, that notwithstanding anything to the contrary herein, the Selling Agent may sell the Charged Assets to itself or an Affiliate if it or its Affiliates, as applicable, elects to match such higher or highest bid, as applicable. The Issuer shall then, through the Selling Agent, purchase the Replacement Assets with the proceeds (the "**Liquidation Proceeds**") of the Liquidation Assets or, if such proceeds are not sufficient to make such purchase, with such proceeds and the amount, which must be contributed by the Consenting Holders, equal to the amount of such deficiency (the "**Collateral Top Up Costs**").

Notwithstanding the foregoing, the Issuer shall not sell any Charged Assets in connection with its receipt of a Sale Request unless the following conditions have been met:

- (A) The Replacement Assets must (i) be readily available and eligible for purchase by the Issuer, (ii) satisfy the requirements for Eligible Assets, (iii) mature on or before the Maturity Date or, if earlier, the Scheduled Termination Date, (iv) (if such substitution is on the Nominal Basis) be in an aggregate principal amount at least equal to the principal amount of the Charged Assets for which they are Replacement Assets (or its equivalent in the currency of the relevant Replacement Assets) and (v) not cause the Issuer to suffer tax in respect of its income in respect of such Replacement Assets;
- (B) If the cashflows payable on the Replacement Assets are different from the cashflows payable on the Liquidated Assets, the Consenting Holders must pay to the Principal

Paying Agent for distribution to the Counterparty, an amount (the "**Swap Adjustment Cost**"), as notified to the Principal Paying Agent by the Counterparty, sufficient to compensate the Counterparty for amending or executing a swap transaction with the Issuer :

- (x) (in the case where the relevant Swap Agreement does not contain an interest rate and/or cross currency transaction) to ensure that the cashflows available to the Issuer to make payments of interest on each Interest Payment Date are equal to the aggregate interest amounts payable on the Securities, if applicable and any additional costs incurred by the Counterparty in establishing any swap such that the aggregate Interest Amounts remain the same; or
 - (y) (in the case where the relevant Swap Agreement does contain an interest rate and/or cross currency transaction) any loss which will be incurred by the Counterparty as a result of the reduction in the payments to be made to the Counterparty under such interest rate and/or cross-currency swap transaction.
- (C) If the purchase price of a principal amount of the Replacement Assets equal to the principal amount of the Liquidated Assets is less than the amount of the Liquidation Proceeds, the amount of such excess proceeds shall be applied to purchase additional Replacement Assets (such amount to be converted to the currency of the Replacement Assets, if necessary).
- (D) If the Securities are rated by S&P, S&P must confirm to the Issuer, the Counterparty and the Trustee, in writing, that the replacement of the Charged Assets with the Replacement Assets will not cause a downgrade in their rating of the Securities and that the New Series of Securities (as defined below) shall have the same rating as the Securities.
- (E) All the Restructure Documents have been duly executed by all parties.

Prior to selling any Charged Assets in connection with a replacement as described herein, the Issuer and the Counterparty may require that the Consenting Holders make a cash deposit with the Issuer sufficient to cover all costs which are to be borne by the Consenting Holders as described herein.

If the consent of the Required Minimum Securityholders has been obtained but less than all of the Securityholders are Consenting Holders, the Issuer, the Counterparty and the Trustee shall deem the Consenting Holders as having exchanged their Securities for a new series of Securities (the "**New Series of Securities**") which will be secured on the Replacement Assets (but not any of the then Charged Assets which have not been liquidated) and a new Swap Agreement (the "**Replacement Swap**") which the Issuer will enter into with the Counterparty on the date of purchase of the Replacement Assets. The Replacement Swap will be structured in a manner similar to the existing Swap Agreement but will be adjusted to take account of the change in the cash flows for the Replaced Assets.

All parties, at the expense of the Consenting Holders, will enter into any amendments to the other transaction documents and any documentation required to amend the Securities and to effect the New Series of Securities and will ensure that the Securities as amended and the New Series of Securities preserve the economic equivalence of the Securities prior to such replacement. Upon the Issuer's purchase of any Replacement Assets as described in the preceding paragraphs such Replacement Assets shall constitute Charged Assets for the New Series of Securities.

All Securityholders are deemed to have accepted Condition 4(b)(ii) and to be bound by the terms thereof even if not Consenting Securityholders.

(iii) **Substitution with Cash Collateral**

- (A) In the event the Vendor does not deliver to the Issuer on the Issue Date all or any part of the Initial Charged Assets pursuant to the Sale Agreement, the Issuer shall, on the Issue Date, deposit the Cash Collateral into the Cash Deposit Account. The Cash Collateral shall form part of the Charged Assets and shall be subject to the security interest in favour of the Trustee created pursuant to the Trust Instrument.
- (B) The Vendor will use reasonable endeavours to pursue delivery of the Initial Charged Assets (whether or not such Charged Assets are subject to default (howsoever described)) to the Issuer in accordance with normal market practice pursuant to the Sale Agreement. In the event the Vendor delivers the Initial Charged Assets (or part thereof) to the Issuer after the Issue Date, the Issuer shall substitute the Initial Charged Assets (or part thereof) for an amount of cash held in the Cash Deposit Account equal to an amount which is the product of (1) the principal amount of such Initial Charged Assets divided by the aggregate principal amount of the Initial Charged Assets multiplied by (2) the Price. Such Initial Charged Assets shall be deposited with the Custodian in the Custodian's account pursuant to the Agency Agreement. From the time of such deposit, such amounts removed from the Cash Deposit Account will not form part of the Charged Assets.
- (C) The Issuer's ability to deposit cash on the Issue Date shall be for the purposes of ensuring that the Securities are fully secured. Any interest earned on the Cash Deposit Account shall be paid by the Issuer to the Counterparty under the Swap Agreement. For the avoidance of doubt, any substitution pursuant to this Condition 4(b)(iii) shall not affect the payments by the Counterparty to the Issuer under the Swap Agreement.

(c) **Realisation of Charged Assets upon early redemption or Event of Default**

If the Security Interests over any of the Charged Assets become enforceable following an early redemption of the Securities or an Event of Default, the Trustee may in its discretion and, if requested by an Instructing Creditor, shall (subject to being indemnified, secured and/or prefunded to its satisfaction) realise such Charged Assets and/or take such action as may be permitted under applicable laws against any obligor in respect of such Charged Assets. The Trustee will not have any liability as to the consequence of such action and will not have regard to the effect of such action on individual Securityholders or the Counterparty. On the occurrence of any such event, each Charged Agreement will terminate in accordance with its terms.

Notwithstanding anything to the contrary in the Issue Terms, if (i) the Counterparty is the Defaulting Party in respect of and as defined in the Swap Agreement at any time; and (ii) "the Counterparty only" is specified as the Instructing Creditor in the Issue Terms, the Instructing Creditor shall be deemed to be the Counterparty or the Securityholders.

5. APPLICATION OF PROCEEDS

The Trust Instrument provides for the application of the Realisation Amount in accordance with the relevant Security Ranking Basis.

The Issue Terms will specify the "**Security Ranking Basis**" in accordance with which the Realisation Amount will be applied, being one of the following (or otherwise as specified in the Issue Terms):

- (a) "**Securityholder Priority Basis**" meaning, first, in meeting claims of the Securityholders under the Securities on a *pari passu* and *pro rata* basis and, thereafter, in meeting the claims of the Counterparty (or if more than one Counterparty, meeting the claims of all such Counterparties on the basis as specified in the Issue Terms) under the Charged Agreement(s); or
- (b) "**Pari passu Basis**" meaning in meeting the claims of the Securityholders and the Counterparty (or if more than one Counterparty, meeting the claims of all such Counterparties on the basis as specified in the Issue Terms) under the Charged Agreement(s) on a *pari passu* and *pro rata* basis; or
- (c) "**Counterparty Priority Basis**" meaning, first, in meeting the claims of the Counterparty (or, if more than one Counterparty, meeting the claims of all such Counterparties on the basis as specified in the Issue Terms) under the Charged Agreement(s) and, thereafter, in meeting the claims of the Securityholders on a *pari passu* and *pro rata* basis; or
- (d) "**Counterparty/Securityholder Priority Basis**" meaning, Counterparty Priority Basis, provided that if the Counterparty is the Defaulting Party in respect of and as defined in the Swap Agreement at any time, the Security Ranking Basis shall be Securityholder Priority Basis.

For the avoidance of doubt, the Counterparty shall not have any claim in respect of the Issuer's Rights under the Charged Agreement(s).

6. SHORTFALL AFTER APPLICATION OF PROCEEDS

- (a) All payments to be made by the Issuer in respect of the Securities and the Charged Agreement(s) (if any) will be made only from and to the extent of the sums received or recovered from time to time by or on behalf of the Issuer or the Trustee in respect of the Mortgaged Property in accordance with the Security Ranking Basis specified in the Issue Terms;
- (b) to the extent that such sums are less than the amount which the Securityholders and the Counterparty (if any) may have expected to receive (the difference being referred to as a "**shortfall**"), such shortfall will be borne by such Securityholders and by the Counterparty (if any) in accordance with the Security Ranking Basis specified in the Issue Terms; and

- (c) each holder of Securities, by subscribing for or purchasing the relevant Securities, and each Counterparty (if any) will be deemed to accept and acknowledge that it is fully aware that:
- (i) the Securityholders and the Counterparty (if any) shall look solely to the sums referred to in paragraph (a) of this Condition 6 (*Shortfall after Application of Proceeds*), as applied in accordance with paragraphs (a) and (b) above (the "**Relevant Sums**"), for payments to be made by the Issuer in respect of the Securities and the Charged Agreement(s) (if any);
 - (ii) the obligations of the Issuer to make payments in respect of the Securities and the Charged Agreement(s) (if any) will be limited to the Relevant Sums and the Securityholders and the Counterparty (if any) shall have no further recourse to the Issuer in respect of the Securities and the Charged Agreement(s) (if any), respectively;
 - (iii) without prejudice to the foregoing, any right of the Securityholders and the Counterparty (if any) to claim payment of any amount exceeding the Relevant Sums shall be automatically extinguished; and
 - (iv) the Securityholders and the Counterparty (if any) shall not be able to petition for the winding up of the Issuer as a consequence of any such shortfall.

Non-payment of any shortfall shall not constitute an Event of Default under Condition 11 (*Events of Default*) nor entitle the Counterparty (if any) or the Swap Guarantor (if any) to terminate the remainder of the Charged Agreement(s) in respect of such Series in the case of a partial termination and in any event, in respect of any other Series.

None of the Trustee, the shareholders of the Issuer, any Dealer, any Counterparty or any Swap Guarantor has any obligation to any Securityholder for payment of any amount by the Issuer in respect of the Securities.

7. TYPES OF SECURITIES

(a) Fixed Rate Securities

Each Fixed Rate Security bears interest on its Outstanding Principal Amount as on the first day of a Fixed Interest Period from (and including) the Interest Commencement Date (as specified in the Issue Terms) to (but excluding) the Maturity Date at the rate(s) per annum equal to the Rate(s) of Interest, subject to any cessation of interest in circumstances as set out in the terms of the Securities.

Interest will be payable in arrear on the Interest Payment Date(s) in each year as specified in the Issue Terms, subject as aforesaid. Interest pursuant to this Condition 7(a), whether for a Fixed Interest Period or a period other than a Fixed Interest Period, shall be calculated in respect of each Security (and subject, in respect of Fixed Rate Securities in definitive form, to the paragraph below) as the product of:

- (A) the Rate of Interest;
- (B) in the case of Fixed Rate Securities which are represented by a Global Security, such Security's *pro rata* share of the aggregate Outstanding Principal Amount of the Fixed Rate Securities represented by such Global Security; or (ii) in the case of Fixed Rate Securities in definitive form, the Calculation Amount; and

(C) the applicable Day Count Fraction,

the resultant figure being rounded to the nearest sub-unit of the relevant Currency of Issue, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Fixed Rate Security in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Fixed Rate Security shall be the product of the interest amount (determined in the manner provided above) for the relevant Calculation Amount and the amount by which the relevant Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

(b) **Floating Rate Securities**

(i) ***Interest Payment Dates***

Each Security which is a Floating Rate Security bears interest on its Outstanding Principal Amount as on the first day of an Interest Period from (and including) the Interest Commencement Date to (but excluding) the Maturity Date, subject to any cessation of interest in circumstances as set out in the Issue Terms.

Such interest will be payable in arrears on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the Issue Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the Issue Terms, each date which falls the number of months or other period specified as the Specified Period in the Issue Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date,

each an "**Interest Payment Date**".

Such interest will be payable in respect of each Interest Period (which expression shall, in these Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

(ii) ***Rate of Interest***

The Rate of Interest payable from time to time in respect of Floating Rate Securities will be determined in the manner specified in the Issue Terms.

(A) ISDA Determination for Floating Rate Securities

Where ISDA Determination is specified in the Issue Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the Issue Terms) the Margin (if any).

For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent Bank under an interest rate swap transaction if the Agent Bank were acting as Calculation

Agent for that swap transaction under the terms of an agreement incorporating either of the 2000 ISDA Definitions or the 2006 ISDA Definitions (as specified in the Issue Terms) and under which:

- (1) the Floating Rate Option is as specified in the Issue Terms;
- (2) the Designated Maturity is a period specified in the Issue Terms; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate ("**LIBOR**") or on the Euro-zone inter-bank offered rate ("**EURIBOR**") for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the Issue Terms.

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the 2000 ISDA Definitions or the 2006 ISDA Definitions, as the case may be.

When this sub-paragraph (A) applies, in respect of each relevant Interest Period the Agent Bank or the Calculation Agent, as the case may be, will be deemed to have discharged its obligations under Condition 7(b)(iv) (*Types of Securities - Floating Rate Securities*) in respect of the determination of the Rate of Interest if it has determined the Rate of Interest in respect of such Interest Period in the manner provided in this sub-paragraph (A).

(B) Screen Rate Determination for Floating Rate Securities

Where Screen Rate Determination is specified in the Issue Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the relevant Interest Determination Date plus or minus (as indicated in the Issue Terms) the Margin (if any), all as determined by the Agent Bank. If 5 or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent Bank for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph,

the Agent Bank shall request the principal London office of each of the Reference Banks (as defined below) to provide the Agent Bank with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent Bank with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent Bank..

If the Reference Rate from time to time in respect of Floating Rate Securities is specified in the Issue Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Securities will be determined as provided in the Issue Terms.

(iii) ***Minimum and/or Maximum Interest Rate***

If the Issue Terms specify a Minimum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii) above is less than such Minimum Interest Rate, the Rate of Interest for such Interest Period shall be such Minimum Interest Rate.

If the Issue Terms specify a Maximum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraph (ii) above is greater than such Maximum Interest Rate, the Rate of Interest for such Interest Period shall be such Maximum Interest Rate.

(iv) ***Determination of Rate of Interest and Interest Amounts***

The Agent Bank (in the case of Floating Rate Securities) will, on or as soon as practicable after each time at which the Rate of Interest is to be determined, but in any event no later than the second Business Day thereafter, determine and notify the Issuer, the Trustee, the Counterparty (if any) and the Principal Paying Agent of (i) the Rate of Interest for the relevant Interest Period and (ii) the amounts payable in respect of each Security (the "**Interest Amounts**") pertaining to such Interest Period.

The Interest Amount payable in respect of each Security (and subject, in respect of Floating Rate Securities in definitive form, to the paragraph below) shall be the product of:

- (A) the Rate of Interest;
- (B) (i) in the case of Floating Rate Securities which are represented by a Global Security, such Security's *pro rata* share of the aggregate Outstanding Principal Amount of the Securities represented by such Global Security as of the last day of the relevant Interest Period; or (ii) in the case of Floating Rate Securities in definitive form, the Calculation Amount; and
- (C) the applicable Day Count Fraction,

the resultant figure being rounded to the nearest sub-unit of the relevant Currency of Issue, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Floating Rate Security in definitive form is a multiple of the Calculation Amount, the Interest Amount payable in respect of such Floating Rate Security shall be the product of the Interest Amount (determined in the manner provided above) for the relevant Calculation Amount and the amount by which the relevant Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

(v) ***Publication of Rate of Interest and Interest Amounts***

The Principal Paying Agent will cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date to be notified to any Stock Exchange upon which the Securities are (as specified in the Issue Terms) listed and to be published in accordance with relevant provisions relating to notices as soon as possible after their determination, but in any event no later than the fourth Business Day thereafter. The Interest Amounts and Interest Payment Date so published may subsequently be amended with the consent of the Trustee (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified as aforesaid to each Stock Exchange on which the relevant Floating Rate Securities are for the time being listed and to the Securityholders.

(vi) ***Determination or calculation by Trustee***

If the Agent Bank or, as the case may be, the Calculation Agent at any material time defaults in its obligation to determine the Rate of Interest or the Interest Amounts in accordance with sub-paragraphs (ii) and (iv) above, the Trustee (or a person appointed by the Trustee for the purpose) (but without any liability accruing to the Trustee as a result) may (i) determine the Rate of Interest at such rate as, in its absolute discretion (having such regard as it shall think fit to the procedure described in sub-paragraph (ii) above), it shall deem fair and reasonable in all the circumstances and (ii) calculate the Interest Amounts in the manner specified in sub-paragraph (iv) above. Such determination and calculation shall be deemed to be a determination and calculation by the Agent Bank or, as the case may be, the Calculation Agent.

(vii) ***Notifications to be final***

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions summarised under this Condition whether by the Agent Bank, the Calculation Agent or the Trustee, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Counterparty (if any), the Agent Bank, the Calculation Agent, the Trustee, the Paying Agents and all Securityholders, as applicable, and (subject as aforesaid) no liability to the Securityholders shall attach to the Agent Bank, the Calculation Agent or the Trustee in connection with the exercise or non-exercise by them of their powers, duties and discretions pursuant to this Condition.

(c) ***Rounding in respect of all Securities***

Unless specified otherwise and subject to Conditions 7(a) (*Types of Securities – Fixed Rate Securities*) and 7(b)(iv) (*Types of Securities – Floating Rate Securities*), all amounts resulting from any calculations referred to in these Conditions will be rounded downwards to the nearest unit or sub-unit of currency or as described in the Issue Terms.

(d) ***Cessation of interest***

Unless otherwise specified in the Issue Terms, notwithstanding any other terms of these Conditions, if (i) an Event of Default in relation to the Securities occurs or the Securities are redeemed early, (ii) an event of default in relation to the Charged Assets occurs or any of the Charged Assets are redeemed early or (iii) the Securities are redeemed pursuant to a termination under the Swap Agreement, the interest on the Securities will cease to accrue from, and including, the Interest Payment Date immediately preceding the date on which any of the events referred to in (i) to (iii) above have occurred (or in the case of the first Fixed Interest Period or, as the case may be, Interest Period, the Interest Commencement Date).

(e) ***Default interest***

If payment to any Securityholder of any amount due in respect of the Securities is improperly withheld or refused, interest shall accrue as provided in the Trust Instrument at the rate specified for the purpose in the Issue Terms (or if no such rate is specified, the rate shall be deemed to be zero). References to any payment due or owing in respect of the Securities shall be deemed to include any interest which may be payable under this Condition 7 (*Types of Securities*).

8. REDEMPTION

(a) **Final redemption**

Each Security will be redeemed by the Issuer on the Maturity Date at its Final Redemption Amount or as otherwise specified in the Issue Terms, unless such Security has been redeemed, purchased or cancelled prior to such date.

(b) **Redemption for taxation reasons**

(i) If:

(A) the Issuer, on the occasion of the next payment due in respect of the Securities, would be required by law to withhold or account for tax in respect of such payment or would suffer tax in respect of its income in respect of the Charged Assets or receipt of payments under any Charged Agreement (including the deductions of tax from such payments) so that it would be unable to make payment of the full amount payable on the Securities without recourse to further sources of funding or any payment of principal or interest or other distribution in respect of the Charged Assets for the time being is required to be made subject to any deduction or withholding on account of any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) that is imposed by any government or other taxing authority in respect of any such payment of interest, or on account of any right of set-off, or for any other reason, or

- (B) the Issuer, on the occasion of the next payment due in respect of any Charged Agreement, would be required by law to withhold or account for tax in respect of such payment or would suffer tax in respect of its income in respect of the Charged Assets (including the deductions of tax from such payments) so that it would be unable to make payment of the full amount payable under such Charged Agreement without recourse to further sources of funding, or
- (C) the cost to the Issuer of complying with its obligations under the Trust Instrument or meeting its operating or administrative expenses would, in the opinion of the Issuer, be materially increased compared to such cost as of the Issue Date (including, without limitation, as a result of any adverse change in tax rulings in respect of the Issuer or any adverse change of law or practice (or interpretation or administration of the same) which applies to the Issuer), or
- (D) the Issuer would be required to account for any tax or suffer tax in respect of its income in respect of the Charged Assets or receipt of payments (whether actual or deemed) under any Charged Agreement as a result of the then accounting treatment, as certified by the Issuer's auditors,

then the Issuer shall so inform the Trustee, the Principal Paying Agent, the Calculation Agent and the Counterparty (if any).

The date on which any such withholding or deduction is suffered or increased amount is payable is referred to as the "**Shortfall Date**". The Issuer shall use its reasonable endeavours to arrange the substitution as the principal debtor under the Securities of a company, approved by the Trustee (and in the case of Securities that are rated, subject to Rating Agency Confirmation), incorporated in another jurisdiction wherein (in respect of sub-paragraphs (A), (B) and (D) of Condition 8(b)(i)) such withholding would not be applicable, or such tax would not be accountable or suffered, or (in respect of sub-paragraph (C) of Condition 8(b)(i)) such costs or operating or administrative expenses would not materially exceed the Issuer's costs or operating or administrative expenses prior to the increase and the company concerned would not be in any worse position following the substitution than the Issuer was in before the event occurred which resulted in the Issuer being obliged to use reasonable endeavours to substitute in accordance with this provision.

- (ii) If the Issuer is unable to arrange such substitution before the relevant Shortfall Date, in the case of Condition 8(b)(i)(A) where there is a Charged Agreement, the Counterparty shall have the right, but not the obligation, in its sole discretion, under any Charged Agreement to pay to the Issuer such amounts as will enable it (after any such withholding, accounting or suffering) to pay (and in such event, the Issuer will be obliged to pay) to the Securityholders the amounts which they would have received in the absence of such withholding, accounting or suffering.

If the Issuer is unable to arrange such substitution before the relevant Shortfall Date in the case of Condition 8(b)(i)(B), the Counterparty shall have the right, but not the obligation, in its sole discretion, under any such Charged Agreement to accept a lesser payment from the Issuer in respect of the Charged Assets (after any such withholding or accounting or suffering of tax by the Issuer in respect of the Charged Assets).

If the event referred to in Condition 8(b)(i)(C) or (D) has occurred and there is a Charged Agreement, the Counterparty shall have the right, but not the obligation, before the Shortfall Date, to make additional payments to the Issuer so that the Issuer would not be in any worse position as a result of the occurrence of such event.

