

Investors should have sufficient knowledge and experience of financial and business matters to evaluate the merits and risks of investing in a particular issue of Notes as well as access to, and knowledge of, appropriate analytical tools to assess such merits and risks in the context of their financial situation. Certain issues of Notes are not an appropriate investment for investors who are unsophisticated with respect to the applicable interest rate indices, currencies, other indices or formulae, or redemption or other rights or options. Investors should also have sufficient financial resources to bear the risks of an investment in Notes, which may include a total loss of their investments. For a more detailed description of the risks associated with any investment in the Notes, investors should read the section of the Base Prospectus headed "*Risk Factors*". ***A consolidated form of the terms and conditions of the Notes, risk factors relating to the Notes and a description of the Issuer is included in the Annex to these Final Terms for information purposes only.***

15 July 2011

SecurAsset S.A.

a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle, L-1653 Luxembourg, registered with the Luxembourg trade and companies register under number B 144385 subject to the Luxembourg act dated 22 March 2004 on securitisation, as amended (the "Securitisation Act 2004")

acting through its Compartment 2011-141

Issue of up to EUR20,000,000 Notes due September 2016 linked to the BNP Paribas Global Green Excess Return Index (the "Notes") issued under the €20,000,000,000 Secured Note and Warrant Programme

PART A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth under the heading "*Terms and Conditions of the Notes*" in the Base Prospectus dated 23 February 2011 (the "**Base Prospectus**") which constitutes a base prospectus for the purposes of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (the "**Prospectus Directive**") and the Luxembourg act dated 10 July 2005 relating to prospectuses for securities implementing the Prospectus Directive in the Grand Duchy of Luxembourg ("**Luxembourg**") (the "**Prospectus Act 2005**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and Article 8.4 of the Prospectus Act 2005 and must be read in conjunction with the Base Prospectus and any supplement(s) to such Base Prospectus published prior to the Issue Date (as defined below) (the "**Supplements**"); provided, however, that to the extent any such Supplement (i) is published after the date that these Final Terms have been signed and (ii) provides for any change to the Conditions as set out under the heading "*Terms and Conditions of the Notes*" in the Base Prospectus, such change(s) shall have no effect with respect to the Conditions of the Notes to which these Final Terms relate. Full information on the Issuer, and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Base Prospectus and any Supplement(s). Prior to acquiring an interest in the Notes described herein, prospective investors should read and understand the information provided in the Base Prospectus and any Supplement(s). Copies of the Base Prospectus and any Supplement(s) are available for inspection from the specified office of the Issuing and Paying Agent and on the website of the Luxembourg Stock Exchange (www.bourse.lu). The Final Terms are available for inspection from the specified office of the Issuing and Paying Agent.

The provisions of Annex 1 (*Additional Terms and Conditions for Index Linked Securities*) apply to these Final Terms and these Final Terms shall be read together with the Terms and Conditions of the Notes and such Annex. In the event of any inconsistency between the relevant Annex and these Final Terms, these Final Terms shall prevail.

By subscribing to, or otherwise acquiring, the Notes, a holder of Notes expressly acknowledges and agrees that:

- (a) the Issuer (i) is subject to the Securitisation Act 2004 and (ii) in connection with the Notes has created a specific Compartment, which Compartment shall be identified by the number ascribed to it below and is a Compartment within the meaning of the Securitisation Act 2004 to which all assets, rights, claims and agreements relating to the Notes will be allocated, subject as provided in these Final Terms;
- (b) the provisions with respect to the Order of Priority included in these Final Terms will apply;
- (c) all payments to be made by the Issuer in respect of the Notes and the related Swap Agreement 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 (following enforcement of the security over the Compartment Assets) the Trustee in respect of the Charged Assets and, following a Note Acceleration in respect of the Note, the entitlement of the holder of the Note will be limited to such Noteholder's *pro rata* share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in this Final Terms and not to the assets allocated to other Compartments created by the Issuer or to any other assets of the Issuer and each holder further acknowledges and agrees that the Trustee is not obliged to take any action to enforce the obligations of the Issuer unless directed to do so and indemnified and/or secured to its satisfaction against any liability it may incur;
- (d) once all moneys received by the Trustee in connection with the enforcement of the Compartment Security over the Charged Assets have been applied in accordance with the Order of Priority set out herein and in the Trust Deed, it is not entitled to take any further steps against the Issuer to recover any further sums due and the right to receive any such sum shall be extinguished;
- (e) it shall have no right to attach or otherwise seize the Charged Assets or any other assets of the Issuer, including, without limitation, any assets allocated to any other Compartments of the Issuer; and
- (f) no holder of Notes shall be entitled to petition or take any other step for the liquidation, winding-up or the bankruptcy of the Issuer or any similar proceedings.