- (iii) If the Counterparty does not exercise such right as referred to in paragraph (ii) above, any such Charged Agreement will be terminated and the Securities redeemed as follows. The Selling Agent shall arrange for, and administer the sale of, the Charged Assets in accordance with the Agency Agreement in which case, upon the sale of the Charged Assets and receipt of the Realisation Amount, the Issuer shall give notice as soon as reasonably practicable to the Trustee and the Securityholders (which notice shall be irrevocable) of the date on which the Securities will be redeemed at the Early Redemption Amount.
- (iv) Notwithstanding the foregoing, if the requirement to withhold or account for any of the taxes referred to in this Condition arises:
 - (A) owing to any connection of any Securityholder with the taxing jurisdiction to which the Issuer is subject otherwise than by reason only of the holding of any Security or receiving principal, premium or interest in respect thereof; or
 - (B) by reason of the failure by the relevant Securityholder to comply with any applicable procedures required to establish non-residence 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 Securityholder and the provisions of the preceding paragraph shall not apply. Any such deduction shall not constitute an Event of Default under Condition 11 (*Events of Default*).

(c) **Mandatory Redemption**

(i) ***Following Default under the Charged Assets or termination of a Charged Agreement***

Subject to Condition 4(b)(iii)(*Charged Assets - Substitution with Cash Collateral*):

- (A) if there has been a payment default in respect of the Charged Assets, or any one or more of the Charged Assets, as the case may be (having taken into account any applicable grace period); or
- (B) if the Charged Agreements are terminated (in whole but not in part) for any reason other than as a consequence of any specific Conditions relating to redemption of the Securities; or
- (C) if any of the Charged Assets (or amounts due pursuant thereto) become capable of being declared due and payable (without taking into account for this purpose any grace period under any terms in effect) prior to their stated date of maturity or other date or dates for their repayment by reason of any event of default (howsoever described) thereunder; or

- (D) if any obligor under the Charged Assets stops or threatens to stop payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due, or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or if any order is made by any competent court or any resolution passed for the winding-up or dissolution of such obligor or if proceedings are initiated against such obligor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or any analogous proceedings or such obligor is adjudicated or found bankrupt or insolvent,

the Issuer shall give notice thereof to the Trustee, the Securityholders and the Selling Agent.

Thereupon, the Selling Agent shall arrange for, and administer the sale of, all of the Charged Assets in accordance with the Agency Agreement and, if applicable, Condition 8(c)(iv) (*Liquidation of Charged Assets*) below, in which case, upon sale of all of the Charged Assets and receipt of the Realisation Amount, the Issuer shall give notice as soon as reasonably practicable to the Trustee and the Securityholders (which notice shall be irrevocable) of the date on which the Securities will be redeemed at the Early Redemption Amount and the Charged Agreement(s) will be terminated.

(ii) ***Following Early Redemption of the Charged Assets***

Subject to Condition 4(b)(iii)(*Charged Assets - Substitution with Cash Collateral*), where any one or more of the Charged Assets in relation to a Series of Securities are redeemed pursuant to an early unscheduled redemption of such Charged Assets prior to their stated date of maturity (other than by reason of a payment default), the Issuer shall give notice as soon as reasonably practicable to the Trustee, the Securityholders and the Selling Agent (which notice shall be irrevocable) of the date on which the net redemption proceeds of such Charged Assets shall be applied as specified in Condition 5 (*Application of proceeds*). The Issuer shall give notice as soon as reasonably practicable to the Trustee and the Securityholders (which notice shall be irrevocable) of the date on which the Securities will be redeemed at the Early Redemption Amount and the Charged Agreement(s) will be terminated. In such circumstances, in relation to any Charged Assets not so redeemed, the Selling Agent shall arrange for, and administer the sale of, such Charged Assets (and the Issuer shall give notice of the Realisation Amount relating thereto in accordance with the provisions set out in Condition 8(c)(i) above, which, for the avoidance of doubt, shall be applied on the same date as, and together with, the net redemption proceeds received in relation to the redeemed Charged Assets as specified in Condition 5 (*Application of proceeds*)). In the event of an early unscheduled redemption of the Initial Charged Assets prior to their stated date of maturity (other than by reason of a payment default) prior to the delivery by the Vendor of all or any part of the Initial Charged Assets, any undelivered Initial Charged Assets shall be deemed to have been delivered by the Vendor to the Issuer and sold by the Selling Agent in accordance with the Agency Agreement. In the event that the deemed proceeds of the sale of such undelivered Initial Charged Assets are less than the amount of cash held in the Cash Deposit Account at such time, the Selling Agent, on behalf of the Issuer, shall pay any such difference to the Vendor as soon as reasonably practicable thereafter. Each Security will thereafter be redeemed on a *pro rata* basis of the aggregate amount allocated to the Securityholders.

(iii) ***Following Event of Default under the Swap Agreement with Counterparty as Defaulting Party***

Subject to Condition 4(b)(iii)(*Charged Assets - Substitution with Cash Collateral*), if there has been an Event of Default under and as defined in the Swap Agreement and the Counterparty is the Defaulting Party (as defined in the Swap Agreement), the Issuer shall give notice thereof to the Securityholders, the Selling Agent and the Trustee. At any time at which the Event of Default under and as defined in the Swap Agreement is continuing (having taken into account any applicable grace period), (a) the Securityholders may instruct the Issuer by way of Extraordinary Resolution (with a copy to the Trustee and the Selling Agent) or (b) the Selling Agent (provided it is a Replacement Selling Agent) may instruct the Issuer (with a copy to the Trustee and the Securityholders) (i) to terminate the Swap Agreement and (ii) to redeem the Securities in accordance with this Condition 8(c)(iii). Thereupon, the Selling Agent shall (i) terminate the Swap Agreement on behalf of the Issuer and (ii) arrange for, and administer the sale of, all of the Charged Assets in accordance with the Agency Agreement and, if applicable, Condition 8(c)(iv) (*Liquidation of Charged Assets*) below. Upon sale of all of the Charged Assets and receipt of the Realisation Amount, the Issuer shall give notice as soon as reasonably practicable to the Trustee and the Securityholders (which notice shall be irrevocable) of the date on which the Securities will be redeemed at the Early Redemption Amount.

(iv) ***Liquidation of Charged Assets***

In the event of a payment default in respect of the Initial Charged Assets prior to the delivery by the Vendor of all or any part of the Initial Charged Assets, any undelivered Initial Charged Assets shall be deemed to have been delivered by the Vendor to the Issuer and sold by the Selling Agent in accordance with the Agency Agreement. In the event that the deemed proceeds of the sale of such undelivered Initial Charged Assets are less than the amount of cash held in the Cash Deposit Account at such time, any such difference shall be paid to the Vendor as soon as reasonably practicable thereafter.

(v) ***General***

Once the net proceeds of sale or redemption of the Charged Assets have been applied in accordance with this Condition, failure to make any further payment due in respect of a mandatory redemption of part of the principal amount of the Securities or interest thereon or any termination payment under any Charged Agreement shall not constitute an Event of Default.

(d) **Redemption at the option of the Issuer**

- (i) The Issue Terms may specify that the Issuer has the option to redeem all or some of the Securities on the Optional Call Redemption Date(s) at the Optional Call Redemption Amount together with interest to (but excluding) the date of redemption.
- (ii) The Issuer may only exercise such option by giving notice to the Securityholders, the Trustee, the Counterparty (if any) and the Principal Paying Agent within the Issuer's Option Period (as defined in the relevant Issue Terms), provided that such notice shall consist of a minimum of 5 Business Days prior to the Optional Call Redemption Date(s).

- (iii) In the case of a partial redemption of the Securities, the Securities to be redeemed will be selected individually by lot (where the Securities are in definitive form) or in accordance with the rules of the Clearing Systems (where the Securities are in global form) (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in the nominal amount, at their discretion).

(e) **Redemption of Zero Coupon Securities**

- (i) For the purpose of this Condition 8 (*Redemption*) and Condition 11 (*Events of Default*), each Zero Coupon Security will be redeemed at an amount (the "**Amortised Face Amount**") calculated in accordance with the following formula:

$$\text{Amortised Face Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

"**RP**" means the Reference Price;

"**AY**" means the Accrual Yield expressed as a decimal; and

"**y**" is a fraction the numerator of which is specified in the applicable Issue Terms which will be either (i) 30/360 (in which case the numerator will be equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Securities to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Security becomes due and repayable and the denominator of which is 360), or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Securities to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Security becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Securities to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Security becomes due and repayable and the denominator will be 365).

- (ii) If the amount payable in respect of any Zero Coupon Security upon redemption of such Zero Coupon Security pursuant to this Condition 8 (*Redemption*) or upon its becoming due and repayable as provided in Condition 11 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Security shall be the amount calculated as provided in sub-paragraph (i) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Security becomes due and payable were replaced by references to the date which is the earlier of:
 - (i) the date on which all amounts due in respect of such Zero Coupon Security have been paid; and
 - (ii) 5 days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Securities has been received by the Agent or the Trustee and notice to that effect has been given to the Securityholders in accordance with Condition 15 (*Notices*).

(f) **3a-7 Compliance Redemption**

If the Issuer determines in its sole and absolute discretion that:

- (i) a Security is held by or on behalf of a person who is not an Eligible Investor at the time it purchases such Security;
- (ii) the Trustee is or becomes "affiliated" (as such term is defined in Rule 405 of the Securities Act) with any person or entity involved in the organisation or operation of the Issuer;
- (iii) the Trustee retires or is removed and no successor Trust Corporation incorporated in the United States of America is appointed in accordance with Clause 25 of the 3-a7 Trust Terms Module; and/or
- (iv) it is necessary to do so to maintain any applicable exemption from or exception to the 1940 Act,

the Issuer may give not less than 15 days' notice to the Securityholders (or, in the case of (i) above, the relevant Securityholder(s)) and upon the expiry of such notice redeem all of the Securities (or in the case of (i) above, the Securities held by such Securityholder) and the security created by or pursuant to the Trust Instrument over a proportion of the Charged Assets equal to the proportion that the Outstanding Principal Amount of the Securities to be redeemed bears to the aggregate Outstanding Principal Amount of the Securities immediately prior to such redemption shall be released and the Selling Agent shall arrange for, and administer, the sale of such Charged Assets and such Securities shall be redeemed at the Early Redemption Amount. The Early Redemption Amount in respect of this Condition shall be determined using the Realisation Amount in respect of the proportion of the Charged Assets sold by the Selling Agent in accordance with this Condition and shall be applied in accordance with the relevant Security Ranking Basis and apportioned *pro rata* to those Securities being redeemed pursuant to this Condition. By subscription for, or acquisition of, any Security, each Securityholder accepts and is bound by this provision.

(g) **Redemption following a change in law**

If the Issuer determines in its sole and absolute discretion that it has become illegal to hold, acquire or dispose of any Charged Asset(s) due to:

- (A) the adoption of or any change in any applicable law or regulation (including, without limitation, in respect of any tax law, solvency or capital requirements); or
- (B) the promulgation of or any change in the interpretation or application of any law or regulation by any court, tribunal or regulatory or other supervisory authority with competent jurisdiction (including any action taken by a taxing or financial authority or any supervisory authority) or the combined effect thereof if occurring more than once,

the Issuer may give not less than 15 days' notice to the Securityholders and upon the expiry of such notice redeem all of the Securities and the security created by or pursuant to the Trust Instrument over a proportion of the Charged Assets equal to the proportion that the Outstanding Principal Amount of the Securities to be redeemed bears to the aggregate Outstanding Principal Amount of the Securities immediately prior to such redemption shall be released and the Selling Agent shall arrange for, and administer, the sale of such Charged Assets and such Securities shall be redeemed at the

Early Redemption Amount. The Early Redemption Amount in respect of this Condition shall be determined using the Realisation Amount in respect of the proportion of the Charged Assets sold by the Selling Agent in accordance with this Condition and shall be applied in accordance with the relevant Security Ranking Basis and apportioned *pro rata* to those Securities being redeemed pursuant to this Condition. By subscription for, or acquisition of, any Security, each Securityholder accepts and is bound by this provision.

(h) **Cancellation**

All Securities redeemed early or purchased by the Issuer pursuant to the Issue Terms shall be cancelled and may not be reissued or resold.

9. PURCHASE

- (a) The Issue Terms will specify whether the Issuer may, through the Counterparty or an Affiliate, provided that no Event of Default has occurred and is continuing, purchase the Securities (or any of them) at any time in the open market or otherwise at any price. The Issuer shall not purchase any definitive Bearer Security unless it purchases all unmatured Coupons (if any) in respect of such Bearer Security.
- (b) On any such purchase the Charged Agreements (or a proportionate part thereof which corresponds to the Securities to be purchased) will be terminated. The Trust Instrument provides that the security over the Mortgaged Property (or a proportionate part thereof) will be released against receipt by the Trustee of the net proceeds of the realisation of such Mortgaged Property.
- (c) No interest will be payable with respect to a Security purchased in respect of the period from the Issue Date or the previous Interest Payment Date, as the case may be, to the date of such purchase.
- (d) On a purchase under this Condition of a proportion of the Securities, the Calculation Agent shall, subject to Rating Agency Confirmation (from S&P only and only in the case of Securities that are rated by S&P) but without the consent of any other person, make such amendments as are necessary to preserve the economic equivalence of the remaining Securities including without limitation, any consequential amendments to the Notional Amount, and, in the case of Securities that are rated, notify the Rating Agencies of such amendments.

10. PAYMENTS

- (a) Payments of principal and premium (if any) in respect of a definitive Bearer Security or a Bearer Global Security will be made at the specified office of any of the Paying Agents against surrender (or, in the case of partial payment, presentation) of the definitive Bearer Securities or the Bearer Global Security, as the case may be. Payments of interest, if applicable, in respect of definitive Bearer Securities or a Bearer Global Security due on an Interest Payment Date will be made at the specified office of any of the Paying Agents outside the United States (which expression, as used herein, means the United States of America (including the States thereof, the District of Columbia and the territories, possessions and other areas subject to the jurisdiction of the United States of America)), subject as provided in sub-paragraph (c) below, against surrender (or, in the case of partial payment, presentation) of the relevant Coupons or, as applicable, against presentation of the Bearer Global Security.

Such payments shall be made by a cheque payable in the Currency of Issue drawn on, or, at the option of the holder, by transfer to an account denominated in the Currency of Issue with, a bank in the city specified in the Issue Terms as the place of payment, or, in the case of the euro, a city in which banks have access to the Target2 System, subject in all cases to any fiscal or other laws and regulations applicable in the place of payment.

The Paying Agent to which a Bearer Global Security shall have been presented for payment shall instruct Euroclear and Clearstream, Luxembourg to make appropriate entries in their records in respect of such Bearer Global Security.

As long as Bearer Securities are represented by a Bearer Global Security, each of the persons shown in the records of the Clearing Systems as the holder of a Bearer Security must look solely to the Clearing Systems for his share of each payment so made by the Issuer to the bearer of the Bearer Global Security, subject to and in accordance with the respective rules and procedures of the Clearing Systems.

Such persons shall have no claim directly against the Issuer in respect of payments due on the Bearer Securities for so long as the Bearer Global Security is outstanding. The Issuer will be discharged by payment to the bearer of the Bearer Global Security in respect of each amount so paid.

Notwithstanding the foregoing, payments on a Bearer Global Security or a definitive Bearer Security will only be made upon certification:

- (i) as to non-U.S. beneficial ownership as required by U.S. Treasury regulations;
- (ii) that the transferee is an Eligible Investor; and
- (iii) that the holder thereof is not a U.S. person.

No payments due after the Exchange Date will be made on the Temporary Bearer Global Security.

- (b) Each Bearer Security should be presented for payment together with, if applicable, all unmatured related Coupons. If any Bearer Security in respect of a Fixed Rate Security is presented for payment without, if applicable, all unmatured related Coupons (not being a Talon), the full amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the full amount in the Currency of Issue of such missing unmatured Coupon which the sum of principal so paid bears to the total amount of principal due) will be deducted from the principal amount due for payment. Any amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time thereafter but before the expiry of a period of 10 years from the Relevant Date (as defined in Condition 13 (*Prescription*)) for the payment of such principal (whether or not such Coupon would otherwise have become void pursuant to Condition 13 (*Prescription*)) or, if later, 5 years from the date for payment stated on such Coupon, but not thereafter. All (if any) unmatured Talons and all unmatured Coupons appertaining to a Floating Rate Security (whether or not attached to the relative Bearer Security) shall become void upon the date on which such Bearer Security becomes due and repayable and no payment or exchange shall be made in respect thereof.
- (c) No payments of principal and/or interest in respect of Bearer Securities denominated in U.S. dollars will be made at the specified office of any Paying Agent in the United States. Notwithstanding the

foregoing, such payments of principal and/or interest will be made at the specified office of any Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on such Securities in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer, adverse tax consequences to the Issuer.

If no appointment of a Paying Agent with a specified office in the United States is then in effect, the Issuer shall appoint a Paying Agent with a specified office in New York City at which such payments will be made. Notice of any termination or appointment of a Paying Agent and of any changes in the specified offices of the Paying Agents will be given to the Securityholders in accordance with Condition 15 (*Notices*).

- (d) After all the Coupons attached to or issued in respect of a definitive Bearer Security have matured, further Coupons and, where applicable, one further Talon will (subject to Condition 13 (*Prescription*)) be issued against surrender of the relevant Talon at the specified office of any Paying Agent.
- (e) If the due date for payment of any amount of principal, premium (if any) or, if applicable, interest in respect of any Security is not a Payment Day, the holder of such Security shall not be entitled to payment until the next following Payment Day and shall not be entitled to any further interest or other payment in respect of any such delay. If a Security is presented for payment at a time when, as a result of differences in time zones, it is not practicable to transfer the relevant amount to an account for value on the date of presentation, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to such account for value on the first practicable date after the date of presentation.
- (f) Subject as provided in this Condition 10 (*Payments*):
 - (i) payments in a Currency of Issue other than euro will be made by credit or transfer to an account in the relevant Currency of Issue maintained by the payee with, or, at the option of the payee, by a cheque in such Currency of Issue drawn on, a bank in the principal financial centre of the country of such Currency of Issue (which, if the Currency of Issue is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
 - (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable to such payments in the place of payment, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or

otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

- (g) Unless otherwise specified in the Issue Terms, any reference in the Conditions to principal in respect of the Securities shall be deemed to include, as applicable:
- (i) any additional amounts which the Counterparty (if any) may elect to pay to the Issuer with respect to principal under Condition 8(b) (*Redemption for taxation reasons*);
 - (ii) the Final Redemption Amount of the Securities;
 - (iii) the Early Redemption Amount of the Securities;
 - (iv) the Optional Call Redemption Amount(s) (if any) of the Securities;
 - (v) in relation to Zero Coupon Securities, the Amortised Face Amount; and
 - (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Securities.

Any reference in the Conditions to interest in respect of the Securities shall be deemed to include, as applicable, any additional amounts which the Counterparty may elect to pay with respect to interest under Condition 8(b) (*Redemption for taxation reasons*).

11. EVENTS OF DEFAULT

Upon the occurrence of an Event of Default, the Trustee at its discretion may, and, if requested by the Instructing Creditor, shall (subject to being indemnified, secured and/or prefunded to its satisfaction), give notice to the Issuer that the Securities are, and they shall accordingly immediately become, due and repayable at the Early Redemption Amount. The Security shall become enforceable (as provided in the Trust Instrument) and the proceeds of realisation of such Security shall be applied as specified in Condition 5 (*Application of proceeds*).

"Event of Default" means any of the following events:

- (a) if default is made for a period of 14 days or more in the payment in the Currency of Issue of any sum due in respect of the Securities or any of them; or
- (b) if (i) the Issuer fails to perform or observe any of its other obligations under the Securities or the Trust Instrument, (ii) the breach of which obligation the Trustee shall have certified to be in its opinion materially prejudicial to the interests of the Securityholders and (iii) where in the opinion of the Trustee such failure is capable of remedy and such failure continues for a period of 30 days (or such longer period as the Trustee may permit) following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) if any order shall be made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer other than for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangements on terms approved by the Trustee.

12. ENFORCEMENT

At any time after the Securities (or any of them) shall have become immediately due and repayable and have not been repaid, the Trustee may, at its discretion and without further notice, and if requested by the Instructing Creditor shall (subject to being indemnified, secured and/or prefunded to its satisfaction), institute such proceedings against the Issuer as it may think fit to enforce repayment thereof and to enforce the provisions of the Trust Instrument.

No Securityholder shall be entitled to proceed against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable time and such failure is continuing. After realising the security which has become enforceable and distributing the net proceeds in accordance with Condition 5 (*Application of proceeds*), the obligations of the Issuer with respect to the Trustee, the Counterparty (if any) and the Securityholders shall be satisfied.

Neither the Trustee nor the Counterparty (if any) nor any Securityholder may take any further steps against the Issuer to recover any further sums in respect thereof, and the right to receive any such sums shall be extinguished. In particular, neither the Trustee nor the Counterparty (if any) nor any Securityholder shall be entitled in respect thereof to petition or to take any other steps for the winding-up of the Issuer nor shall any of them have any claim in respect of the Mortgaged Property for any other Series.

The Relevant Sums (as defined in Condition 6(c)(i)) may be insufficient to pay all amounts due to, among others, the Trustee, the Counterparty (if any) and the Securityholders. The other assets (if any) of the Issuer including, in particular, assets securing other series of Securities will not be available to make up any shortfall.

13. PRESCRIPTION

Claims under the Bearer Securities, the Bearer Global Securities and, if applicable, the Coupons (which for this purpose shall not include Talons) will be prescribed and become void unless the same are presented for payment within a period of 10 years in the case of principal or premium (if any) and 5 years in the case of interest from the Relevant Date relating thereto. Talons may not be exchanged for Coupons which would be void on issue.

For this purpose, the "**Relevant Date**" means the date on which the payment in respect of the Security or the Coupon first becomes due and payable. However, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent or the Trustee on or prior to such date, the "**Relevant Date**" means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Securityholders in accordance with Condition 15 (*Notices*).

14. REPLACEMENT OF SECURITIES

If any Security is lost, stolen, mutilated, defaced or destroyed it may be replaced, subject to applicable laws, regulations and Stock Exchange or other relevant authority rules or regulations, at the specified office of the Principal Paying Agent (or such other place of which notice shall have been given in accordance with Condition 15 (*Notices*)). Such replacement is subject to payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and

indemnity as the Issuer may reasonably require. Mutilated or defaced Securities must be surrendered before replacements will be issued.

15. NOTICES

All notices regarding Securities represented by a Bearer Global Security will be valid if (i) published (A) in one leading London daily newspaper or, if this is not possible, in one other English language daily newspaper with general circulation in Europe and (B) if and for so long as the Securities are listed on the Luxembourg Stock Exchange and the rules of that Stock Exchange so require, in one daily newspaper published in Luxembourg approved by the Trustee and (C) if and for so long as the Securities are listed on the Irish Stock Exchange and the Irish Stock Exchange so requires, filed with the Companies Announcements Office of the ISE or (ii) delivered to the Common Service Provider for communication by the Clearing Systems to the Securityholders and, to the extent required under the provisions of the Market Abuse (Directive 2003/6/EC) Regulations 2005, filed with the Companies Announcement Office of the Irish Stock Exchange. Any notice delivered to a Common Service Provider as aforesaid shall be deemed to have been given on the day of such delivery. It is expected that such publication will be made in (i) the *Financial Times* and (as the case may be) (ii) the *d'Wort* or *Tageblatt* and/or (iii) the *Irish Times*.

All notices regarding Securities represented by Bearer Securities in definitive form will be valid if published in accordance with option (i) in the above paragraph.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other Stock Exchange on which the Securities are for the time being listed.

Any notice published in a newspaper as aforesaid shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication. If publication is not practicable in any such newspaper as is mentioned above, notice will be valid if given in such other manner, and shall be deemed to have been given on such date, as the Trustee shall determine.

16. AGENTS

The Issue Terms will specify the relevant Agents for an issue of a Series of Securities. The duties of each of the Agents shall be as specified in the Trust Instrument, the Agency Agreement and in the Issue Terms in respect of the Securities.

Subject to the following paragraph, the Issuer reserves the right, subject to the approval of the Trustee and the Counterparty (if any), at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided that it will at all times maintain Agents as specified in the Issue Terms.

Upon the occurrence of a Selling Agent Default, a Calculation Agent Default and/or an Agent Bank Default in respect of the Selling Agent, the Calculation Agent or the Agent Bank, as the case may be, the Issuer may appoint a Replacement Selling Agent, a Replacement Calculation Agent and/or a Replacement Agent Bank, as the case may be, pursuant to Condition 17 (*Appointment of Replacement Selling Agent, Replacement Calculation Agent and Replacement Agent Bank*).

17. APPOINTMENT OF REPLACEMENT SELLING AGENT, REPLACEMENT CALCULATION AGENT AND REPLACEMENT AGENT BANK

- (a) Upon the occurrence of a Selling Agent Default, a Calculation Agent Default and/or an Agent Bank Default, the Issuer may (or shall if instructed by means of an Extraordinary Resolution of the Securityholders or by the Trustee) (x) terminate, with immediate effect, the appointment of the Selling Agent, the Calculation Agent or the Agent Bank, as the case may be, and (y) at no additional cost to the Issuer, appoint a Replacement Selling Agent, a Replacement Calculation Agent and/or a Replacement Agent Bank, as the case may be, provided that (i) the relevant Extraordinary Resolution or direction from the Trustee, as applicable, specifies the Replacement Selling Agent, Replacement Calculation Agent and/or Replacement Agent Bank, as the case may be, to be appointed, (ii) the Replacement Selling Agent, Replacement Calculation Agent and/or Replacement Agent Bank, as the case may be, is appointed on substantially the same terms as the Selling Agent, the Calculation Agent or the Agent Bank, as the case may be, is appointed under the Agency Agreement (other than any fee arrangements which may be agreed from time to time with the Securityholders by the Replacement Selling Agent, a Replacement Calculation Agent and/or a Replacement Agent Bank, as the case may be, and notified, as soon as reasonably practicable, to the Issuer in writing, but which shall not for the avoidance of doubt include any fee arrangements that would affect the Security Ranking Basis from time to time), (iii) the Replacement Selling Agent, Replacement Calculation Agent and/or Replacement Agent Bank, as the case may be, has the ability, experience and qualifications necessary to professionally and competently perform the duties required of the Selling Agent, the Calculation Agent or the Agent Bank, as the case may be, and (iv) the Replacement Selling Agent, Replacement Calculation Agent and/or Replacement Agent Bank, as the case may be, agrees to be appointed in accordance with this Condition and is able to be so appointed by the Issuer.
- (b) If the Issuer fails (if instructed by means of an Extraordinary Resolution of the Securityholders or by the Trustee) to (x) terminate, with immediate effect, the appointment of the Selling Agent, the Calculation Agent or the Agent Bank, as the case may be, and/or (y) appoint a Replacement Selling Agent, a Replacement Calculation Agent and/or a Replacement Agent Bank, as the case may be, in accordance with paragraph (a) above, within 30 calendar days from receipt of the relevant instruction of the Trustee or Extraordinary Resolution, the Trustee may (x) terminate, with immediate effect, the appointment of the Selling Agent, the Calculation Agent or the Agent Bank, as the case may be, and/or (y) appoint a Replacement Selling Agent, a Replacement Calculation Agent and/or a Replacement Agent Bank, as the case may be, in accordance with paragraph (a) above, on behalf of the Issuer.

18. RESTRICTIONS

So long as any of the Securities remains outstanding, the Issuer will not, without the written consent of the Trustee and the Counterparty (if any):

- (a) engage in any activity or do anything whatsoever, except:
- (i) issue Securities and issue or, as the case may be, enter into Alternative Investments subject to a maximum aggregate principal amount outstanding at any time of U.S.\$50,000,000,000 (or its equivalent in other currencies);

- (ii) acquire and own Charged Assets or any assets used to secure any Debt Investments and exercise its rights and perform its obligations in respect thereof;
 - (iii) enter into and perform its obligations under the Transaction Documents;
 - (iv) enforce any of its rights under the Transaction Documents, any Securities or the Mortgaged Property relating to any Series;
 - (v) as permitted by sub-paragraph (b) below; and
 - (vi) perform any act incidental to or necessary in connection with any of the above, including without limitation, entering into any swap, option or forward foreign exchange agreement in connection with the issue of Securities;
- (b) have any Subsidiaries except, if the Issuer has issued rated Securities, with the written consent of S&P (in the case of Securities rated by S&P) and with prior notification to Moody's (in the case of Securities rated by Moody's) and, in any event, only Subsidiaries:
- (i) which are wholly owned by the Issuer;
 - (ii) whose share capital is fully paid up by the Issuer;
 - (iii) whose activities are limited to the same extent as those of the Issuer under the Trust Instrument (including, without limitation, the terms of any securities or other debt instruments issued or loans entered into, by such Subsidiary being required to be on substantially the same terms as those of the Securities); and
 - (iv) in respect of whose activities the Issuer will have no liability;
- (c) subject to sub-paragraph (a) above, dispose of any of its property or other assets or any part thereof or interest therein (otherwise than in accordance with Condition 9 (*Purchase*));
- (d) create or permit within its control to subsist any charge, mortgage, lien or other encumbrance over the Mortgaged Property other than the Security Interests in respect of all Series of Securities of the Issuer;
- (e) have any employees;
- (f) declare any dividends or make any distributions of any other kind;
- (g) issue any further shares;
- (h) take any action which would lead to the dissolution, liquidation or winding up of itself or to the amendment of its constitutional documents; or
- (i) perform such other activities as are expressly restricted in the Trust Instrument.

19. MEETINGS OF SECURITYHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Instrument contains provisions for convening meetings of Securityholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of the Issue Terms or other provisions of the Trust Instrument. The quorum at any such meeting for passing an Extraordinary Resolution will be one or more persons holding or representing in aggregate not less than $\frac{662}{3}$ per cent. in Outstanding Principal Amount of the Securities for the time being outstanding, or at any adjourned such meeting one or more persons being or representing Securityholders whatever the Outstanding Principal Amount of the Securities so held or represented. An Extraordinary Resolution passed at any meeting of Securityholders or in the form of a written resolution (as described in the Trust Instrument) will be binding on all Securityholders, whether or not they are present at the meeting.

The Trustee may agree, without the consent of the Securityholders (but, in the case of Securities which are rated, subject to (in the case of Securities rated by S&P) Rating Agency Confirmation from S&P and/or (in the case of Securities rated by Moody's) prior notification to Moody's), to any modification of, or to any waiver or authorisation of any breach or proposed breach of, any of the Issue Terms or any other Transaction Document as set out in the next sentence and as more fully set out in the Trust Instrument. The Trustee may so agree if, in the opinion of the Trustee, any such modification, waiver or authorisation is not materially prejudicial to the interests of the Securityholders or any modification of, or waiver or authorisation of any breach or proposed breach as aforesaid is of a formal, minor or technical nature or to correct a manifest error. No such modification shall be effective without the consent of the Counterparty (if any) (such consent not to be unreasonably withheld or delayed). Notwithstanding the foregoing, the Trustee shall agree to make any modification (whether or not it may be materially prejudicial to the Securityholders) requested by the Dealer in respect of a Series of Securities if, and to the extent that, such modification is to correct an error in the Conditions arising from a discrepancy between the Conditions and the final termsheet provided to the initial Securityholders, as certified by the relevant Dealer to the Trustee.

Subject as provided in the Trust Instrument, the Trustee, if it is satisfied that it would not be materially prejudicial to the interests of the Securityholders, may agree, without the consent of the Securityholders (but, in the case of Securities which are rated, subject to (in the case of Securities rated by S&P) Rating Agency Confirmation (from S&P only) and/or prior notification to Moody's (in the case of Securities rated by Moody's)), to the substitution of any other company in place of the Issuer as principal debtor under the Securities, the Trust Instrument and the Transaction Documents. No such substitution shall be effective without the consent of the Counterparty (if any) (such consent not to be unreasonably withheld or delayed). Under the Trust Instrument, the Trustee may require the Issuer to use its reasonable endeavours to procure the substitution as principal debtor of a company incorporated in some other jurisdiction than that of the Issuer upon the occurrence of one of the events referred to in Condition 8(b)(i) (*Redemption for taxation reasons*).

In connection with any exercise of its trusts, powers, authorities or discretions, the Trustee shall not have regard to the consequences of such exercise for individual Securityholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory. In connection with any such exercise, no person shall be entitled to claim, whether from the Issuer, any substitute Issuer, the Counterparty (if any), the

Trustee or any other person, any indemnification or payment in respect of any tax consequence of any such exercise upon any person.

Any such modification, waiver, authorisation or substitution shall be binding on the Counterparty (if any) and all Securityholders and (if the Securities are listed and the Stock Exchange so requires) the Stock Exchange and, unless the Trustee agrees otherwise, any such modification or substitution shall be notified to the Securityholders by the Issuer as soon as practicable thereafter.

20. FURTHER ISSUES

The Issuer shall be at liberty from time to time, without the consent of the Securityholders (but subject to the consent of the Counterparty (if any) in the case of (a) below), to create and issue further securities either:

- (a) so as to be consolidated and form a single Series with the Securities (such further Securities, the "**Further Fungible Securities**"), provided that the Issuer provides additional Charged Assets as security for the original issue of Securities and any Further Fungible Securities either on a Nominal Basis or a Market Value Basis as specified in the Issue Terms and enters into an additional or supplemental Charged Agreement(s) (if applicable) (and references to "**Securities**", "**Charged Assets**" and "**Charged Agreements**" shall thereafter be deemed to be references to such terms as amended to take into account the further issue); or
- (b) to form a separate Series from the Securities upon such terms as to security, interest, premium, redemption and otherwise as the Issuer may, in its absolute discretion, at the time of the issue thereof determine.

Any such securities shall be constituted in accordance with the Trust Instrument. The Trust Instrument contains provisions for convening a single meeting of the Securityholders and the holders of securities of other Series in certain circumstances where the Trustee so decides.

In addition, such Further Fungible Securities, when issued, shall preserve the economic equivalence of the existing Securities and the Calculation Agent shall, subject to Rating Agency Confirmation in the case of Securities that are rated, but without the consent of any other person, make such amendments as are necessary, including without limitation, any consequential amendments to the Notional Amount.

21. LIABILITIES AND INDEMNIFICATION OF THE TRUSTEE

The Trust Instrument contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceedings unless indemnified, secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer, the Counterparty (if any), any obligor in respect of the Charged Assets or any of their subsidiary or associated companies without accounting for any profit resulting therefrom.

The Trustee is exempted from any liability in respect of any loss or theft of the Mortgaged Property, from any obligation to insure the Mortgaged Property and from any claim arising from the fact that the Mortgaged Property is held in a clearing system or in safe custody by a bank or other custodian. The Trust Instrument also provides that the Trustee shall accept without investigation, requisition or

objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Mortgaged Property and is not bound to make any investigation into the same or into the Mortgaged Property in any respect.

The Trustee shall not be bound or concerned to make any investigation into the creditworthiness of any obligor in respect of the Mortgaged Property, the validity of any such obligor's obligations under or in respect of the Mortgaged Property or any of the terms of the Charged Assets (including, without limitation, whether the cashflows from the Charged Assets and the Securities are matched) or to monitor the value of any Charged Assets.

22. FATCA INFORMATION

In accordance with the Agency Agreement the Issuer agrees to provide FATCA Information in respect of the Issuer to the Agent, and the Issuer consents to the collection and processing by the Agent of any FATCA Information in respect of its direct or indirect owners or Securityholders, but only where the collection and processing of such FATCA Information is required by law. The Issuer further consents to the disclosure, transfer and reporting of such FATCA Information to any relevant government or taxing authority, any member of the Agent's Group, any sub-contractors, agents, service providers or associates of the Agent's Group, and any person making payments to the Agent or a member of the Agent's Group, including transfers to jurisdictions which do not have strict data protection or similar laws, to the extent that the Agent reasonably determines that such disclosure, transfer or reporting is necessary or warranted to facilitate compliance with FATCA. The Issuer agrees to inform the Agent promptly, and in any event, within 30 days in writing if there are any changes to the FATCA Information supplied to the Agent from time to time.

Each Securityholder hereby agrees to provide FATCA Information in respect of itself to the Agent as soon as is reasonably practicable following a request in writing in accordance with Condition 15 (*Notices*) by the Agent. By subscription for, or acquisition of, any Security, each Securityholder accepts and is bound by this provision.

23. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Security under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

24. GOVERNING LAW

The Trust Instrument, the Securities and the Charged Agreement(s) and any non-contractual obligations arising out of or in connection with such agreements are governed by, and will be construed in accordance with, English law.

25. JURISDICTION

- (a) The Issuer has, in the Trust Instrument, irrevocably agreed for the benefit of the Trustee and the Securityholders that the courts of England are to have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Instrument, the Securities and the Charged Agreement(s) including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Instrument, the Securities and

the Charged Agreement(s) (together referred to as "a **Dispute**") and all Disputes will be submitted to the exclusive jurisdiction of the English courts.

- (b) For the purposes of this Condition 25, each of the Issuer and the Trustee and any Securityholders taking proceedings in relation to any Dispute waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (c) This Condition 25(c) is for the benefit of the Trustee and the Securityholders only. To the extent allowed by law, the Trustee and Securityholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction, and (ii) concurrent proceedings in any other court with jurisdiction. The Issuer has further irrevocably agreed that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and may be enforced in the courts of any other jurisdiction.
- (d) The Issuer has in the Trust Instrument appointed an agent in London for service of process in England in respect of any Proceedings and has undertaken that in the event of such person being unable or unwilling for any reason so to act it will immediately appoint such other person as the Trustee may approve. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service.

26. DEFINITIONS

Capitalised terms used in these Conditions have the meanings given to them in the Definitions Module as modified and supplemented by the relevant Trust Instrument and/or Issue Terms.

3a-7 REGISTERED SECURITIES CONDITIONS MODULE

DECEMBER 2017 EDITION

**for use in
an issue of repackaged Securities
arranged by
MERRILL LYNCH INTERNATIONAL**

3a-7 REGISTERED SECURITIES CONDITIONS MODULE

This 3a-7 Registered Securities Conditions Module modifies and supplements the basic terms and conditions for Securities governed by English law as set out in the 3a-7 Bearer Securities Base Conditions Module and will apply in respect of all Series of Securities issued in registered form. Other Conditions Modules will apply in addition, as specified in the Issue Terms.

All references to "Bearer Securities" in the 3a-7 Bearer Securities Base Conditions Module will be deemed to be references to "Registered Securities".

All references to "Principal Paying Agent" and "Paying Agent" in the 3a-7 Bearer Securities Base Conditions Module will, where the context so requires, be deemed to be references to the "Registrar".

Condition 1 (other than Condition 1(f), which shall apply to these Registered Securities Conditions) as set out in the 3a-7 Bearer Securities Base Conditions Module will not apply and the following Conditions 1.1, 1.2, 1.3, 1.4 and 1.5 shall be substituted therefor.

1.1 FORM, DENOMINATION AND TITLE

- (a) Registered Securities are in the Specified Denomination(s) specified in the Issue Terms and integral multiples thereof; provided, however, that, unless otherwise specified in the Issue Terms, any Series of Registered Securities offered or sold in the United States or to, or for the account of benefit of, U.S. persons, will be issued only in Authorised Denominations.

Title to Registered Securities will pass by transfer and registration in accordance with Condition 1.4 (*Transfer of Registered Securities*) and in accordance with the terms of the Trust Instrument and the Agency Agreement.

- (b) Unless otherwise provided in the Issue Terms, a Non-U.S. Series of Registered Securities will be represented by a N-USD Regulation S Global Certificate in the case of N-USD Securities and a USD Regulation S Global Certificate, in the case of USD Securities, deposited with a Common Depository and registered in the name of a common nominee of Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate issued in relation to a Non-U.S. Series may not be offered or sold to, or for the account or benefit of, a U.S. person or to a person who is not an Eligible Investor and may not be held otherwise than through Euroclear and Clearstream, Luxembourg.

Unless otherwise provided in the Issue Terms, a U.S. Series of Registered Securities will be represented by (a) (in the case of USD Securities) a USD Rule 144 A Global Certificate, deposited with or on behalf of DTC and registered in the name of its nominee Cede & Co, and by a USD Regulation S Global Certificate deposited with a Common Depository and registered in the name of a common nominee of Euroclear and Clearstream, Luxembourg or by (b) (in the case of N-USD Securities) a N-USD Rule 144A Global Certificate, and N-USD Regulation S Global Certificate, each deposited with a Common Depository and registered in the name of a common nominee of Euroclear and Clearstream, Luxembourg, and/or Individual Certificates.

- (c) Registered Securities may only be offered and sold in the United States or to, or for the account or benefit of, U.S. persons under circumstances where the Issuer is not required to register under the 1940 Act and may only be offered and sold to Eligible Investors.

The Securities of such series may be issued in the form of Individual Certificates and/or in the form of Rule 144A Global Certificates. If the Issue Terms state that the Registered Securities are to be issued in the form of Individual Certificates, such Individual Certificates will not be eligible for deposit or clearance with any clearing system. If, however, the Issue Terms specify that Rule 144A Global Certificates are to be issued, then any Registered Securities to be offered and sold in the United States or to or for the account or benefit of U.S. persons will be represented by a N-USD Rule 144A Global Certificate, in the case of N-USD Securities, or a USD Rule 144A Global Certificate in the case of USD Securities, and any Securities of such U.S. Series to be offered and sold outside the United States to non-U.S. persons in reliance on Regulation S of the Securities Act will be represented by a N-USD Regulation S Global Certificate in the case of N-USD Securities or a USD Regulation S Global Certificate, in the case of USD Securities, in each case, deposited with a Common Depositary for Euroclear and Clearstream, Luxembourg.

- (d) No beneficial owner of an interest in a Global Security will be able to exchange or transfer that interest, except in accordance with the applicable procedures of the Clearing Systems. In addition, Regulation S Global Certificates, Rule 144A Global Certificates, Individual Certificates and, if applicable, any Definitive Registered Securities will be subject to certain restrictions on transfer set out in a legend or legends thereon.
- (e) For so long as any of the Securities is represented by a Regulation S Global Certificate held by a Common Depositary or for so long as DTC or its nominee is the registered holder of a USD Rule 144A Global Certificate, each person who is for the time being shown in the records of the Clearing Systems as entitled to a particular nominal amount of Securities shall be deemed to be the holder of such nominal amount of Securities for all purposes other than with respect to the payment of principal, premium (if any) or interest on such Securities. With respect to such payment, such Common Depositary or DTC or its nominee shall be deemed to be the holder of such nominal amount of Securities in accordance with and subject to the terms of the relevant Global Security. Any certificate or other document issued by the Clearing Systems as to the nominal amount of Securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error. 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.
- (f) Subject to paragraph (e) above, the Issuer, the Counterparty, the Trustee and the Agents may deem and treat the person or persons in whose name(s) a Registered Security is registered as the absolute owner(s) of such Security for all purposes. Except as ordered by a court of competent jurisdiction or as required by applicable law, the Issuer, the Counterparty, the Trustee and the Agents shall not be affected by any notice to the contrary, whether or not the Security shall be overdue and notwithstanding any notation of ownership or other writing thereon. All payments made to any such person shall be valid and, to the extent of the sums so paid, effective to satisfy and discharge the liability for the moneys payable upon such Securities.

1.2 REGISTRATION

The Issuer will cause to be kept at the specified office of the Registrar for the time being the Register. The Issuer will procure that, as soon as practicable after the Issue Date, the Register is

duly made up in respect of the subscribers of the Registered Securities and certificates for the Registered Securities will be despatched.

The Issuer has initially appointed the person named as Registrar in the Issue Terms acting through its specified office set out in the Issue Terms. The Issuer may also appoint one or more Transfer Agents for the purpose of facilitating exchanges of Securities, in which case references in the following provisions of this Condition 1.2 (*Registration*) and in Conditions 1.3 (*Exchange of Registered Securities*) and 1.4 (*Transfer of Registered Securities*) to the Registrar shall include, where the context so permits, references to such Transfer Agent(s).

The Issuer reserves the right, with the approval of the Trustee, at any time to vary or terminate the appointment of the Registrar and to appoint another or a further Registrar, provided that there will at all times be a Registrar with a specified office in such place as the Trustee may approve. Any variation or termination of appointment shall only take effect (other than in the case of insolvency of the Registrar, when it shall be of immediate effect) after not more than 60 nor less than 45 days' notice thereof shall have been given to the Securityholders in accordance with Condition 15 (*Notices*) and any change in the Specified Office of the Registrar shall also be promptly so notified.

1.3 EXCHANGE OF REGISTERED SECURITIES

(a) *Exchange of Rule 144A Global Certificates for Definitive Registered Securities*

Subject to Condition 1.1(e) (*Form, denomination and title*), so long as DTC or its nominee is the registered holder of a USD Rule 144A Global Certificate, DTC or such nominee, as the case may be, will be considered the sole holder of the Securities represented thereby for all purposes. Registration of title to Securities in a name other than a depositary or a nominee for DTC will not be permitted unless (i) DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the USD Rule 144A Global Certificates, or ceases to be a "clearing agency" registered under the Exchange Act, or is at any time no longer eligible to act as such and the Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC or (ii) the Issuer, at its option, and after consultation with DTC, elects to terminate the book-entry system through DTC. In such circumstances, the Issuer will cause sufficient Definitive Registered Securities to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Securityholders.

Subject to Condition 1.1(e) (*Form, denomination, and title*), for so long as Euroclear or Clearstream, Luxembourg or its common nominee is the registered holder of the N-USD Rule 144A Global Certificate, Euroclear or Clearstream, Luxembourg or such common nominee, as the case may be, will be considered the sole holder of the Securities represented thereby for all purposes. Registration of title to Securities in a name other than a depositary or a common nominee for Euroclear or Clearstream, Luxembourg, will not be permitted unless (i) an event of default has occurred and is continuing, or (ii) Euroclear and Clearstream, Luxembourg have been closed for business or the Issuer has been notified of such closure of Euroclear and Clearstream, Luxembourg, and no successor clearing system is available.

A person having an interest in a Rule 144A Global Certificates must provide the Registrar with: (i) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Registered Securities; and (ii) a completed and signed Investment Letter substantially in the form set out in the Trust Instrument (copies of

which are available from the Registrar). Any Definitive Registered Securities so issued shall bear a legend substantially to the effect set out on the Rule 144A Global Certificates and any transfers thereof will thereafter require the delivery of a Transfer Certificate and Investment Letter each substantially in the form set out in the applicable Trust Instrument and available from the Registrar, with such modifications and amendments as are necessary to account for the definitive nature of the Securities.

(b) *General*

Securities may be presented for exchange at the specified office of the Registrar. Any such exchange shall be effected without service charge but upon payment of any taxes and other governmental charges, including stamp duties. Definitive Registered Securities issued in exchange will be delivered at the specified office of the Registrar, or (at the risk and, if mailed at the request of the holder otherwise than by ordinary uninsured mail, expense of the holder) mailed to such address, subject to the restrictions (if any) specified in the Issue Terms, as the holder may request, as soon as practicable after issue.

Securityholders wishing to exchange Securities should apply to the specified office of the Registrar for information relating to the procedure for such exchange.

1.4 TRANSFER OF REGISTERED SECURITIES

(a) *Transfer of Individual Certificates and Regulation S Global Certificates*

Registered Securities that are sold outside the United States or to non-U.S. persons in compliance with Regulation S under the Securities Act in the form of Regulation S Global Certificates or Registered Securities that are sold within the United States or to, or for the account or benefit of, U.S. persons as part of a U.S. Series in the form of Individual Certificates may, subject to Condition 1.1(d) (*Form, denomination and title*) and to the provisions of the Trust Instrument and of the Agency Agreement, be transferred by the registered holder free of and without regard to any set-off, counterclaim or equity between the Issuer and the first or any subsequent registered holder of such Securities, in whole or in part (being the Specified Denomination(s) of the Securities given in the Issue Terms, or an integral multiple thereof), by delivery of the relevant Registered Security certificate or certificates to the Registrar at its specified office together with the form of transfer in writing duly completed and signed and upon compliance with such transfer restrictions which may be set out on the legend and such other reasonable requirements as the Issuer and the Registrar may prescribe, including delivery of an Investment Letter by the transferee in the form substantially as set out in the Trust Instrument, without service charge but upon payment of any taxes, duties and other governmental charges in respect of such transfer.

No transfer of a Registered Security shall be recognised by the Issuer unless entered on the Register. In no event may the Registrar register the transfer of a Regulation S Global Certificate or an Individual Certificate in violation of the restrictive legend (if any) set out on the face of such Security. A Registered Security may be registered only in the name of, and transferred only to, a named person (or persons, not exceeding 4 in number) and the Registrar will not accept transfers of Registered Securities to "bearer".

The Registrar will within 14 days of any duly made request to register the transfer of a Registered Security enter the transferee in the Register and authenticate and deliver a Registered Security

certificate to the transferee (and, in the case of transfer of part only of a Registered Security, a Registered Security certificate for the untransferred balance to the transferor), at the specified office of the Registrar, or (at the risk and, if mailed at the request of the transferee or, as appropriate, transferor otherwise than by ordinary uninsured mail, expense of the transferee or, as appropriate, transferor) mail the Registered Security certificate to such address, subject to the restrictions (if any) specified in the Issue Terms, as the transferee (or, as appropriate, the transferor) may request or, alternatively, in the case of transfers effected through the Stock Exchange (if any) on which the Issuer has agreed to maintain a listing of the Securities or any other recognised stock exchange or similar market approved by the Issuer, will deliver the Registered Security certificate in accordance with the normal procedures and systems of such exchange or market.

(b) *Transfers of Registered Securities of a U.S. Series Represented by Rule 144A Global Certificates and Regulation S Global Certificates*

Where the Issue Terms specify that the Securities are being issued in the form of Global Certificates, then, until the first day following the expiry of the Distribution Compliance Period, beneficial interests in a Regulation S Global Certificate may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless the transferor delivers to the Registrar a duly completed Rule 144A Transfer Certificate and the transferee delivers a duly completed Investment Letter (each substantially in the form set out in the Trust Instrument). In addition, if a person holding a beneficial interest in a Rule 144A Global Certificate makes a transfer at any time to a non-U.S. person in accordance with either Rule 903 or Rule 904 of Regulation S, the transferor will be required to deliver a Regulation S Transfer Certificate and the transferee will be required to deliver an Investment Letter (each substantially in the form set out in the Trust Instrument) certifying, among other things, its status as a non-U.S. person. In the event of any such transfers, the Registrar will make the appropriate entries in the Register to reflect the principal amount of the Securities represented by each of the Global Certificates. The Issuer and the Trustee reserve the right prior to any sale or other transfer to require the delivery of such other certifications, legal opinions and other information as the Issuer or the Trustee may reasonably require to confirm that the proposed sale or other transfer complies with the restrictions described herein. Transfers by a holder of an interest in a Global Certificate to a transferee who wishes to take delivery of such interest through the same Global Certificate may be made at any time without certification.

(c) *General*

In the event of a partial redemption of Securities under Condition 8 (*Redemption*), neither the Issuer nor the Registrar will be required:

- (i) to register the transfer of interests in Registered Global Securities (or parts of Registered Global Securities) for interests in another Registered Global Security and interests in Registered Global Securities for definitive Registered Securities and *vice versa* during the period beginning on the 65th day before the date of the partial redemption and ending on the day on which notice is given specifying the serial numbers of Securities called (in whole or in part) for redemption (both inclusive); or
- (ii) to register the transfer of any Registered Security (or part of a Registered Security) called for partial redemption.

Each U.S. person to whom a beneficial interest in any Registered Securities shall have been transferred but who does not in connection with such transfer become identified as a registered holder of such Registered Securities in the Register shall promptly notify the Issuer in writing of such transfer, stating the amount of beneficial interest in the Registered Securities transferred, the date of transfer and the name and address of such U.S. person.

1.5. SPECIAL PROVISIONS RELATING TO USD RULE 144A GLOBAL CERTIFICATE

(a) *Clearing and Settlement of USD Rule 144A Global Certificate: Book-Entry Ownership*

The Issuer and any custodian with whom any USD Rule 144A Global Certificate are deposited will make applications to DTC for acceptance in its book-entry settlement system of the USD Rule 144A Global Certificate. Each USD Rule 144A Global Certificate representing different Securities will have a different CUSIP or CINs number. The USD Rule 144A Global Certificates and definitive Registered Securities will be subject to such restrictions on transfer as are set out under "***Subscription and Sale and Transfer Restrictions***" in the Supplemental Information Memorandum.

Upon issuance of the USD Rule 144A Global Certificate, DTC or its custodian will credit on its internal system the respective principal amounts of the individual beneficial interests represented by such USD Rule 144A Global Certificate to the accounts of the persons who have accounts with DTC ("**participants**"). Ownership of beneficial interests in the USD Rule 144A Global Certificate will be limited to participants in DTC and persons who hold interests through participants. Ownership of beneficial interests in the USD Rule 144A Global Certificate will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee and the records of participants. Beneficial owners will not receive certificates representing their ownership interests in the USD Rule 144A Global Certificate, except in the limited circumstances set out above.

(b) *Secondary Market Transfers of Interests in USD Rule 144A Global Certificates*

Transfer of interests in USD Rule 144A Global Certificates within DTC will be in accordance with the usual rules and operating procedures of DTC. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities. Consequently, the ability to transfer an interest in a USD Rule 144A Global Certificate to such persons may be limited. Because DTC can only act on behalf of direct participants, who in turn act on behalf of indirect participants and certain banks, the ability of a person having an interest in a USD Rule 144A Global Certificate to pledge such interest to persons or entities that do not participate in the DTC system, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate evidencing such interest.

Subject to compliance with the transfer restrictions applicable to the Securities described above, cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream, Luxembourg participants, on the other, will be effected in DTC in accordance with the DTC rules on behalf of Euroclear or Clearstream, Luxembourg, as the case may be, by its respective depository. However, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, Luxembourg, as the case may be, by the counterparty in such system in accordance with its rules and procedures and within its established deadlines (local time). Euroclear or Clearstream, Luxembourg, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depository to take action to effect final settlement

on its behalf by delivering in accordance with normal procedures for same-day funds settlement applicable to DTC. Clearstream, Luxembourg participants and Euroclear participants may not deliver instructions directly to the depositaries for Clearstream, Luxembourg or Euroclear. Because of time-zone differences, credits of securities received in Euroclear or Clearstream, Luxembourg as a result of a transaction with a DTC participant will be made during the securities settlement processing day dated the business day following the DTC settlement date and such credits of any transactions in such securities settled during such processing will be reported to the relevant Euroclear or Clearstream, Luxembourg participant on such business day. Cash received in Euroclear or Clearstream, Luxembourg as a result of sales of securities by or through a Euroclear participant or a Clearstream, Luxembourg participant to a DTC participant will be received with value on the DTC settlement date but will not be available in the relevant Euroclear or Clearstream, Luxembourg cash account until the business day following settlement in DTC.

(c) *Information concerning DTC, Euroclear and Clearstream, Luxembourg*

The Issuer understands that DTC will take any action permitted to be taken by a holder of Securities (including, without limitation, the presentation of a USD Rule 144A Global Certificate for exchange as described below) only at the direction of one or more participants in whose account the DTC interests in USD Rule 144A Global Certificates are credited and only in respect of such portion of the aggregate principal amount of the USD Rule 144A Global Certificates as to which such participant or participants has or have given such direction. However, in the circumstances described above, DTC will surrender the USD Rule 144A Global Certificates for exchange for individual Definitive Registered Securities.

The Issuer understands that DTC is a limited-purpose trust company organised under the laws of the State of New York, a "banking organization" within the meaning of the New York Banking Law, a member of the U.S. Federal Reserve System, a "clearing corporation" within the meaning of the Uniform Commercial Code and a "Clearing Agency" registered pursuant to the provisions of Section 17A of the Exchange Act, as amended. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Participants include securities brokers and dealers, banks, trust companies and clearing corporations and may include certain other organisations. Indirect access to the DTC system is available to others, such as banks, brokers, dealers and trust companies, that clear through or maintain a custodial relationship with all participants, either directly or indirectly.

Although DTC, Clearstream, Luxembourg and Euroclear have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the DTC Global Securities among participants of DTC, Clearstream, Luxembourg and Euroclear, they are under no obligation to perform or continue to perform such procedures and such procedures may be discontinued after reasonable notice. Neither the Issuer nor any Agent will have any responsibility for the performance by DTC, Clearstream, Luxembourg or Euroclear or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Condition 9 as set out in the 3a-7 Bearer Securities Base Conditions Module will not apply and the following Condition 9 shall be substituted therefor.

9. PURCHASE

- (a) The Issue Terms will specify whether the Issuer may, through the Counterparty, purchase Securities (or any of them) at any time in the open market or otherwise at any price.
- (b) On any such purchase the Charged Agreements (or a proportionate part thereof which corresponds to the Securities to be purchased) will be terminated. The Trust Instrument provides that the Security Interests over the Charged Assets (or a proportionate part thereof) will be released against receipt by the Trustee of the net proceeds of the realisation of such Charged Assets.
- (c) No interest will be payable with respect to a Security purchased in respect of the period from the Issue Date or the previous Interest Payment Date, as the case may be, to the date of such purchase.
- (d) In the case of purchase of part only of a Definitive Registered Security, the Registrar shall deliver, *mutatis mutandis* in accordance with Condition 1.4 (*Transfer of Registered Securities*), a Registered Security certificate for the unpurchased balance to the relevant Securityholder.

Condition 10 as set out in the 3a-7 Bearer Securities Base Conditions Module will not apply and the following Condition 10 shall be substituted therefor.

10. PAYMENTS

- (a) *Payments in respect of Regulation S Global Certificates, N-USD Rule 144A Global Certificates and Individual Certificates*

All payments in respect of Registered Securities will be made in each case subject to such (if any) other provisions (including any requirements as to certification of ownership) as are set out herein or in the Issue Terms and to any fiscal or other laws and regulations applicable in the place of payment.

Payments of principal, premium (if any) and interest (if any) in respect of Individual Certificates or Regulation S Global Certificates, or N-USD Rule 144A Global Certificates as applicable, will be made to the persons shown on the Register at the close of business on the Record Date following surrender (in the case of payments of principal and premium (if any)) to the Registrar of the relevant Individual Certificate or Regulation S Global Certificate, or N-USD Rule 144A Global Certificates, as applicable.

Subject as provided below, payments in respect of Individual Certificates, Regulation S Global Certificates, or N-USD Rule 144A Global Certificates, will be made by a cheque in the Currency of Issue drawn on a bank in the city specified in the Issue Terms as the place of payment and mailed (at the risk and, if mailed at the request of the Securityholder otherwise than by ordinary uninsured mail, expense of the Securityholder) on the relevant due date to the holder or to the first named of joint holders of such Registered Security at his registered address or in accordance with mandate instructions acceptable to the Registrar. Notwithstanding the foregoing, all amounts payable to the Clearing Systems or their respective nominees as registered holder of a Regulation S Global Certificate or a N-USD Rule 144A Global Certificate, shall be paid by transfer by the Registrar to such account in the Currency of Issue as the Clearing Systems or their respective nominees may

specify for payment in the Currency of Issue or conversion into U.S. dollars (such conversion being effected as specified in the Issue Terms) as the case may be.

If and for so long as Registered Securities are represented by a Regulation S Global Certificate or a N-USD Rule 144A Global Certificate, each of the persons shown in the records of the Clearing Systems as the holder of a Registered Security must look solely to such Clearing Systems for his share of each payment so made by the Issuer to the registered holder of the Regulation S Global Certificate or a N-USD Rule 144A Global Certificate, subject to and in accordance with the respective rules and procedures of the Clearing Systems. Such persons shall have no claim directly against the Issuer in respect of payments due on the Registered Securities for so long as such Regulation S Global Certificate or N-USD Rule 144A Global Certificate is outstanding and the Issuer will be discharged by payment to the registered holder of such Regulation S Global Certificate or N-USD Rule 144A Global Certificate in respect of each amount so paid.

Payments in respect of USD Rule 144A Global Certificates

Each USD Rule 144A Global Certificate will be registered in the name of DTC's nominee, Cede & Co., and payments of the principal of and interest on each USD Rule 144A Global Certificate will be to or to the order of Cede & Co., as the registered owner of such USD Rule 144A Global Certificate. The Issuer expects that the nominee, upon receipt of any such payment, will immediately credit DTC participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant USD Rule 144A Global Certificate as shown on the records of DTC or the nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in such USD Rule 144A Global Certificate held through such DTC participants will be governed by standing instructions and customary practices, as is the case with securities registered in "street name" for the accounts of customers. Such payments will be the responsibility of such DTC participants.

Neither the Issuer nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in the USD Rule 144A Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

- (b) If the due date for payment of any amount of principal, premium (if any) or, if applicable, interest in respect of any Security is not a Payment Day, the holder of such Security shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to any further interest or other payment in respect of any such delay. If a Security is presented for payment at a time when, as a result of differences in time zones, it is not practicable to transfer the relevant amount to an account for value on the date of presentation, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to such account for value on the first practicable date after the date of presentation.
- (c) Subject as provided in the terms relating to payment:
 - (i) payments in a Currency of Issue other than euro will be made by credit or transfer to an account in the relevant Currency of Issue (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Currency of Issue drawn on, a bank in the principal financial centre of the country of such Currency of Issue (which, if the Currency of

Issue is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and

- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable to such payments in the place of payment and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto.

Condition 13 as set out in the 3a-7 Bearer Securities Base Conditions Module will not apply and the following Condition 13 shall be substituted therefor.

13. PRESCRIPTION

The Issuer shall be discharged from its obligation to pay principal (and premium, if any) on a Registered Security to the extent that the relevant Registered Security certificate or Registered Global Security has not been presented to the Registrar by, or a cheque which has been duly despatched in the Currency of Issue remains uncashed at, the end of the period of 10 years from the Relevant Date in respect of such payment. The Issuer shall be discharged from its obligation to pay interest on a Registered Security to the extent that a cheque which has been duly despatched in the Currency of Issue remains uncashed at, or (in the case of Registered Securities represented by a Registered Global Security) the Registered Global Security has not been presented to the Registrar by, the end of the period of 5 years from the Relevant Date in respect of such payment.

For this purpose, the "**Relevant Date**" means the date on which the payment in respect of the Security first becomes due and payable. However, if the full amount of the moneys payable on such date has not been received by the Principal Paying Agent or the Trustee on or prior to such date, the "**Relevant Date**" means the date on which such moneys shall have been so received and notice to that effect shall have been given to the Securityholders in accordance with Condition 15 (*Notices*).

Condition 15 as set out in the 3a-7 Bearer Securities Base Conditions Module will not apply and the following Condition 15 shall be substituted therefor.

15. NOTICES

All notices regarding Registered Securities will be valid if (i) published (A) in one leading London daily newspaper or, if this is not possible, in one other English language daily newspaper approved by the Trustee with general circulation in Europe and (B) if and for so long as the Securities are listed on the Luxembourg Stock Exchange and the rules of that Stock Exchange so require, in one daily newspaper published in Luxembourg approved by the Trustee and (C) if and for so long as the Securities are listed on the Irish Stock Exchange and the Irish Stock Exchange so requires, in one daily newspaper published in Ireland approved by the Trustee, filed with the Companies Announcements Office of the ISE or (ii) at the option of the Issuer, mailed to the holders at their respective addresses as shown in the Register and, if mailed, shall be deemed to have been served

when, in the ordinary course of post, they would be received. It is expected that any publication as described in the foregoing will be made in (i) the *Financial Times* and/or (as the case may be) (ii) the *Luxemburger Wort* or the *Tageblatt* and/or (iii) the *Irish Times*.

All notices regarding Securities represented by a Registered Global Security will be valid if published as described above or if delivered to DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be for communication by such Clearing System to the Securityholders. Any notice delivered to a Clearing System as aforesaid shall be deemed to have been given on the day of such delivery.

The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other Stock Exchange on which the Securities are for the time being listed.

Any notice published in a newspaper as aforesaid shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first such publication or, if published in 2 newspapers, on the date of the first such publication in both newspapers. If publication is not practicable in any such newspaper as is mentioned above, notice will be valid if given in such other manner, and shall be deemed to have been given on such date, as the Trustee shall determine.

3a-7 GENERAL DEFINITIONS MODULE

DECEMBER 2017 EDITION

**to be incorporated by reference into
the Conditions and the Trust Instrument
for an issue of repackaged Securities
arranged by
MERRILL LYNCH INTERNATIONAL**

1. GENERAL DEFINITIONS

The following capitalised terms used in the Trust Instrument in respect of a Series of Securities into which this 3a-7 General Definitions Module is incorporated shall have the meanings set out below, except where the context otherwise requires or as may be modified and/or supplemented by the Issue Terms and/or Trust Instrument in respect of such Securities:

"1940 Act" means the United States Investment Company Act of 1940, as amended.

"2000 ISDA Definitions" means, in relation to a Series of Securities, the 2000 ISDA Definitions as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of such Securities.

"2006 ISDA Definitions" means, in relation to a Series of Securities, the 2006 ISDA Definitions as published by ISDA and as amended and updated as at the Issue Date of the first Tranche of such Securities.

"3a-7 Agency Terms Module" means the 3a-7 Agency Terms Module (December 2017 Edition) containing the standard agency and custodian provisions for an issue of Securities or such other edition as specified in the Issue Terms.

"3a-7 Bearer Securities Base Conditions Module" means the 3a-7 Bearer Securities Base Conditions Module (December 2017 Edition) containing the base conditions for an issue of Bearer Securities or such other edition as specified in the Issue Terms.

"3a-7 General Definitions Module" means the 3a-7 General Definitions Module (December 2017 Edition) containing general definitions for an issue of Securities or such other edition as specified in the Issue Terms.

"3-a7 Loan Facility Terms Module" means the 3a-7 Loan Facility Terms Module (December 2017 Edition) (as updated) containing the base terms for a Loan Facility Agreement or such other edition as specified in the Loan Facility Terms.

"3a-7 Placing Terms Module" means the Placing Terms Module (December 2017 Edition) containing the provisions relating to the purchase and/or placing of Securities or such other edition as specified in the Issue Terms.

"3a-7 Registered Securities Conditions Module" means the 3a-7 Registered Securities Conditions Module (December 2017 Edition) containing the provisions relating to an issue of Registered Securities and provisions additional to or instead of provisions in the 3a-7 Bearer Securities Base Conditions Module or such other edition as specified in the Issue Terms.

"3a-7 Sale Agreement Terms Module" means the Sale Agreement Terms Module (December 2017 Edition) containing the standard provisions of sale of the Charged Assets to the Issuer or such other edition as specified in the Issue Terms.

"3a-7 Swap Schedule Terms Module" means the 3a-7 Swap Schedule Terms Module (December 2017 Edition) containing the standard provisions of a swap schedule in relation to an issue of Securities as specified in the Issue Terms or such other edition as specified in the Issue Terms.

"3a-7 Trust Terms Module" means the Trust Terms Module (December 2017 Edition) containing the trust terms constituting and/or securing the Securities or such other edition as specified in the Issue Terms.

"Account Bank" means, in relation to a Series of Securities, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Additional Agreement" means, in relation to a Series of Securities, any agreements entered into by the Issuer other than the Trust Instrument, Agency Agreement, Charged Agreement(s), Sale Agreement, Placing Agreement and any Additional Charging Document.

"Additional Charging Document" means, in relation to a Series of Securities, any non-English law governed security document entered into by the Issuer for the purposes of granting security over or in respect of any part of the Mortgaged Property for such Series.

"Affiliate" has the meaning given to such term in the Swap Agreement.

"Agency Agreement" means, in relation to a Series of Securities, the agency agreement entered into by, among others, the Issuer, the Trustee and the Agents in respect of such Series by execution of the relevant Trust Instrument and into which the terms of the 3a-7 Agency Terms Module are incorporated by reference, as the same may be modified and supplemented by the Trust Instrument.

"Agent's Group" means HSBC Holdings plc or any of its subsidiaries.

"Agent Bank" means, in relation to a Series of Securities, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms, and includes any Replacement Agent Bank.

"Agent Bank Default" means, in relation to the Agent Bank, the Agent Bank or any of its Affiliates also acts as the Counterparty in relation to the relevant Series of Securities and, having taken into account any applicable grace period, an Event of Default (as defined in the Swap Agreement) has occurred under the Swap Agreement and the Counterparty is the Defaulting Party (as defined in the Swap Agreement).

"Agents" means, in relation to a Series of Securities, each of the agents of the Issuer appointed under the Agency Agreement and as specified in the Issue Terms and, for the avoidance of doubt, includes any Replacement Selling Agent, Replacement Calculation Agent and Replacement Agent Bank.

"Alternative Investments" means any indebtedness in respect of moneys borrowed or raised by the Issuer (other than in the form of Securities) on terms similar to the Securities (in particular as to limited recourse and extinguishment of claims) and includes, without limitation, loans, loan certificates and schuldscheine.

"Appointee" means any attorney, manager, agent, delegate, receiver or other person appointed by the Trustee or by another Appointee under the Trust Instrument.

"Arranger" means Merrill Lynch International.

"Auditors" means, in relation to an Issuer, the auditors (if any) for the time being of such Issuer or, in the event of their being unable or unwilling promptly to carry out any action requested of them pursuant to the provisions of the Trust Instrument, such other firm of accountants as may be nominated or approved by the Trustee.

"Authorised Denomination" means U.S.\$250,000 and integral multiples of U.S.\$1 in excess thereof.

"Bearer Global Security" means a Temporary Bearer Global Security and/or a Permanent Bearer Global Security, as the context may require.

"Bearer Securities" means those Securities which are for the time being in bearer form.

"Beneficial Owners" means any person holding a beneficial interest in the USD Rule 144A Global Certificates from time to time.

"benefit plan investor" means (A) any employee benefit plan (as defined in Section 3(3) of ERISA), (B) any plan described in Section 4975(e)(1) of the U.S. Internal Revenue Code, or (C) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (within the meaning of the U.S. Department of Labor Regulations Section 2510.3-101).

"Business Day" means a day which is both:

- (a) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and any Additional Business Centre specified in the Issue Terms; and
- (b) either (i) in relation to any sum payable in a Currency of Issue other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Currency of Issue (if other than London and any Additional Business Centre and which, if the Currency of Issue is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Target2 System is open.

"Business Day Convention" means one of the following, as specified in the Issue Terms:

- (a) **"FRN Convention"** means that, in any case where Specified Periods are specified in the Issue Terms, the date subject to such convention (i) if there is no numerically corresponding day in the calendar month in which an date subject to such convention should occur, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply *mutatis mutandis* or (ii) if any date subject to such convention would otherwise fall on a day which is not a Business Day, 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 subject to such convention shall be brought forward to the immediately preceding Business Day and (B) each subsequent date subject to such convention shall be the last Business Day in the month which falls the Specified Period after the preceding applicable date subject to such convention occurred; or

- (b) **"Following Business Day Convention"** means that, if any date subject to such convention would otherwise fall on a day which is not a Business Day, such date subject to such convention shall be postponed to the next day which is a Business Day; or
- (c) **"Modified Following Business Day Convention"** means that, if any date subject to such convention would otherwise fall on a day which is not a Business Day, such date subject to such convention 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 subject to such convention shall be brought forward to the immediately preceding Business Day; or
- (d) **"Preceding Business Day Convention"** means that, if any date subject to such convention would otherwise fall on a day which is not a Business Day, such date subject to such convention shall be brought forward to the immediately preceding Business Day.

"C Rules" means U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (or any successor .S. Treasury regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010).

"Calculation Agent" means, in relation to a Series of Securities, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms, and includes any Replacement Calculation Agent.

"Calculation Agent Default" means, in relation to the Calculation Agent, the Calculation Agent also acts as the Counterparty in relation to the relevant Series of Securities and, having taken into account any applicable grace period, an Event of Default (as defined in the Swap Agreement) has occurred under the Swap Agreement and the Counterparty is the Defaulting Party (as defined in the Swap Agreement).

"Calculation Amount" means, in relation to a Series of Securities, the Specified Denomination if there is only one Specified Denomination, but where there is more than one Specified Denomination, the highest common factor or otherwise as specified in the Issue Terms. For clarification purposes, there must be a common factor in the case of two or more Specified Denominations.

"Cash Collateral" means, in relation to a Series of Securities, (a) the Price (as defined in the Sale Agreement) payable by the Issuer to the Vendor in respect of the sale of the Initial Charged Assets multiplied by (b) the principal amount of the Initial Charged Assets not delivered by the Vendor on the Completion Date (or the date thereafter agreed by the Issuer and the Vendor) divided by the total principal amount of the Initial Charged Assets specified in the Issue Terms.

"Cash Deposit Account" means, in relation to a Series of Securities and as may be further described in the Issue Terms, the separate account established in the name of the Issuer with HSBC Bank plc or any of its affiliates.

"Charged Agreement(s)" means, in relation to a Series of Securities, the Swap Agreement(s) (if any) together with any Swap Guarantee (if any) in respect of such Swap Agreement(s) (if any).

"Charged Assets" means, in relation to a Series of Securities, the benefits, interest, right and title in and to the bonds, notes, securities, commodities, loans, schuldscheine, equity interests (including shares and participating income notes), contractual or other rights (including, without limitation,

with respect to sub-participations or swap, option, exchange and hedging arrangements (but, for the avoidance of doubt, excluding Charged Agreements)), or other assets as specified in the Issue Terms and, where applicable, the instruments and other documents representing, evidencing, acknowledging and/or transferring or otherwise relating to the same. The term "Charged Assets" shall include the Initial Charged Assets and any substitute or replacement Charged Assets.

"Clearing Systems" means, in relation to a Series of Securities, any of Euroclear, Clearstream, Luxembourg and DTC, as the case may be, and includes any additional or alternative clearing systems specified in the Issue Terms.

"Clearstream, Luxembourg" means Clearstream Banking S.A.

"Code" means the US Internal Revenue Code of 1986.

"Collateral Top Up Costs" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Common Depository" means a common depository on behalf of Euroclear and Clearstream, Luxembourg.

"Common Safekeeper" means a common safekeeper for Euroclear and Clearstream, Luxembourg.

"Common Service Provider" means a common service provider appointed by Euroclear and Clearstream, Luxembourg to service the Securities.

"Conditions" means, in relation to a Series of Securities, the provisions of the Conditions Modules incorporated by reference into the relevant Issue Terms as the same may be modified and/or supplemented by such Issue Terms.

"Conditions Modules" means the modules containing terms and conditions which will apply to a Series of Securities to the extent incorporated into the Issue Terms (including, without limitation, the 3a-7 Bearer Securities Base Conditions Module, the 3a-7 Registered Securities Conditions Module and/or such other modules as may be proposed by the Arranger from time to time).

"Consenting Holders" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Counterparty" means, in relation to a Series of Securities, the entity or entities (if any) designated as the counterparty or counterparties in the Issue Terms.

"Counterparty Account" means, in relation to a Series of Securities, the account of the Counterparty from time to time designated for such purpose, which account being initially as set out in the Issue Terms.

"Counterparty Priority Basis" means first, in meeting the claims of the Counterparty (or if more than one Counterparty, meeting the claims of all such Counterparties on the basis as specified in the Issue Terms) under the Charged Agreement(s) and, thereafter, in meeting the claims of the Securityholders on a *pari passu* and *pro rata* basis.

"Counterparty/Securityholder Priority Basis" means (a) Counterparty Priority Basis or (b) if the Counterparty is the Defaulting Party in respect of and as defined in the Swap Agreement at any time, Securityholder Priority Basis.

"Couponholders" means the several persons who are for the time being holders of the Coupons.

"Coupons" means the bearer interest coupons appertaining to the Bearer Securities in definitive form (other than in the case of Zero-Coupon Securities) or, as the context may require, a specific number thereof and includes any replacements for Coupons issued pursuant to Condition 14 (*Replacement of Securities*) and, where the context so permits, the Talons.

"Currency of Issue" means, in relation to a Series of Securities, the currency in which the Issue Terms of such Securities specify that the principal, premium (if any) and/or interest, if any, and all other amounts are payable by the Issuer.

"Custodian" means, in relation to a Series of Securities, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms and, if applicable, any subcustodian of, or any other entity appointed by, the Custodian.

"Custodian Account" means, in relation to a Series of Securities, the account designated as the Custodian Account in the Issue Terms.

"D Rules" means U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(D) (or any successor U.S. Treasury regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010).

"Day Count Fraction" means either Fixed Day Count Fraction or Floating Day Count Fraction or as otherwise specified in the Issue Terms.

"Dealer" means, in relation to a Series of Securities, the entity or entities designated as dealer in the Issue Terms.

"Debt Investments" means the Securities and/or Alternative Investments that may be issued by, or entered into by, the Issuer pursuant to the Programme.

"Definitions Modules" means the 3a-7 General Definitions Module and/or such other modules as may be proposed by the Arranger from time to time.

"Definitive Registered Security" means a definitive certificate representing a Registered Security substantially in the form of Part 3-E of the First Schedule to the 3a-7 Trust Terms Module to be issued only in the limited circumstances set out in the Conditions and bearing a legend substantially in the form of the legend appearing on the Rule 144A Global Certificate or Regulation S Global Certificate in exchange for which such Definitive Registered Security is issued.

"Determination Date" means, in relation to a Series of Securities, the dates as set out in the Issue Terms, if applicable.

"Determination Period" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or

the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date).

"Distribution Compliance Period" means the period commencing on the later of the first date the Securities are offered to the public or the settlement date for the Securities, and ending on the day that is 40 calendar days thereafter.

"DTC" means The Depository Trust Company at its office at 55 Water Street, New York, N.Y. 10041, United States of America.

"DTC Important Notice" means a notice substantially in the form set out in Part 10 of the First Schedule to the 3a-7 Trust Terms Module to be sent to DTC in connection with the issuance of the USD Rule 144A Global Certificates.

"Early Redemption Amount" means, in relation to a Series of Securities, that portion of the Realisation Amount available for distribution to the Securityholders in accordance with the relevant Security Ranking Basis, as apportioned *pro rata* amongst all the Securities or as may otherwise be specified in the Issue Terms.

"Eligible Assets" means cash deposits or any debt securities:

- (a) of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership);
- (b) which have the same credit rating as the Initial Charged Assets at the Issue Date or better; and
- (c) which are non-amortising,

unless otherwise specified in the Issue Terms.

"Eligible Investments" means securities or other assets of the type or types specified as such in the relevant Issue Terms.

"Eligible Investors" means QIBs or IAIs.

References to "euro" and "€" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

"Eligible Trustee" means an organization or entity organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least U.S.\$200,000,000, subject to supervision or examination by federal or state authority, having an office within the United States, and that is not directly or indirectly controlling, controlled by or under common control with the Issuer or any other person involved in the organization or operation of the Issuer. If such organization or entity publishes reports of condition at least annually, pursuant to law or to the requirements of the aforesaid supervising or examining authority, then for the purposes of this definition, the combined capital and surplus of such organization or entity shall be deemed to be its combined capital and surplus as set forth in its most recent published report of condition.

"**ERISA**" means the United States Employee Retirement Income Security Act of 1974, as amended.

"**Euroclear**" means Euroclear Bank SA/NV.

"**Euroclear/Clearstream Important Notice**" means a notice substantially in the form set out in Part 11 of the First Schedule to the 3a-7 Trust Terms Module to be sent to each of Euroclear and Clearstream, Luxembourg, respectively, in connection with the issuance of the Rule 144A Global Certificates.

"**EURIBOR**" means Euro-zone inter-bank offered rate.

"**Event of Default**" means, in relation to the Securities of any Series, any of the conditions, events or acts provided in Condition 11 (*Events of Default*) to be events upon the occurrence of which the Securities of such Series would, subject only to notice by the relevant Trustee as therein provided, become immediately due and repayable.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**Exchange Date**" means, where applicable, the date which is 40 days after the date on which the Temporary Bearer Global Security is issued.

"**Exchange Event**" means that (i) an Event of Default has occurred and is continuing or (ii) Euroclear and Clearstream, Luxembourg have been closed for business or the Issuer has been notified of such closure of Euroclear and Clearstream, Luxembourg, and no successor clearing system is available.

"**Extraordinary Resolution**" has the meaning set out in paragraph 20 of the Third Schedule to the 3a-7 Trust Terms Module.

"**FATCA**" means:

- (a) Sections 1471 to 1474 of the Code or any associated regulations or other official guidance;
- (b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law, regulation or official guidance referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any law, regulation, official guidance or treaty referred to in paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Exempt Party**" means a Party that is entitled to receive payments free from any FATCA Withholding.

"**FATCA Information**" means any authorisations, waivers, forms, documentation and other information, relating to an entity's status or other information in respect of such entity required to be reported under FATCA.

"**FATCA Withholding**" means any withholding or deduction from a payment under a Transaction Document required by FATCA.

"**FCA**" means the Financial Conduct Authority or any successor regulator which may be appointed from time to time.

"**FCA Rules**" means the rules and regulations as amended or varied from time to time, of the FCA, including its Conduct of Business Rules, established under or pursuant to the FSMA by which the Custodian is regulated.

"**FFI**" means a "foreign financial institution" as such term is defined pursuant to Sections 1471 through 1474 of the Code and any regulations thereunder or official interpretations thereof.

"**Final Redemption Amount**" means, in relation to a Series of Securities, the Final Redemption Amount set out in the Issue Terms.

"**Fitch**" means Fitch Ratings Limited or any successor to the rating business thereof.

"**Fixed Day Count Fraction**" means, in respect of the calculation of an amount of interest for any Fixed Interest Period:

- (a) if "Actual/Actual (ICMA)" is specified in the Issue Terms:
 - (i) in the case of Securities where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as specified in the Issue Terms) that would occur in one calendar year; or
 - (ii) in the case of Securities where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year; and
 - (B) the number of days in such Accrual 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 Dates that would occur in one calendar year; and
- (b) if "30/360" is specified in the Issue Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

"**Fixed Interest Period**" means, in relation to Fixed Rate Securities, the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

"Fixed Rate Securities" means an issue of Securities in respect of which interest accrues at a fixed rate as stated in the Issue Terms applicable to such Securities.

"Floating Day Count Fraction" means, in respect of the calculation of an amount of interest for any Interest Period:

- (a) if "Actual/365" or "Actual/Actual" is specified in the Issue Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (b) if "Actual/365 (Fixed)" is specified in the Issue Terms, the actual number of days in the Interest Period divided by 365;
- (c) if "Actual/365 (Sterling)" is specified in the Issue Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (d) if "Actual/360" is specified in the Issue Terms, the actual number of days in the Interest Period divided by 360;
- (e) if "30/360", "360/360" or "Bond Basis" is specified in the Issue Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCount Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D₁ is greater than 29, in which case D₂ will be 30;

- (f) if "30E/360" or "Eurobond Basis" is specified in the Issue Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCount Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D₂ will be 30;

- (g) if "30E/360 (ISDA)" is specified in the applicable Issue Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCount Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y₁" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y₂" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M₁" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M₂" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D₁" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D₁ will be 30; and

"D₂" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D₂ will be 30.

"Floating Rate Option" means, in respect of a Series of Floating Rate Securities, the option (which may, but need not, be provided in the ISDA Definitions) which is specified in the Issue Terms of such Securities.

"Floating Rate Securities" means an issue of Securities in respect of which interest at a floating rate is determined in accordance with the Issue Terms applicable to such Securities.

"FSMA" means the Financial Services and Markets Act 2000.

"Further Fungible Securities" has the meaning given to it in Condition 20 (*Further Issues*).

"Global Security" means a Temporary Bearer Global Security and/or a Permanent Bearer Global Security and/or a Regulation S Global Certificate and/or a Rule 144A Global Certificate, as the context may require.

"IAI" means an institutional investor that qualifies as an accredited investor (within the meaning of paragraphs (1), (2), (3) or (7) of Rule 501(a) of Regulation D under the Securities Act).

"ICSDs" means the international central securities depositaries, Euroclear and Clearstream, Luxembourg.

"Individual Certificates" means Registered Securities issued in physical definitive form and registered in the name of the holder thereof.

"Initial Charged Assets" has the meaning given to it in Condition 4 (*Charged Assets*) and in respect of each Series of Securities, as specified in the Issue Terms.

"Initial Tranche" means, if the Securities of a Series are, in accordance with the terms of the Trust Instrument relating to such Series, to be issued in tranches, the initial tranche specified in the Trust Instrument in respect of that Series.

"Instructing Creditor" means, in relation to a Series of Securities, either: (a) the Counterparty only; (b) the Securityholders only; or (c) the Counterparty and the Securityholders, as specified in the Issue Terms. For the avoidance of doubt, where "the Counterparty or the Securityholders" are specified as the Instructing Creditor there is no requirement for the Counterparty and the Securityholders to act together as Instructing Creditors.

"Interest Amount" has the meaning set out in Condition 7(b)(iv) (*Types of Securities - Floating Rate Securities*).

"Interest Determination Date" means, in relation to a Series of Securities, the date(s) set out in the Issue Terms where Screen Rate Determination is specified as applicable.

"Interest Payment Date" means, in relation to a Series of Securities, the date(s) set out in the Issue Terms.

"Interest Period" has the meaning set out in Condition 7(b)(i) (*Types of Securities - Floating Rate Securities*).

"investment company" means an investment company for the purposes of the 1940 Act.

"Investment Letter" means a letter substantially in the form attached as Part 9 of the First Schedule to the 3a-7 Trust Terms Module, to be delivered by each initial purchaser that is a U.S. person or that purchased the Securities during the Distribution Compliance Period when the Issuer is relying on the exception from the 1940 Act set out in Section 3a-7 thereof, or in such other form as is set out in the Trust Instrument.

"Irish Stock Exchange" means the Irish Stock Exchange plc.

"ISDA" means the International Swaps and Derivatives Association, Inc.

"ISDA Definitions" means the 2000 ISDA Definitions or the 2006 ISDA Definitions or such other definitions as may be specified in the Issue Terms.

"Issue Date" means, in relation to a Tranche of Securities, the date specified in the Issue Terms relating to such Securities as such, being the date on which such Securities are constituted.

"Issue Terms" means, in relation to a Series of Securities, the issue terms set out in the Trust Instrument relating to such Securities, including the terms of the Conditions Modules and Definitions Modules incorporated by reference, as the same may be modified and/or supplemented.

References to **"Japanese Yen"**, **"Yen"** and **"¥"** are to the lawful currency of Japan.

"Liability" means any loss, damage, cost, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal fees and expenses on a full indemnity basis.

"LIBOR" means London inter-bank offered rate.

"Liquidation Assets" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Liquidation Proceeds" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Loan Facility Agreement" means the loans, howsoever described, constituted by the Trust Instrument and incorporating therein the Loan Terms Modules.

"Loan Facility Terms" means, in relation to a Loan Facility Agreement, the loan facility terms set out in the Trust Instrument relating to such Loan Facility Agreement including the terms of the Loan Terms Modules and Definitions Modules incorporated by reference, as the same may be modified and/or supplemented.

"Loan Terms Modules" means the modules containing the terms which will apply to a Loan Facility Agreement to the extent incorporated into the Loan Facility Terms.

"Luxembourg Stock Exchange" means The Luxembourg Stock Exchange.

"Margin" means, in relation to a Series of Floating Rate Securities, the margin (if any) set out in the Issue Terms.

"Market Value Basis" means:

- (i) in the case of substitution of Charged Assets, that the value of the assets required to be provided by the Issuer shall be equal to the Market Value of the then subsisting Charged Assets on the date specified by the Counterparty in the Substitution Notice given by the Counterparty and for these purposes, **"Market Value"** shall mean the firm bid price obtained by the Calculation Agent from 3 dealers (one of whom may be the Counterparty) in such assets as it may in its discretion select (or, if more than one, the arithmetical average of such prices, disregarding the highest and lowest quotes) or, if less than 2 such bid prices are quoted by or available to such Calculation Agent, it shall be calculated by the Calculation Agent in such other manner as it shall determine in good faith and in a commercially reasonable manner; and
- (ii) in the case of the issue of Further Fungible Securities, that the additional assets required to be provided by the Issuer in respect of the Further Fungible Securities shall be calculated in accordance with a formula that takes into account the Market Value of the Charged Assets and the replacement costs of the Charged Agreement(s), if any, all as more fully described in the Issue Terms.

"Maturity Date" means, in relation to a Series of Securities, the final date on which the Securities are expressed to be redeemable as specified in the Issue Terms (which date may in certain circumstances be extended in accordance with the Issue Terms).

"Maximum Interest Rate" means, in relation to a Series of Securities, if applicable, such rate as is specified as the Maximum Interest Rate in the Issue Terms.

"Minimum Interest Rate" means, in relation to a Series of Securities, if applicable, such rate as is specified as the Minimum Interest Rate in the Issue Terms.

"Moody's" means Moody's Investors Services Limited or any successor to the rating business thereof.

"Mortgaged Property" means, in relation to any Series of Securities, the assets over which the Security Interests are created by the Issuer from time to time in relation to such Securities, including, as applicable, the Charged Assets and the Rights under the Transaction Documents.

"New Series of Securities" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Nominal Basis" means:

- (i) in the case of substitution of Charged Assets, that the assets required to be provided by the Issuer shall be of a nominal amount equal to the nominal amount of the Charged Assets being substituted; and
- (ii) in the case of the issue of Further Fungible Securities, that the additional assets required to be provided by the Issuer shall be in a nominal amount which bears the same proportion to the nominal amount of the Further Fungible Securities as the proportion which the nominal amount of such assets forming part of the Mortgaged Property for the existing Securities of such Series bears to the nominal amount thereof as at such date.

"Non-U.S. Series" means a series of Securities all of which will be offered and sold outside the United States to non-U.S. persons.

"N-USD Securities" means Securities denominated in a currency other than U.S. Dollars.

"N-USD Regulation S Global Certificate" means a registered global security in the form or substantially in the form set out in Part 3-A of the First Schedule to the 3a-7 Trust Terms Module (in the case of a Non-U.S. Series) or Part 3-D of the First Schedule to the 3a-7 Trust Terms Module (in the case of a U.S. Series) with such modifications (if any) as may be agreed between the Issuer, the Trustee and the Counterparty, comprising some or all of the Registered Securities of the same Series sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act, issued by the Issuer pursuant to the Trust Instrument.

"N-USD Rule 144A Global Certificate" means a fully registered global security substantially in the form of Part 3-C of the First Schedule to the 3a-7 Trust Terms Module with such modifications (if any) as may be agreed between the Issuer, the Trustee and the Counterparty, comprising some or all of the Registered Securities of the same Series pursuant to which any Securities offered and sold to or for the account or benefit of U.S. persons in accordance with the legend appearing thereon will be represented.

"Optional Call Redemption Amount" in relation to a Series of Securities shall have the meaning set out in the Issue Terms.

"Optional Call Redemption Date" in relation to a Series of Securities shall have the meaning set out in the Issue Terms.

"outstanding" means, in relation to a Series of Securities, all the Securities of that Series issued other than:

- (a) those Securities to the extent that they shall have been redeemed in part pursuant to the relevant Issue Terms;
- (b) those Securities which have been redeemed in full pursuant to the relevant Issue Terms;
- (c) those Securities in respect of which the date for redemption in accordance with the relevant Issue Terms has occurred and the redemption moneys (including all premium (if any) and interest (if any) payable thereon) have been duly paid to the Trustee, the Registrar and/or the Principal Paying Agent in the manner provided in the Agency Agreement (and where appropriate notice to that effect has been given to the Securityholders in accordance with Condition 15 (*Notices*)) and remain available for payment against presentation of the Securities;
- (d) those Securities which have been purchased and cancelled in accordance with Condition 9 (*Purchase*);
- (e) those Securities in respect of which claims have become void under Condition 13 (*Prescription*);

- (f) those mutilated or defaced Securities which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to Condition 14 (*Replacement of Securities*);
- (g) (for the purpose only of ascertaining the nominal amount of the Securities of that Series outstanding and without prejudice to the status for any other purpose of the Securities) those Securities which are alleged to have been lost, stolen or destroyed and in respect of which replacements have been issued pursuant to Condition 14 (*Replacement of Securities*); and
- (h) any Temporary Global Security to the extent that it shall have been exchanged for definitive Bearer Securities or a Permanent Bearer Global Security and any Permanent Bearer Global Security to the extent that it shall have been exchanged for definitive Bearer Securities in each case pursuant to its provisions; and

PROVIDED THAT for each of the following purposes, namely:

- (i) the right to attend and vote at any meeting of the Securityholders or any of them;
- (ii) the determination of how many and which Securities are for the time being outstanding for the purposes of Conditions 11 (*Events of Default*) and 12 (*Enforcement*) and paragraphs 2, 5, 6 and 9 of the Third Schedule to the 3a-7 Trust Terms Module;
- (iii) any discretion, power or authority (whether contained in the Trust Instrument or vested by operation of law) which the Trustee is required, expressly or impliedly, to exercise in or by reference to the interests of the Securityholders or any of them; and
- (iv) the determination by the Trustee whether any event, circumstance, matter or thing is, in its opinion, materially prejudicial to the interests of the Securityholders or any of them,

those Securities (if any) which are for the time being held by, for the benefit of, or on behalf of, the Issuer, the Counterparty (if any), the Swap Guarantor (if any) or any Subsidiary of the Issuer, the Counterparty or the Swap Guarantor (if any) shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

"Outstanding Principal Amount" means in relation to a Security, the principal amount of such Security outstanding from time to time.

"Pari Passu Basis" means, in meeting the claims of the Securityholders and the Counterparty (or if more than one Counterparty, meeting the claims of all such Counterparties on the basis as specified in the Issue Terms) under the Charged Agreement(s), on a *pari passu* and *pro rata* basis.

"Participating FFI" means an FFI that, as from the effective date of any rules requiring withholding on "passthru payments" (as such term is defined pursuant to Sections 1471 through 1474 of the Code and any regulations thereunder or official interpretations thereof), meets the requirements of Section 1471(b) of the Code and any regulations or other official guidance issued thereunder and that has not elected to be withheld upon pursuant to Section 1471(b)(3) of the Code.

"Paying Agents" means, in relation to a Series of Securities, the entities (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms and includes, for the avoidance of doubt, the Principal Paying Agent.

"Payment Day" means any day which (subject to Condition 13 (*Prescription*)) is:

- (a) a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (i) the relevant place of presentation; and
 - (ii) any Additional Financial Centre specified in the Issue Terms; and
- (b) either (1) in relation to any sum payable in a Currency of Issue other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Currency of Issue (if other than the place of presentation, London and any Additional Financial Centre and which if the Currency of Issue is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in euro, a day on which the Target2 System is open.

"Permanent Bearer Global Security" means a permanent bearer global security in the form or substantially in the form set out in Part 2 of the First Schedule to the 3a-7 Trust Terms Module with such modifications (if any) as may be agreed between the Issuer, the Trustee and the Counterparty, comprising some or all of the Bearer Securities of the same Issue, issued by the Issuer pursuant to the Trust Instrument either on issue of the Securities or in exchange for the whole or part of the Temporary Bearer Global Security issued in respect of such Bearer Securities (all as indicated in the Issue Terms).

"Placing Agreement" means, in relation to a Series of Securities, the placing agreement entered into by the Issuer and the Dealer(s) in respect of such Series by execution of the relevant Trust Instrument and into which the terms of the 3a-7 Placing Terms Module are incorporated by reference as the same may be modified and/or supplemented by the Trust Instrument.

"Potential Event of Default" means any condition, event or act which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration, demand, determination and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition, would constitute an Event of Default.

"Principal Paying Agent" means, in relation to a Series of Securities, the entity appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Programme" means the U.S.\$50,000,000,000 Limited Recourse Secured Debt Issuance Programme of the Issuer.

"PRA" means the Prudential Regulation Authority or any successor regulator which may be appointed from time to time.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A under the Securities Act.

"Rate of Interest" means, in relation to a Series of Securities, the Rate of Interest set out in the Issue Terms.

"Rating Agency" means, in relation to a Series of Securities that is rated, each rating agency specified in the Issue Terms.

"Rating Agency Confirmation" means, in relation to a Series of Securities that is rated the notification of the relevant event specified in the Issue Terms to the Rating Agency and confirmation from the Rating Agency that there has been no adverse change to the credit rating granted by such Rating Agency in respect of such Securities.

"Realisation Amount" means the net proceeds of realisation of, or enforcement with respect to the Security Interests over, the Charged Assets or the Mortgaged Property, as applicable (following payment of all amounts due to the Trustee or, as the case may be, the Selling Agent, including any costs, expenses and taxes incurred in connection with such realisation or enforcement).

"Record Date" means, in relation to a payment in respect of Individual Certificates or Regulation S Global Certificates, close of business on, in the case of Individual Certificates, the Business Day, and in the case of Regulation S Global Certificates, the day on which Euroclear and Clearstream, Luxembourg are open for business, in each case immediately prior to the date on which the relevant payment is due.

"Reference Banks" means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market and, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in each case selected by the Principal Paying Agent or as specified in the Issue Terms.

"Reference Rate" means, in relation to a Series of Securities, the Reference Rate set out in the Issue Terms where Screen Rate Determination is specified as applicable.

"Register" means a register on which shall be entered the names and addresses of the subscribers of the Registered Securities or, as the case may be, of the latest transferees of the same notified to the Registrar in accordance with Condition 1.4(c) of the 3a-7 Registered Securities Conditions Module (*Transfer of Registered Securities - General*), together with the particulars of the Registered Securities held by them respectively and of all transfers of Registered Securities.

"Registered Global Securities" means, together, the Regulation S Global Certificates and the Rule 144A Global Certificates.

"Registered Securities" means those of the Securities which are for the time being in registered form.

"Registrar" means, in relation to a Series of Securities (being, or which are exchangeable for, Registered Securities), the entity appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Regulation S Global Certificates" means collectively, the USD Regulation S Global Certificate and the N-USD Regulation S Global Certificate.

"Regulation S Transfer Certificate" means a transfer certificate substantially in the form attached to the Rule 144A Global Certificate, being the certificate to be delivered to the Registrar in order to request a transfer of an interest in a Rule 144A Global Certificate to a non-U.S. person taking an interest in a Regulation S Global Certificate representing Securities of the same Series.

"Relevant Date" has the meaning set out in Condition 13 (*Prescription*).

"Relevant Screen Rate" means, in relation to a Series of Securities, the relevant screen rate set out in the Issue Terms where Screen Rate Determination is specified as applicable.

"repay", "redeem" and "pay" shall each include both the others and cognate expressions shall be construed accordingly and shall (where the context so permits) be deemed to include references to delivery of the Charged Assets in accordance with the Issue Terms.

"Replacement Agent Bank" means the Replacement Agent Bank appointed by the Issuer or the Trustee, as the case may be, in accordance with Condition 17 (*Appointment of Replacement Selling Agent, Replacement Calculation Agent and Replacement Agent Bank*).

"Replacement Assets" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Replacement Calculation Agent" means the Replacement Calculation Agent appointed by the Issuer or the Trustee, as the case may be, in accordance with Condition 17 (*Appointment of Replacement Selling Agent, Replacement Calculation Agent and Replacement Agent Bank*).

"Replacement Selling Agent" means the Replacement Selling Agent appointed by the Issuer or the Trustee, as the case may be, in accordance with Condition 17 (*Appointment of Replacement Selling Agent, Replacement Calculation Agent and Replacement Agent Bank*).

"Replacement Swap" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Requesting Securityholder" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Required Minimum Securityholders" means Securityholders holding at least 50 per cent. of the aggregate principal amount of the Securities then outstanding, in each case including any Requesting Securityholder.

"Restructure Documents" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Rights" means, in relation to any agreement or asset, all rights, title and interest of the relevant person in, to and under such agreement or asset including, without limitation:

- (i) the Issuer's rights under the Agency Agreement, including all its rights in respect of all funds and/or assets held from time to time by any of the Agents for payment in respect of the Securities or otherwise in relation to the Securities or the Charged Assets; and
- (ii) the Issuer's rights to the Charged Assets, including all its rights in respect thereof or relating thereto and any sums or assets derived therefrom whether or not against third parties, including, without limitation, the Issuer's rights against the Custodian to redelivery of equivalent Charged Assets and any proceeds of the sale of the Charged Assets.

"Rule 144A Global Certificates" means, collectively, the USD Rule 144A Global Certificate and the N-USD Rule 144A Global Certificate.

"Rule 144A Transfer Certificate" means a transfer certificate substantially in the form attached to the a Regulation S Global Certificate representing Securities of a U.S. Series, being the certificate to be delivered to a Registrar in order to request a transfer of an interest in the Regulation S Global Certificate to a U.S. person taking an interest in a Rule 144A Global Certificate representing Securities of the same Series.

"S&P" means Standard & Poor's Ratings Services, a Division of the McGraw-Hill Companies, Inc. or any successor to the rating business thereof.

"Sale Agreement" means, in relation to a Series of Securities, the sale agreement entered into by the Issuer and the Vendor in respect of such Series by execution of the relevant Trust Instrument pursuant to which the Issuer agrees to purchase the relevant Charged Assets and into which the terms of the 3a-7 Sale Agreement Terms Module are incorporated by reference, as the same may be modified and/or supplemented by the Trust Instrument.

"Sale Request" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Securities" means the bonds, notes or other securities of a Series, howsoever described, constituted by the Trust Instrument and for the time being outstanding or, as the context may require, a specific number thereof, such Securities being denominated in the Currency of Issue and:

- (a) having such maturity as may be specified in the Issue Terms and, in any case, such minimum or maximum maturity 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 relevant Currency of Issue;
- (b) having such 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 relevant Currency of Issue; and
- (c) if sold within the United States or to a U.S. person, having an Authorised Denomination, or the equivalent in other Currencies of Issue;

and reference to **"Securities"** shall be deemed to include Coupons in the case of Bearer Securities in definitive form and Further Fungible Securities unless the context otherwise requires.

"Securities Act" means the United States Securities Act of 1933, as amended.

"Securities and Exchange Law" means the Securities and Exchange Law of Japan.

"Security Documents" means, in relation to a Series of Securities, the Trust Instrument and any Additional Charging Documents.

"Securityholder Priority Basis" means, first, in meeting claims of the Securityholders under the Securities on a *pari passu* and *pro rata* basis and, thereafter, in meeting the claims of the

Counterparty (or if more than one Counterparty, meeting the claims of all such Counterparties on the basis as specified in the Issue Terms) under the Charged Agreement(s).

"Securityholders" means the several persons who are for the time being holders of the Securities (being, in the case of Bearer Securities, the bearers thereof and, in the case of Registered Securities, the several persons whose names are entered in the register of holders of the Registered Securities as the holders thereof) save that, in respect of the Securities of any Series, for so long as such Securities or any part thereof are represented by a Bearer Global Security deposited with a depository for Euroclear and/or Clearstream, Luxembourg or so long as DTC or its nominee is the registered holder of a Global Security each person who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg or, as the case may be, DTC as the holder of a particular nominal amount of the Securities of such Issue shall be deemed to be the holder of such nominal amount of such Securities (and the holder of the relevant Global Security shall be deemed not to be the holder) for all purposes of the Trust Instrument other than with respect to the payment of principal, premium (if any) or interest (if any) on such Securities, the right to which shall be vested, as against the relevant Issuer and the relevant Trustee, solely in such depository or, as the case may be, DTC or its nominee and for which purpose such depository or, as the case may be, DTC or its nominee shall be deemed to be the holder of such nominal amount of such Securities in accordance with and subject to its terms and the provisions of the Trust Instrument and the expressions **"Securityholder"**, **"holder of Securities"** and related expressions shall be construed accordingly.

"Security Interests" means, in relation to a Series of Securities, the security interests created, or intended to be created at any time, in favour of the Trustee under the Security Documents.

"Security Ranking Basis" has the meaning given to it in Condition 5 (*Application of proceeds*).

"Selling Agent" means, in relation to a Series of Securities, the entity (if any) appointed as such under the Agency Agreement and as specified in the Issue Terms, and includes any Replacement Selling Agent.

"Selling Agent Default" means, in relation to the Selling Agent, the Selling Agent also acts as the Counterparty in relation to the relevant Series of Securities and an Event of Default (as defined in the Swap Agreement) has occurred under the Swap Agreement and the Counterparty is the Defaulting Party (as defined in the Swap Agreement).

"Series" means a Tranche of Securities together with any further Tranche or Tranches of Securities which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing) except for the respective Issue Dates, Interest Commencement Dates and/or Issue Prices and initial Common Code and ISIN.

"Shortfall Date" has the meaning given to it in Condition 8(a) (*Redemption – Final redemption*).

"Specified Denomination" means, in relation to a Series of Securities, the denomination(s) of the Securities as specified in the Issue Terms.

"Specified Time" means 11.00 a.m. (London time, in the case of a determination of LIBOR, or Brussels time, in the case of a determination of EURIBOR).

References to **"Sterling"**, **"Pounds Sterling"**, **"Pounds"** and **"£"** are to the lawful currency of the United Kingdom.

"Stock Exchange" means, in relation to a Series of Securities, each stock exchange or securities market (if any) specified in the Issue Terms.

"Subsidiary" means any company which is for the time being a subsidiary (within the meaning of Section 1159 of the Companies Act 2006 of Great Britain) or a subsidiary undertaking (within the meaning of Section 1162 and Schedule 7 of the Companies Act 2006 of Great Britain).

"Substitution Notice" has the meaning given to it in Condition 4(b)(i) (*Charged Assets – Substitution at the Direction of the Counterparty*).

"sub-unit" means, with respect to any currency other than the euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to the euro, means one cent.

"successor" means any successor to any one or more persons appointed in relation to the Securities pursuant to the Trust Instrument and/or such other or further persons appointed as such.

"Swap Adjustment Cost" has the meaning given to it in Condition 4(b)(ii) (*Charged Assets – Substitution at the request of Securityholders*).

"Swap Agreement" means, in relation to a Series of Securities, each interest rate and/or currency exchange and/or credit default swap agreement(s) or other hedging agreement(s) used with the primary purpose of providing credit enhancement and not used to create investment exposure as evidenced by either (i) a 1992 ISDA Master Agreement (Multicurrency - Cross Border) or (ii) a 2002 ISDA Master Agreement, as specified in the Issue Terms and schedule thereto entered into by the Issuer and the Counterparty by the execution of the relevant Trust Instrument and into which the terms of the 3a-7 Swap Schedule Terms Module are incorporated by reference, as the same may be modified and supplemented by the Trust Instrument, together with the confirmation entered into by the Issuer and the Counterparty, each dated the Issue Date.

"Swap Guarantee" means, in relation to a Series of Securities, the guarantee dated the Issue Date executed by the Swap Guarantor in respect of the payment obligations of the Counterparty under the Swap Agreement(s) (if any).

"Swap Guarantor" means, in relation to a Series of Securities, the guarantor (if any) of the payment obligations of the Counterparty under any Swap Agreement(s) as designated in the Issue Terms.

"Talons" means the talons (if any) appertaining to, and exchangeable in accordance with the provisions therein contained for further Coupons appertaining to, the Bearer Securities in definitive form of any Series (other than Zero-Coupon Securities) and includes any replacements for Talons issued pursuant to Condition 14 (*Replacement of Securities*).

"Target2 System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which launched 19 November 2007 (or any successor thereto).

"Temporary Bearer Global Security" means a temporary bearer global security in the form or substantially in the form set out in Part 1 of the First Schedule to the 3a-7 Trust Terms Module with such modifications (if any) as may be agreed between the Issuer, the Trustee and the Counterparty,

comprising some or all of the Securities of the same Series, issued by the Issuer pursuant to the Trust Instrument.

"Tranche" means, in relation to a Series of Securities which are, in accordance with the terms of the Trust Instrument, to be issued in tranches, the Initial Tranche and any further tranches issued in accordance with the Trust Instrument relating to that Series.

"Transaction Documents" means, in relation to a Series of Securities, the Trust Instrument, the Agency Agreement, the Sale Agreement, the Placing Agreement, the Charged Agreements, the Additional Agreements and any Additional Charging Document, in each case entered into in relation to such Securities and all agreements incidental to the issue of such Securities.

"Transfer Agents" means, in relation to a Series of Registered Securities, the entity or entities appointed as such under the Agency Agreement and as specified in the Issue Terms.

"Transfer Certificate" means the Regulation S Transfer Certificate and/or the Rule 144A Transfer Certificate as the context may require.

"Trust Corporation" means a corporation entitled by rules made under the Public Trustee Act 1906 of Great Britain or entitled pursuant to any other comparable legislation applicable to a trustee in any other jurisdiction to carry out the functions of a custodian trustee.

"Trustee" means, in relation to a Series of Securities, the entity designated as the trustee in the Issue Terms.

"Trust Instrument" means, in respect of a Tranche of Securities, a trust instrument dated the Issue Date of such Tranche of Securities and made between, among others, the Issuer and the Trustee.

References to **"U.S. dollars"**, **"U.S.\$"** and **"U.S. cents"** are to the lawful currency of the United States of America.

"USD Securities" means Securities denominated in U.S. dollars.

"USD Regulation S Global Certificates" means a registered global security in the form or substantially in the form set out in Part 3-A of the First Schedule to the 3a-7 Trust Terms Module (in the case of a Non-U.S. Series) or Part 3-D of the First Schedule to the 3a-7 Trust Terms Module (in the case of a U.S. Series) with such modifications (if any) as may be agreed between the Issuer, the Trustee and the Counterparty, comprising some or all of the Registered Securities of the same Series sold outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act, issued by the Issuer pursuant to the Trust Instrument.

"USD Rule 144A Global Certificates" means a fully registered book-entry security substantially in the form of Part 3-B of the First Schedule to the 3a-7 Trust Terms Module to be deposited on or prior to the issue date for the Securities with or on behalf of DTC and registered in the name of its nominee Cede & Co. pursuant to which any USD Securities offered and sold to or for the account or benefit of U.S. persons in accordance with the legend appearing thereon will be represented.

"U.S. Internal Revenue Code" means the United States Internal Revenue Code of 1986, as amended.

"**U.S. person**" has the meaning set out in Regulation S under the Securities Act.

"**U.S. Series**" means a series of Registered Securities all or a portion of which will be offered or sold within the United States or to, or for the account or benefit of, U.S. persons.

"**Vendor**" means, in relation to a Series of Securities, the entity designated as the vendor of the Charged Assets in the Issue Terms.

"**Zero-Coupon Securities**" means an issue of Securities which bear no interest.

2. STATUTORY PROVISIONS

Save where the context otherwise requires, references in any Transaction Document or Conditions Module 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.

3. AMENDMENTS

References in any Transaction Document or Conditions Module to that or any other Transaction Document, Conditions Module, agreement, deed or document shall be deemed also to refer to such module, agreement, deed or document as amended, supplemented, varied, replaced or novated (in whole or in part) from time to time and to modules, agreements, deeds and documents executed pursuant thereto.

4. SCHEDULES

Any Schedule, Appendix or Exhibit annexed to a Transaction Document or Conditions Module forms part of such Transaction Document or Conditions Module and shall have the same force and effect as if set out in the body of such Transaction Document or Conditions Module. Any reference to a Transaction Document or Conditions Module shall include any such Schedule, Appendix or Exhibit.

5. HEADINGS

Headings in any Transaction Document or Conditions Module and herein are for ease of reference only.

6. NUMBER

In any Transaction Document or Conditions Module and herein, save where the context otherwise requires, words importing the singular number include the plural and *vice versa*.

7. SUCCESSORS

Save where the context otherwise requires, references in any Transaction Document or Conditions Module and herein to any party to the Transaction Documents or Conditions Module shall include references to its successors and assigns, whether in security or otherwise, whomsoever.

8. MISCELLANEOUS

In each Transaction Document or Conditions Module, unless the contrary intention appears, a reference to:

(a) **"assets"** includes properties, revenues and rights of every description;

an **"authorisation"** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration and notarisation;

a **"month"** is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that, if there is no numerically corresponding day in the month in which that period ends, that period shall end on the last Business Day in that calendar month;

a **"regulation"** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental body, agency, department or regulatory, self-regulatory or other authority or organisation; and

(b) a time of day is a reference to London time.

DESCRIPTION OF THE ISSUER

General

The Issuer was incorporated as Mestenio Limited on 23 October 2014 as a limited liability company under the Companies Law (as amended) of the Cayman Islands (with registered No. DB-293003). The Issuer has been established as a special purpose vehicle for the purposes of issuing asset-backed securities. The Issuer is domiciled and registered in the Cayman Islands. The registered office of the Issuer is at the offices of Deutsche Bank (Cayman) Limited, Boundary Hall, Cricket Square, 171 Elgin Avenue, P.O. Box 1984, Grand Cayman KY1-1104, Cayman Islands, and its telephone number is +1 345 949 8244.

Share Capital and Shareholders

The authorised share capital of the Issuer is U.S.\$50,000 divided into 50,000 shares of U.S.\$1 each (the "**Shares**") of which 100 are issued and fully paid and are directly or indirectly held by Deutsche Bank (Cayman) Limited (the "**Share Trustee**") under the terms of a declaration of trust (the "**Declaration of Trust**") dated 27 October 2014 under which the Share Trustee holds the benefit of the shares on trust for charitable purposes. The Share Trustee has no beneficial interest in and derives no benefit from its holding of the shares. The Issuer has no subsidiaries.

The Issuer has no assets at the date hereof other than its paid-up share capital and any fees received from time to time in connection with the issue of Securities or entering into Alternative Investments, and has no liabilities at the date hereof (including no loan capital (issued or unissued), no term loans, no other borrowings or indebtedness in the nature of borrowing and no contingent liabilities or guarantees), other than in each case in connection with the issue of Securities or entering into Alternative Investments. In addition, the Issuer has not created any mortgages or charges other than in connection with the issue of Securities or entering into Alternative Investments.

The principal objects of the Issuer are set out in Clause 3 of its Memorandum of Association and are unrestricted so therefore permit, among other things, the issuance of Securities, the entering into of the Transaction Documents and generally enabling it to carry out the business of the Issuer as set out in the Trust Instrument and described in this Information Memorandum.

Business

The Trust Instrument contains restrictions on the activities in which the Issuer may engage. Pursuant to these restrictions, the business of the Issuer is limited to acquiring and holding Charged Assets, issuing Securities or entering into Alternative Investments up to a maximum aggregate nominal amount outstanding at any one time of U.S.\$50,000,000,000 (or its equivalent in other currencies), entering into Charged Agreements and performing its obligations and exercising its rights thereunder and entering into other related transactions, in each case, in respect of or in relation to Debt Investments.

The assets of the Issuer consists of the Charged Assets and the benefit of the Charged Agreements in respect of each Series of Securities and the issued and paid-up capital of the Issuer and fees. **The only assets of the Issuer available to meet claims of Securityholders and other secured creditors are the assets comprised in the relevant collection of benefits, rights and other assets comprising the security for the relevant Series of Securities.**

The Issuer will be paid a fee for agreeing to issue each series of the relevant Securities and entering into Alternative Investments. Other than the fees paid to the Issuer, its share capital and any income derived therefrom, there is no intention that the Issuer accumulates surpluses.

The Securities are obligations of the Issuer alone and not of the shareholders of the Issuer, the Trustee, any Counterparty, any guarantor of any Counterparty's obligations under any Charged Agreement 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.

Directors

The Directors of the Issuer are Alex McCoy, Alan Corkish and David Dyer, each of whom are officers or employees of Deutsche Bank (Cayman) Limited.

The business address of the Directors is at the offices of Deutsche Bank (Cayman) Limited, PO Box 1984, Boundary Hall, Cricket Square, 171 Elgin Avenue, Grand Cayman, KY1-1104, Cayman Islands.

Financial Statements

The Issuer intends to publish audited financial statements on an annual basis. Since its date of incorporation the Issuer has commenced operations to the extent disclosed herein. The Issuer published its first financial statements in respect of the period ending on 31 December 2014, its second financial statements in respect of the period ending on 31 December 2015 and its third financial statements in respect of the period ending on 31 December 2016, which were filed with the ISE and the Central Bank. The financial statements for the period ending on 31 December 2015 and 31 December 2016 shall be deemed to be incorporated in, and to form part of, this Information Memorandum save that any statement contained in this Information Memorandum or the financial statements for the period ending on 31 December 2015 or for the period ended on 31 December 2016 which are incorporated by reference herein, shall be deemed to be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained in the financial statements for the period ending on 31 December 2015 or for the period ended on 31 December 2016 modifies or supersedes such statement. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each year.

Auditors

The auditor of the Issuer is KPMG in the Cayman Islands. KPMG is a Legal Partnership formed under the laws of the Cayman Islands. It is a member firm of the KPMG network of independent member firms that is affiliated to KPMG International Cooperative (KPMGI), a legal entity formed under Swiss law. The firm complies with the Practitioner licensing requirements of the Cayman Islands Institute of Professional Accountants, and accordingly KPMG is qualified to issue audit opinions. Any future published audited financial statements prepared by the Issuer (which will, in each case, be in respect of the period ending on 31 December in each year) will be available to third parties upon request from the registered office of the Issuer, subject to the Issuer having obtained written consent from its auditors.

Capitalisation

The following table sets out the capitalisation of the Issuer as at the date of this Information Memorandum:

Shareholders' Funds:	U.S.\$
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Share Capital (Authorised: U.S.\$50,000; Issued: 100 100
Ordinary Shares of U.S.\$1 each)

Total Capitalisation 100

DESCRIPTION OF MERRILL LYNCH INTERNATIONAL AND BANK OF AMERICA CORPORATION

Merrill Lynch International ("**MLI**") is a company incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. MLI is a wholly owned subsidiary of ML UK Capital Holdings Limited and the ultimate parent of MLI is Bank of America Corporation. The registered address of MLI is 2 King Edward Street, London, EC1A 1HQ. MLI's principal activities are to provide a wide range of financial services globally for business originated in Europe, the Middle East and Africa, Asia Pacific and the Americas, to act as a broker dealer in financial instruments and to provide corporate finance advisory services. MLI also provides a number of post-trade services to third party clients, including clearing and settlement.

MLI's obligations under the Swap Agreement may be guaranteed by Bank of America Corporation (the "**Swap Guarantor**") if specified in the relevant Issue Terms. The Swap Guarantor is a Delaware corporation, a bank holding company and a financial holding company. The Swap Guarantor is one of the world's largest financial institutions, serving individual consumers, small and middle-market businesses, institutional investors, large corporations and governments with a full range of banking, investing, asset management and other financial and risk management products and services. Through its banking and various non-bank subsidiaries throughout the U.S. and in international markets, the Swap Guarantor provides a diversified range of banking and non-bank financial services and products through five business segments: *Consumer Banking, Global Wealth & Investment Management, Global Banking* and *Global Markets*, with the remaining operations recorded in *All Other*.

The Swap Guarantor's credit ratings are subject to ongoing review by the rating agencies, which consider a number of factors, including the Swap Guarantor's financial strength, performance, prospects and operations as well as factors not under the Swap Guarantor's control. Moody's Investors Service, Inc. ("**Moody's**") currently rates the Swap Guarantor's senior long-term debt as "Baa1" and short-term debt as "P-2". The current outlook is "Review for Upgrade". S&P Global Ratings ("**S&P**") currently rates the Swap Guarantor's senior long-term debt as "A-" and short-term debt as "A-2". The current outlook is "stable". Fitch Ratings ("**Fitch**") currently rates the Swap Guarantor's long-term debt as "A" and short-term debt as "F1". The current outlook is "stable". Further information with respect to such ratings may be obtained from Moody's, S&P and Fitch, respectively. No assurances can be given that the ratings of the Swap Guarantor's instruments will be maintained.

The Swap Guarantor's principal executive offices are located in the Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255, United States of America.

DESCRIPTION OF BANK OF AMERICA, N.A.

Bank of America, N.A. (the "**Bank**") is a national banking association organized under the laws of the United States, with its principal executive offices located in Charlotte, North Carolina. The Bank is the flagship national, full service commercial bank and primary operations subsidiary of Bank of America Corporation (the "**Corporation**") and is engaged in a general consumer banking, commercial banking and trust business, offering a wide range of commercial, corporate, international, financial market, retail and fiduciary banking services.

The Corporation is a bank holding company and a financial holding company, with its principal executive offices located in Charlotte, North Carolina. Additional information regarding the Corporation is set forth in its Annual Report on Form 10-K for the fiscal year ended 31 December 2016 together with its subsequent periodic and current reports filed with the Securities and Exchange Commission (the "**SEC**").

Filings can be inspected and copied at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549, United States, at prescribed rates. In addition, the SEC maintains a website at <http://www.sec.gov>, which contains reports, proxy statements and other information regarding registrants that file such information electronically with the SEC.

The information concerning the Corporation and the Bank is furnished solely to provide limited introductory information and does not purport to be comprehensive. Such information is qualified in its entirety by the detailed information appearing in the referenced documents and financial statements referenced therein.

Moody's currently rates the Bank's senior long-term debt as "A1" and short-term debt as "P-1." The current outlook is "Review for Upgrade". S&P currently rates the Bank's senior long-term debt as "A+" and its short-term debt as "A-1." The current outlook is stable. Fitch currently rates the Bank's senior long-term debt as "A+" and short-term debt as "F1." The outlook is stable. Further information with respect to such ratings may be obtained from Moody's, S&P and Fitch, respectively. No assurances can be given that the ratings of the Bank's instruments will be maintained.

Each of Moody's and Fitch is established in the European Union and registered in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and the Council of 16 September 2009 as amended (the "**CRA Regulations**"). S&P is not established in the European Union but S&P's Credit Market Services Europe Limited, its European Union credit rating agency affiliate, is registered in accordance with the CRA Regulations.

The Bank will provide copies of the most recent Bank of America Corporation Annual Report on Form 10-K, any subsequent reports on Form 10-Q, and any required reports on Form 8-K (in each case as filed with the SEC pursuant to the Exchange Act), and the publicly available portions of the most recent quarterly Call Report of the Bank delivered to the Comptroller of the Currency, without charge, to each person to whom this document is delivered, on the written request of such person. Written requests should be directed to:

Bank of America Corporate Communications

100 North Tryon Street, 18th Floor

Charlotte, North Carolina 28255

Attention: Corporate Communication

The delivery hereof shall not create any implication that there has been no change in the affairs of the Corporation or the Bank since the date hereof or that the information contained or referred to in this section is correct as of any time subsequent to its date.

DESCRIPTION OF BANK OF AMERICA MERRILL LYNCH INTERNATIONAL LIMITED

Bank of America Merrill Lynch International Limited ("**BAMLI**") is a company incorporated with limited liability in England and Wales (company number 1009248) and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. BAMLI was incorporated on 27 April 1971 in the name of Bank of America Limited, the name changed to Bank of America International Limited on 16 August 1974, to Banc of America Securities Limited on 30 March 2001 and to Bank of America Merrill Lynch International Limited on 9 December 2013. The registered office of BAMLI is 2 King Edward Street, London EC1A 1HQ. BAMLI is a wholly owned subsidiary of Bank of America, N.A. ("**BANA**"); BANA is the flagship national, full service commercial bank and primary operating subsidiary of Bank of America Corporation. BAMLI and its subsidiaries offer a range of corporate financial services and banking activities.

TAXATION

1. CAYMAN ISLANDS TAXATION

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Securities. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under current Cayman Islands law:

- (i) payments of principal and interest in respect of any Securities will not be subject to taxation in the Cayman Islands and no withholding will be required on such payments to any holder of Securities and gains derived from the sale of any Securities will not be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance or gift tax;
- (ii) the holder of any Security (or the legal personal representative of such holder) whose Security is executed in or brought into the Cayman Islands may, in certain circumstances, be liable to pay stamp duty imposed under the laws of the Cayman Islands in respect of such Security;
- (iii) an instrument of transfer in respect of any Securities may be stampable if executed in or brought into the Cayman Islands; and
- (iv) an instrument being a debenture or a legal or equitable mortgage or charge of immoveable property may attract stamp duty ad valorem at the rate of 1% of the sum secured where such sum is CI\$300,000 or less, and of 1.5% of the sum secured where such sum is more than CI\$300,000. However, no duty will be payable where the property which is the subject of such debenture or legal or equitable mortgage or charge is situated outside the Cayman Islands. Where an instrument constitutes a legal or equitable mortgage or charge of moveable property, then it may attract stamp duty ad valorem of 1.5% of the sum secured except where the property which is the subject of such legal or equitable mortgage or such charge is situated outside the Cayman Islands or, in the case of a legal or equitable mortgage or charge granted by an exempted company or a body corporate incorporated outside of the Cayman Islands of moveable property situated in the Cayman Islands or over shares in such exempted company, the maximum duty payable shall be CI\$500.

The Issuer has been incorporated under the laws of the Cayman Islands as an exempted company and, as such, has applied for and received an undertaking from the Governor-in-Cabinet of the Cayman Islands in substantially the following form:

"CAYMAN ISLANDS GOVERNMENT

**THE TAX CONCESSIONS LAW
1999 REVISION**

UNDERTAKING AS TO TAX CONCESSIONS

In accordance with Section 6 of the Tax Concessions Law (1999 Revision), the Governor in Cabinet undertakes with Mestenio Limited ("the Company"):

- (a) 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
- (b) 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
 - (i) on or in respect of the shares debentures or other obligations of the Company; or
 - (ii) by way of withholding in whole or in 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 the 4th day of November 2014.

GOVERNOR IN CABINET"

2. UNITED STATES TAXATION

The relevant Supplemental Information Memorandum relating to any U.S. Series will set out information regarding the United States federal income tax treatment of any such Securities.

U.S. persons considering the purchase of the Securities should consult their own tax advisers concerning the application of United States federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of the Securities arising under the laws of any other taxing jurisdictions.

No Bearer Securities shall be issued unless the Trustee shall have first received a tax opinion from reputable tax counsel in respect of the U.S. tax treatment of such Bearer Securities.

3. UNITED KINGDOM TAXATION

The following applies only to persons who are the beneficial owners of the Securities and is a summary of the Issuer's understanding of current United Kingdom law and published HM Revenue & Customs practice in the United Kingdom relating to the withholding or deduction for or on account of United Kingdom income tax on payments of interest (as that term is understood for United Kingdom tax purposes) on the Securities. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of the Securities. Some aspects do not apply to certain classes of person (such as dealers and persons connected with the Issuer) to whom special rules may apply. Prospective Securityholders who are in any doubt as to their tax position or who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

(a) Payment of interest on the Securities

Payments of interest on the Securities may be made without withholding or deduction for or on account of United Kingdom income tax unless such interest is regarded as having a United Kingdom source for United Kingdom tax purposes. This will depend on the terms of the relevant Securities

and a number of other factors and prospective Securityholders should therefore take legal advice on the question of whether any particular Securities carry a right to United Kingdom source interest.

In the case of interest on Securities which is regarded as having a United Kingdom source, no United Kingdom income tax will be required to be deducted from such interest in the following circumstances:

- (i) where the Securities carry a right to interest and are and continue to be listed on a recognised stock exchange within the meaning of section 1005 of the Income Tax Act 2007. The Irish Stock Exchange is a recognised stock exchange. The Securities will satisfy this requirement if they are officially listed in Ireland in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Irish Stock Exchange; and
- (ii) where the interest is payable on Securities which have a maturity of 364 days or less (and those Securities do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days).

In other cases where interest on the Securities has a United Kingdom source, an amount must generally be withheld from payments of interest on the Securities on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any other available exemptions or reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for not tax to be withheld) in relation to a Securityholder, HMRC can issue a notice to the Issuer to pay interest to the Securityholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double taxation treaty).

(b) Other payments on the Securities

Payments on the Securities that are not interest, but are nevertheless treated as annual payments for United Kingdom tax purposes, may be made without deduction of or withholding on account of United Kingdom income tax provided that they do not have a United Kingdom source. Payments of the Securities that are manufactured payments may be made without deduction of or withholding on account of United Kingdom income tax provided that the Issuer is not resident in the United Kingdom and does not carry on any trade through a branch or agency in the United Kingdom. Otherwise, an amount may be required to be withheld from annual payments or manufactured payments on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any available exemptions or reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for not tax to be withheld) in relation to a Securityholder, HMRC can issue a notice to the Issuer to pay interest to the Securityholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double taxation treaty).

4. FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the Code, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer is a foreign financial institution for these purposes. A number of jurisdictions (including the Cayman Islands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA

applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, such withholding would not apply prior to 1 January 2019 and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining "foreign passthru payments" are filed with the U.S. Federal Register generally would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under the Conditions of the Securities—Further Issues) that are not distinguishable from previously issued Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Securities.

SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS

United States

Unless otherwise specified in the relevant Supplemental Information Memorandum, the following selling restrictions shall apply:

The Securities 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 and may include Securities in bearer form that are subject to U.S. tax law requirements.

Consequently, the Securities forming part of a U.S. Series may not be offered, sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Securities forming part of a U.S. Series may not be offered, sold, resold, delivered or transferred to persons who are not Eligible Investors.

The Securities forming part of a Non-U.S. Series may not be offered, sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons or to persons who are not Eligible Investors.

The Securities have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities reviewed or passed upon the accuracy or adequacy of this Information Memorandum or any Supplemental Information Memorandum. Any representation to the contrary is a criminal offence in the United States. Prospective purchasers of Securities that are QIBs are hereby notified that the seller of such Securities may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A thereof. The minimum aggregate principal amount of Securities which may be purchased by a QIB pursuant to Rule 144A is U.S.\$100,000 (or the approximate equivalent thereof in any other currency). To the extent that the Issuer is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Issuer has agreed to furnish to holders of Securities and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

In addition, the Issuer has not been and will not be registered as an "investment company" under the 1940 Act. Accordingly, the Securities may only be sold, re-offered, resold, delivered or transferred to Eligible Investors in compliance with Rule 3a-7 under the 1940 Act.

The Supplemental Information Memorandum applicable to any Series of Securities may modify, amend or supplement the restrictions set out herein.

Non-U.S. Series

Securities of a Non-U.S. Series will be subject to the following selling restrictions unless otherwise provided in the relevant Supplemental Information Memorandum. Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer, sell or, in the case of any bearer securities, deliver any such Securities (i) as part of their distribution at any

time or (ii) otherwise, within the United States or to, or for the account or benefit of, U.S. persons or to persons who are not Eligible Investors, and it will give each dealer to which it sells Securities a confirmation or other notice setting out the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons or to persons who are not Eligible Investors. Unless otherwise indicated, terms used in this paragraph have the meaning given to them by Regulation S. In addition, an offer or sale of the Securities within the United States by any dealer (whether or not participating in the offering of such Securities) may violate the registration requirements of the Securities Act. See "**Restrictions with respect to Securities in bearer form**" below for a discussion of certain U.S. tax law requirements with respect to Bearer Securities.

Beneficial interests in a Bearer Global Security may not be offered, sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons or to persons who are not Eligible Investors. Such beneficial interest may only be transferred upon certification:

- (i) as to non-U.S. beneficial ownership as required by U.S. Treasury regulations;
- (ii) that the transferee is an Eligible Investor; and
- (iii) that the transferee is a U.S. person.

Definitive Bearer Securities may not be sold, resold, delivered or transferred within the United States or its possessions or to, or for the account or benefit of, U.S. persons.

U.S. Series

Securities of a U.S. Series (i) shall be issued in the form of Registered Securities only and (ii) shall be issued (a) outside the United States in offshore transactions to non-U.S. persons in compliance with Regulation S and/or (b) pursuant to an exemption from the registration requirements of the Securities Act, in both cases only to Eligible Investors (as defined below). The Issue Terms will specify whether the Securities will be issued in the form of Individual Certificates and/or N-USD Rule 144A Global Certificates and N-USD Regulation S Global Certificates, in the case of N-USD Securities, or USD Rule 144A Global Certificates and USD Regulation S Global Certificates, in the case of USD Securities. No sale of the Securities in the United States to a U.S. person will be for less than U.S.\$250,000 principal amount and integral multiples of U.S.\$1 in excess thereof, and no Security will be issued in connection with such sale in a smaller principal amount. If a purchaser of such Securities is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$250,000 principal amount of the Securities and integral multiples of U.S.\$1 in excess thereof.

Each Individual Certificate, each Rule 144A Global Certificate and each Regulation S Global Certificate representing Securities of a U.S. Series shall contain a legend in substantially the form set out in the relevant Supplemental Information Memorandum or Trust Instrument.

Until the first day following the expiry of 40 days after the later to occur of (i) the first date the Securities were offered to the public or (ii) the settlement date for the Securities (such period, the "**Distribution Compliance Period**"), beneficial interests in a Regulation S Global Certificate may not be offered or sold in the United States or to U.S. persons unless the transferor delivers to the Registrar a duly completed Rule 144A Transfer Certificate and the transferee delivers a duly completed Investment Letter (each in the form incorporated into the Trust Instrument). In addition, in the event a person holding a beneficial interest in a Rule 144A Global Certificate makes a transfer at any time to a non-U.S. person in accordance with either

Rule 903 or Rule 904 of Regulation S, the transferor will be required to deliver a Regulation S Transfer Certificate in the form incorporated into the Trust Instrument and the transferee will be required to deliver an Investment Letter certifying, among other things, its status as a non-U.S. person. The Issuer and the Trustee reserve the right prior to any sale or other transfer to require the delivery of such other certifications, legal opinions and other information as the Issuer or the Trustee may reasonably require to confirm that the proposed sale or other transfer complies with the restrictions described herein.

Beneficial interests in the Rule 144A Global Certificates and the Regulation S Global Certificates will be shown in, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants (including Euroclear and Clearstream, Luxembourg) as described in the 3a-7 Registered Securities Conditions Module. Rule 144A Global Certificates and the Regulation S Global Certificates may not be exchanged for Securities in definitive certificated form except in the limited circumstances described under Condition 1.3 (*Exchange of Registered Securities*).

The initial purchase and any transfer to a subsequent transferee (each initial purchaser, together with each subsequent transferee, are referred to herein as the "**Purchaser**") of any Securities of a U.S. Series represented by Individual Certificates shall be subject to the prior written consent of the Issuer. Consent to any such purchase or transfer may only be withheld to ensure compliance with, or an exemption under, applicable law. Any such purchase or transfer requires the submission to the Registrar of an investment letter in the form to be set out in the relevant Supplemental Information Memorandum (an "**Investment Letter**") relating to any such Series, and any subsequent transfer also requires the submission to the Registrar and Transfer Agent of a duly completed certificate of transfer attached to the Individual Certificate. In addition, in connection with the initial purchase and any resale or other transfer of such Individual Certificates or any interest therein, the Issuer may require additional information including evidence that such purchase, sale or transfer does not cause the Issuer to become subject to registration or regulation under the 1940 Act.

Each Purchaser understands and agrees that the Issuer is relying on the exemption from the 1940 Act set forth under Rule 3a-7 thereof. Accordingly, Securities may only be re-offered, resold, delivered or transferred to institutional investors that qualify as Eligible Investors.

Each Purchaser further understands and agrees that at no time may such Securities be owned beneficially by a person that is not an Eligible Investor. In order to ensure compliance with this limitation, the registration of a Security may be refused if as a result of such issuance or transfer, the Securities will be owned beneficially by a person that is not an Eligible Investor. Any transfer or other disposition of any such Securities that would, in the sole determination of the Issuer, require the Issuer to register as an "investment company" under the provisions of the 1940 Act, will be void *ab initio* and such transfer or other disposition will not be honoured by the Trustee. Accordingly, any transferee or other holder in such a transaction will not be entitled to any rights as a Securityholder.

Each initial purchaser of a Security of a U.S. Series represented by a Rule 144A Global Certificate or a Regulation S Global Certificate will be required to deliver an Investment Letter in the form to be set out in the relevant Supplemental Information Memorandum, and each subsequent transferee will be deemed to have made the same representations and agreements.

The Investment Letters referred to above shall include the following representations and agreements (undefined terms used in this section that are defined in Rule 144A or in Regulation S are used herein as defined therein):

- (1) **Purchaser Requirements.** The Purchaser (I) (A) is an Eligible Investor, (B) will hold at least the minimum denomination of U.S.\$250,000, (C) will provide notice of applicable transfer restrictions to any subsequent transferee, and (D) is purchasing for its own account or for the accounts of one or more other persons each of whom meets all of the requirements of clauses (A) through (C) and over which it exercises sole investment discretion, or (II) is not a U.S. person and is acquiring the Securities pursuant to Rule 903 or 904 of Regulation S. The Purchaser acknowledges that the Issuer and the Trustee reserve the right prior to any sale or other transfer to require the delivery of such certifications, legal opinions and other information as the Issuer or the Trustee may reasonably require to confirm that the proposed sale or other transfer complies with the foregoing restrictions.
- (2) **Notice of Transfer Restrictions.** Each Purchaser acknowledges and agrees that (A) the Securities have not been and will not be registered under the Securities Act and the Issuer has not been registered as an "investment company" under the 1940 Act, (B) neither the Securities nor any beneficial interest therein may be re-offered, resold, pledged or otherwise transferred except in accordance with the provisions set out in paragraph (1) above and (C) the Purchaser will notify any transferee of such transfer restrictions and that each subsequent holder will be required to notify any subsequent transferee of such Securities of such transfer restrictions.
- (3) **Mandatory Transfer/Redemption.** Each Purchaser acknowledges and agrees that in the event that at any time the Issuer determines or is notified by the Dealer acting on behalf of the Issuer that such Purchaser was in breach, at the time given or deemed to be given, of any of the representations or agreements set out in paragraph (1) above or otherwise determines that any transfer or other disposition of any Securities would, in the sole determination of the Issuer or the Dealer acting on behalf of the Issuer, require the Issuer to register as an "investment company" under the provisions of the 1940 Act or result in a Security being held by or on behalf of a person is not an Eligible Investor at the time of such transfer or disposition, such purchase or other transfer will be void *ab initio* and will not be honoured by the Trustee. Accordingly, any such purported transferee or other holder will not be entitled to any rights as a Securityholder and the Issuer shall have the right, in accordance with the conditions of the Securities, to force the transfer of, transfer on behalf of the Securityholder, or redeem, any such Securities.
- (4) **Rule 144A Information.** Each Purchaser of Securities offered and sold in the United States under Rule 144A is hereby notified that the offer and sale of such Securities to it is being made in reliance upon the exemption from the registration requirements of the Securities Act provided by Rule 144A. The Issuer has agreed to furnish to investors upon request such information as may be required by Rule 144A.
- (5) **ERISA.** If the Purchaser is a U.S. person purchasing an interest in an Individual Certificate or a Rule 144A Global Certificate, it is not a benefit plan investor, is not using the assets of a benefit plan investor to acquire such Securities and shall not at any time hold such Securities for a benefit plan investor (including assets that may be held in an insurance company's separate or general accounts where assets in such accounts may be deemed "**plan assets**" for purposes of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**")). For the purposes hereof, the term "**benefit plan investor**" means (A) any employee benefit plan (as defined in section 3(3) of ERISA), which is subject to Title I of ERISA, (B) any plan described in and subject to section 4975 of the U.S. Internal Revenue Code, or (C) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (within the meaning of the U.S. Department of Labor Regulations section 2510.3-101 as modified by Section 3(42) of ERISA).

If the Issue Terms specify that the Securities are represented by a Rule 144A Global Certificate or a Regulation S Global Certificate, the Investment Letter will also contain the following representations and agreements and each subsequent transferee will be deemed to have represented and agreed to the following:

- (6) **Legends on Global Certificates.** Each Purchaser acknowledges that each of the Rule 144A Global Certificate and the Regulation S Global Certificate will bear legends substantially to the effect set out in the relevant Supplemental Information Memorandum and that the Issuer has covenanted in the relevant Trust Instrument not to remove either such legend so long as it shall be necessary for the Issuer to rely on the exception to the 1940 Act set out in Section 3a-7 thereof.
- (7) **Regulation S Transfers During the Distribution Compliance Period.** If the Purchaser has acquired a portion of a Regulation S Global Certificate in a sale or other transfer being made in reliance upon Regulation S, the Purchaser agrees that during the Distribution Compliance Period it will not offer, resell, pledge or otherwise transfer such portion of such Regulation S Global Certificate to or for the account or benefit of any U.S. person other than to a person meeting the requirements set out in paragraph (1) above and in the legend set out on the Regulation S Global Certificate.

Any transfer or other disposition of any Securities of a U.S. Series that would, in the sole determination of the Issuer, cause the Issuer to be required to register as an investment company under the 1940 Act or result in a Security being held by or on behalf of a person who is not an Eligible Investor at the time of such transfer or disposition, will be void *ab initio*, and such transfer or other disposition will not be recognised by the Issuer.

If at any time the Issuer in its sole determination determines that:

- (i) a Security is held by or on behalf of a person who is not an Eligible Investor at the time it purchases such Security;
- (ii) the Trustee is or becomes "affiliated" (as such term is defined in Rule 405 of the Securities Act) with any person or entity involved in the organisation or operation of the Issuer;
- (iii) the Trustee retires or is removed and no successor Trust Corporation incorporated in the United States of America is appointed in accordance with Clause 25 of the 3a-7 Trust Terms Module; and/or
- (iv) it is necessary to do so to maintain any applicable exemption from or exception to the 1940 Act,

the Issuer may, in its discretion and at the expense and risk of holders, redeem all of the Securities.

Restrictions with respect to Securities in bearer form

Securities issued in bearer form 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 and regulations thereunder.

If TEFRA C is specified in the Issue Terms relating to the relevant Issue, each relevant Dealer understands that, under the C Rules, Securities in bearer form must be issued and delivered outside the United States and its possessions in connection with their original issuance. With respect to Securities where TEFRA C is specified in the Issue Terms, each relevant Dealer represents and agrees that it has not offered, sold or

delivered, and will not offer, sell or deliver, directly or indirectly, Securities in bearer form within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of Securities in bearer form, the relevant Dealer has not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the relevant Dealer or the prospective purchaser is within the United States or its possessions or otherwise involves a U.S. office of the relevant Dealer in the offer or sale of Securities in bearer form. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules.

If TEFRA D is specified in the Issue Terms relating to the relevant Series:

- (a) Each relevant Dealer represents and agrees that, except to the extent permitted under the D Rules, (i) it has not offered or sold, and during the restricted period will not offer or sell, Securities in bearer form to a person who is within the United States or its possessions or to a United States person, and (ii) it has not delivered and will not deliver within the United States or its possessions definitive Securities in bearer form that are sold during the restricted period.
- (b) Each relevant Dealer represents and agrees that it has and throughout the restricted period will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling Securities in bearer form are aware that such Securities may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by the D Rules.
- (c) Each relevant Dealer that is a United States person represents that it is acquiring the Securities in bearer form for purposes of resale in connection with their original issuance and that if it retains Securities in bearer form for its own account, it will only do so in accordance with the requirements of U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D)(6) (or any successor U.S. Treasury regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010).
- (d) Each relevant Dealer agrees that, with respect to each affiliate that acquires from it or from another Dealer Securities in bearer form for the purpose of offering or selling such Securities during the restricted period, it either (i) repeats and confirms the representations and agreements contained in subparagraphs (a), (b) and (c) above on its behalf or (ii) will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in subparagraphs (a), (b) and (c) above.
- (e) Each relevant Dealer represents and agrees that it will obtain from any distributor (within the meaning of U.S. Treas. Reg. section 1.163-5(c)(2)(i)(D)(ii)) (or any successor U.S. Treasury regulation section, including without limitation, regulations issued in accordance with Internal Revenue Service Notice 2012-20 or otherwise in connection with the United States Hiring Incentives to Restore Employment Act of 2010) that purchases any of the Securities in bearer form from one or more of the Dealers pursuant to a written contract with such Dealer (except a distributor who is an affiliate of such Dealer), for the benefit of the Issuer and such Dealer, the representations contained in and such distributor's agreement to comply with the provisions, representations and agreements contained in this paragraph, as if such distributor were a Dealer hereunder.
- (f) Terms used in subparagraphs (a) to (e) above have the meanings given to them by the Code and regulations thereunder, including the D Rules.

Each issuance of Securities will be subject to such additional U.S. selling restrictions as the Issuer and the relevant Dealer may agree, as indicated in the relevant Supplemental Information Memorandum.

Japan

The Securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer or sell any Securities, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Prohibition of Sales to EEA Retail Investors

From 1 January 2018, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Issue Terms in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression "**retail investor**" means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in the Prospectus Directive (as defined below); and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities.

Prior to 1 January 2018, in relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, 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 Securities which are the subject of the offering contemplated by this Information Memorandum as completed by the Issue Terms in relation thereto, to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Securities to the public in that Relevant Member State:

- (a) if the Issue Terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**") following the date of publication of a prospectus in relation to such Securities 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, provided that any such prospectus has been completed by the Issuer in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or Issue Terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (a) to (d) above 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 this provision, the expression an "**offer of Securities to the public**" in relation to any Securities 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 Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Securities which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Securities other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom; and
- (c) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

Ireland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree that:

- (a) it will not underwrite the issue of, or place the Securities, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended, "**MiFID Regulations**"), including, without limitation, Regulations 7 (Authorisation) and 152 (Restrictions on advertising) thereof and any codes of conduct made under the MiFID Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it will not underwrite the issue of, or place, the Securities, otherwise than in conformity with the provisions of the Companies Act 2014 (as amended, the "**Companies Act**"), the Central Bank Acts 1942 - 2015 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended);
- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of, the Securities, otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued by the Central Bank of Ireland (the "**Central Bank**") under Section 1363 of the Companies Act; and
- (d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Securities, otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014) (as amended) and any rules and guidance issued by the Central Bank under Section 1370 of the Companies Act.

Cayman Islands

Each Dealer will represent and agree that it will not cause the Issuer to breach the provisions of section 175 of the Companies Law (as amended), which prohibits it from making any invitation to the public in the Cayman Islands to subscribe for any of its securities, unless the Issuer is listed on the Cayman Islands Stock Exchange at the time of such invitation.

General

Each Dealer and each further Dealer appointed under the Programme will agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Securities or possesses or distributes this Information Memorandum or any Supplemental Information Memorandum and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Securities under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefor.

Neither the Issuer, the Trustee nor any Dealer represents that Securities may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Series of Securities, the relevant Dealer(s) will be required to comply with such other restrictions as the Issuer and the relevant Dealer(s) shall agree and as shall be set out in the relevant Supplemental Information Memorandum.

PRIIPs Regulation

The Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); or (ii) a customer within the meaning of Directive

2002/92/EC ("**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "**Prospectus Directive**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared by the Issuer and the Dealer and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation. Investors are to note that the PRIIPs Regulation is due to apply from 1 January 2018.

GENERAL INFORMATION

Authorisation

The establishment of the Programme and the issue of Securities have been duly authorised by resolutions of the Board of Directors of the Issuer dated 6 November 2014. The updating of the Programme was duly authorised by resolutions of the Board of Directors of the Issuer dated 4 December 2015, 6 December 2016 and 20 December 2017.

Listing of Securities

It is expected that each Series of Securities which is to be admitted to trading on the Irish Stock Exchange's regulated market and to be listed on the Irish Stock Exchange will be admitted separately as and when issued, subject only to the issue of a Global Security or Securities initially representing the Securities of such Series. This Information Memorandum has been approved by the Central Bank, as competent authority under the Prospectus Directive. The Central Bank only approves this Information Memorandum as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Securities 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 or which are to be offered to the public in any Member State of the European Economic Area. Application will be made to the Irish Stock Exchange for the Securities to be admitted to the Official List and trading on its regulated market.

Securities may also be issued pursuant to the Programme which will not be listed on the Irish Stock Exchange or any other stock exchange or which may be listed on such stock exchange as the Issuer and the Dealer may agree.

All material expenses relating to listing or to the approval of this Information Memorandum by the Central Bank as a base prospectus (for the purposes of the Prospectus Directive) will be paid by the Arranger.

Walkers Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Securities and is not itself seeking admission of the Securities to the official list of the Irish Stock Exchange or to trading on the regulated market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

Documents On Display

For the life of this Information Memorandum, copies of the following documents (together with any other documents specified in the relevant Supplemental Information Memorandum) will, when published (to the extent applicable), be available in physical form during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Issuer and from the specified offices of the Paying Agents, Registrar and Transfer Agents (if any) in respect of such Securities:

- (i) the Memorandum and Articles of Association of the Issuer;
- (ii) the Trust Instrument relating to such Securities (and the documents incorporated therein, including, *inter alia*, the Agency Agreement, the Charged Agreements and the Sale Agreement);

- (iii) a copy of this Information Memorandum and the Supplemental Information Memorandum relating to such Securities, together with any other document required or permitted to be published by the Irish Stock Exchange;
- (iv) any future information memoranda, prospectus, offering circulars and supplements including Issue Terms (save that, any Issue Terms relating to Securities which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Security and such holder must produce evidence satisfactory to the Issuer, Paying Agent, Registrar or Transfer Agent as to its holding of Securities and identity) to this Information Memorandum and any other documents incorporated therein by reference;
- (v) in the case of each issue of listed Securities subscribed pursuant to a subscription agreement, such subscription agreement (or equivalent document); and
- (vi) the annual audited financial statements of the Issuer for the years ended 31 December 2014, 31 December 2015 and 31 December 2016.

Clearing Systems

The Securities (other than those in definitive form) will be accepted for clearance through Euroclear and Clearstream, Luxembourg and, as applicable, DTC (which are the entities in charge of keeping records) (unless otherwise specified in the relevant Supplemental Information Memorandum). The appropriate Common Code and ISIN for each Series allocated by Euroclear and Clearstream, Luxembourg and the appropriate CUSIP and CINS numbers for each Series allocated by DTC will be specified in the relevant Supplemental Information Memorandum. If the Securities are to clear through an additional or alternative clearing system the appropriate information will be specified in the relevant Supplemental Information Memorandum.

The address for Euroclear is 3 Boulevard du Roi Albert II, B.1210 Brussels, Belgium. The address for Clearstream, Luxembourg is 42 Avenue J.F. Kennedy, L-1855 Luxembourg. The address for DTC is 55 Water Street, New York, N.Y. 10041, United States of America.

Significant or Material Change

There has been no significant change in the financial or trading position of the Issuer since 31 December 2016 and there has been no material adverse change in the financial position or prospects of the Issuer since 31 December 2016.

Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) in the previous 12 months which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

Conditions for Determining Price

The price and amount of Securities to be issued under the Programme will be determined by the Issuer and the Dealer at the time of issue in accordance with prevailing market conditions.

Auditors

The auditor of the Issuer is KPMG in the Cayman Islands who are chartered accountants qualified to practice in the Cayman Islands. The auditors of the Issuer have no material interest in the Issuer.

Post-Issuance Information

Other than as set out in a Supplemental Information Memorandum, the Issuer does not intend to provide any post-issuance information in relation to any Series of Securities or Charged Assets.

INDEX OF DEFINED TERMS

£		bearer	75
£	6, 104	Bearer Global Security	86
¥		Bearer Securities	72, 86
¥	6, 96	Beneficial Owners	86
€		benefit plan investor	5, 86, 123
€	6, 90	Bond Basis	93
I		BRRD	31
1940 Act	5, 84	Business Day	86
2		Business Day Convention	86
2000 ISDA Definitions	84	C	
2006 ISDA Definitions	84	C Rules	20, 87
3		Calculation Agent	49, 87
30/360	92	Calculation Agent Default	87
3a-7 Agency Terms Module	84	Calculation Amount	87
3a-7 Bearer Securities Base Conditions Module	84	Cash Collateral	87
3a-7 General Definitions Module	84	Cash Deposit Account	87
3a-7 Placing Terms Module	84	Cayman Islands Taxation	116
3a-7 Registered Securities Conditions Module	84	Central Bank	1, 16
3a-7 Sale Agreement Module	84	Charged Agreements	68, 87
3a-7 Swap Schedule Terms Module	84	Charged Assets	68, 87
3a-7 Trust Terms Module	85	clearing agency	74
A		Clearing Agency	78
Account Bank	85	clearing corporation	78
Accrual Period	92	Clearing Systems	88
Additional Agreement	85	Clearstream, Luxembourg	88
Additional Charging Document	85	Code	81, 88
Affiliate	85	Collateral Top Up Costs	43, 88
Agency Agreement	85	Commission proposal	25
Agent Bank	85	Common Depository	88
Agent Bank Default	85	Common Safekeeper	88
Agent's Group	85	Common Service Provider	88
Agents	85	Conditions	37, 88
Alternative Investments	85	Conditions Modules	88
Amortised Face Amount	57	Consenting Holders	43, 88
Appointee	85	Corporation	113
Arranger	85	Counterparty	88
Article 50	32	Counterparty Account	88
assets	108	Counterparty Priority Basis	46, 88
Auditors	86	Counterparty/Securityholder Priority Basis	46, 89
authorisation	108	Couponholders	89
Authorised Denomination	86	Coupons	89
Authorities	31	CRA Regulation	30
AY	57	Currency of Issue	89
B		Custodian	89
BAMLI	115	Custodian Account	89
BANA	115	D	
Bank	113	D Rules	20, 89
Banking Act	31	Day Count Fraction	89
banking organization	78	Dealer	1, 89
		Dealers	1
		Debt Investments	1, 89
		Declaration of Trust	109
		Definitions Module	89
		Definitive Registered Securities	14
		Definitive Registered Security	89

Designated Maturity	49
Determination Date	89
Determination Period	89
Dispute	70
Distribution Compliance Period	90, 121
DTC	90
DTC Important Notice	90, 91

E

Early Redemption Amount	90
EEA	6, 32, 128
Eligible Assets	90
Eligible Investments	90
Eligible Investors	90
Eligible Trustee	90
ERISA	5, 91, 123
ESMA	30
EU	32
EURIBOR	49, 91
euro	6, 90
Eurobond Basis	93
Euroclear	91
Event of Default	62, 91
Exchange Act	91
Exchange Date	91
Exchange Event	91
Extraordinary Resolution	91

F

FATCA	91
FATCA Exempt Party	91
FATCA Information	91
FATCA Withholding	91
FCA	92, 112
FCA Rules	92
FFI	92
FIEA	126
Final Redemption Amount	92
Fitch	92
Fixed Day Count Fraction	92
Fixed Interest Period	92
Fixed Rate Securities	93
Floating Day Count Fraction	93
Floating Rate	49
Floating Rate Option	49, 95
Floating Rate Securities	95
Following Business Day Convention	87
FRN Convention	86
FSA	31
FSMA	11, 95
FTT	25
Further Fungible Securities	68, 95

G

Global Security	95
-----------------------	----

H

holder of Securities	104
----------------------------	-----

I

IAI	95
ICSDs	95
IMD	6, 32, 129
Index of Defined Terms	3
Individual Certificates	14, 95
Information Memorandum	1
Initial Charged Assets	41, 95
Initial Tranche	95
Instructing Creditor	95
Interest Amount	95
Interest Amounts	50
Interest Determination Date	95
Interest Payment Date	48, 95
Interest Period	95
investment	24, 124
investment company	5, 123
Investment Company	95
Investment Letter	96, 122
Irish Stock Exchange	1, 96
ISDA	96
ISDA Definitions	96
ISDA Rate	49
Issue Date	96
Issue Terms	96
Issuer	1

J

Japanese Yen	6, 96
--------------------	-------

L

Liability	96
LIBOR	49, 96
Limited recourse	18
Liquidation Assets	43, 96
Liquidation Proceeds	43, 96
Loan Facility Agreement	96
Loan Facility Terms	96
Loan Terms Module	96
Luxembourg Stock Exchange	96

M

Margin	96
Market Value	97
Market Value Basis	97
Maturity Date	97
Maximum Interest Rate	97
MiFID II	6, 32, 126, 128
Minimum Interest Rate	97
MLI	112
Modified Following Business Day Convention	87
month	108
Moody's	97
Mortgaged Property	97

N

New Series of Securities	44, 97
Nominal Basis	97
Non-exempt Offer	126
Non-U.S. Series	13, 98

N-USD Regulation S Global Certificate	98
N-USD Rule 144A Global Certificate	98
N-USD Securities	98

O

offer	126
offer of Securities to the public	127
Official List	1, 16
Optional Call Redemption Amount	98
Optional Call Redemption Date	98
outstanding	98
Outstanding Principal Amount	99

P

Pari passu Basis	18
Pari Passu Basis	46, 99
participants	77
Participating FFI	99
pay	102
Paying Agent	72
Paying Agents	99
Payment Day	100
Permanent Bearer Global Security	100
Placing Agreement	100
plan assets	5, 123
Potential Event of Default	100
Pounds	6, 104
Pounds Sterling	6, 104
PRA	100, 112
Preceding Business Day Convention	87
PRIIPs Regulation	7, 32, 129
Principal Paying Agent	72, 100
Prior Basis	18
Programme	1, 100
Prospectus Directive	1, 7, 16, 32, 127, 129
Purchaser	122
Purchaser's Currency	30

Q

QIB	100
-----	-----

R

Rate of Interest	100
Rating Agency	101
Rating Agency Confirmation	101
Realisation Amount	101
recognised	118
Record Date	101
redeem	102
Reference Banks	101
Reference Rate	101
Register	101
Registered Global Securities	101
Registered Securities	101
Registrar	72, 101
registration-required obligations	20
regulation	108
Regulation S	5
Regulation S Global Certificates	101
Regulation S Transfer Certificate	101

Relevant Date	63, 81, 102
Relevant Implementation Date	126
Relevant Member State	126
Relevant Screen Rate	102
Relevant Sums	47
repay	102
Replacement Agent Bank	102
Replacement Assets	42, 102
Replacement Calculation Agent	102
Replacement Selling Agent	102
Replacement Swap	44, 102
Requesting Securityholder	102
Required Minimum Securityholders	102
Reset Date	49
resolution authorities	31
Responsible Person	3
Restructure Documents	43, 102
retail investor	126
Rights	102
RP	57
Rule 144A Global Certificates	103
Rule 144A Transfer Certificate	103

S

S&P	103
Sale Agreement	103
Sale Request	42, 103
SEC	113
Securities	1, 68, 103
Securities Act	103
Securities and Exchange Law	103
Security Documents	103
Security Interests	104
Security Ranking Basis	46, 104
Securityholder	104
Securityholder Priority Basis	46, 103
Securityholders	104
Selling Agent	104
Selling Agent Default	104
Series	104
Share Trustee	109
Shares	109
shortfall	47
Shortfall Date	53, 104
Specified Denomination	104
Specified Time	104
SRR	31
Sterling	6, 104
Stock Exchange	105
street name	80
Subordinated Basis	18
Subscription and Sale and Transfer Restrictions	4, 5, 77
Subsidiary	105
Substitution Notice	42, 105
sub-unit	105
successor	105
Supplemental Information Memorandum	4
Swap Adjustment Cost	44, 105
Swap Agreement	105
Swap Guarantee	105
Swap Guarantor	105, 112

T	
Talons	105
Target2 System	105
Temporary Bearer Global Security	105
Tranche	106
Transaction Documents	106
Transfer Agents	106
Transfer Certificate	106
Trust Corporation	106
Trust Instrument	106
Trustee	106
U	
U.S. cents	6, 106
U.S. dollars	6, 106
U.S. Internal Revenue Code	106
U.S. person	107
U.S. Series	14, 107
U.S.\$	6, 106
UK	31, 32
United Kingdom Taxation	117
United States Taxation	117
USD Regulation S Global Certificate	106
USD Rule 144A Global Certificates	106
USD Securities	106
V	
Vendor	107
Volcker Rule	26
Y	
y	57
Yen	6, 96
Z	
Zero-Coupon Securities	107

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