1. (i) Issuer: SecurAsset S.A., a regulated securitisation undertaking within the meaning of the Securitisation Act 2004.
- (ii) Guarantor: Not applicable.
2. (i) Series Number: SA-141.
- (ii) Tranche Number: 1.
3. Specified Currency: Euro ("EUR").
4. Aggregate Nominal Amount:
 - (i) Series: The Aggregate Nominal Amount of the Series and Tranche (as constituted and secured by the supplemental trust deed between the Issuer and the Trustee dated on or before the Issue Date (the "**Supplemental Trust Deed**")) is an amount net greater than EUR20,000,000 which will be notified by the Calculation Agent to the Issuer on or around the Trade Date.
 - (ii) Tranche: See paragraph 4(i).
5. (i) Issue Price of Tranche: 100 per cent. of the Aggregate Nominal Amount.
- (ii) Net Proceeds: The amount of Net Proceeds is not available.
- (iii) Use of Proceeds of Series (other than as specified in the Base Prospectus): The net proceeds of the Notes will be used to purchase Compartment Assets (being zero coupon bonds issued by SÜDWESTBANK AG (ISIN: DE000A1KQ5H6) (the "**Zero Coupon Bonds**")), to make payments to the Swap Counterparty under the Swap Agreement in connection with the Notes and/or to pay fees and expenses in connection with the administration of the Issuer and/or the Notes.
6. (i) Specified Denominations: EUR 1,000.
- (ii) Calculation Amount: EUR 1,000.
7. (i) Issue Date: 26 August 2011.
- (ii) Interest Commencement Date (if different from the Issue Date): Not applicable.
8. Maturity Date: 7 September 2016 or, if that is not a Business Day, the immediately succeeding Business Day.
9. Settlement Currency: EUR.
10. Form of Notes: Bearer.
11. Interest Basis: No interest is payable in respect of the Notes.

12. Redemption/Payment Basis: Index Linked Redemption.
13. Change of Interest Basis or Not applicable.
Redemption/Payment Basis:
14. Put/Call Options: Not applicable.
15. Status of the Notes: Secured Notes.
16. Listing: See paragraph 1 (*Listing and Admission to trading*) of Part B (*Other Information*).
17. Method of distribution: Non-syndicated.
18. Additional Disruption Events: As per the Conditions.
19. Optional Additional Disruption Events: (a) The following Optional Additional Disruption Event applies to the Notes:
Increased Cost of Hedging
(b) The Trade Date is 23 August 2011.
(c) Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event: Not applicable.

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

20. Fixed Rate Provisions: Not applicable.
21. Floating Rate Provisions: Not applicable.
22. Zero Coupon Provisions: Not applicable.
23. Dual Currency Interest Provisions: Not applicable.
24. Index Linked Interest Provisions: Not applicable.
25. Share Linked Interest Provisions: Not applicable.
26. Commodity Linked Interest Provisions: Not applicable.
27. Inflation Linked Interest Provisions: Not applicable.
28. Currency Linked Interest Provisions: Not applicable.
29. Formula Linked Interest Provisions: Not applicable.
30. Fund Linked Interest Provisions: Not applicable.
31. ETI Linked Interest Provisions: Not applicable.
32. Additional Business Centre(s) (Condition 5(b)): Not applicable.

PROVISIONS RELATING TO REDEMPTION

33.	Issuer Call Option:	Not applicable.
34.	Noteholder Put Option:	Not applicable.
35.	Final Redemption Amount:	The Index Linked Redemption Amount specified below.
36.	Index Linked Redemption Amount:	Applicable.
(i)	Index:	The BNP Paribas Global Green Excess Return Index (the " Custom Index ").
(ii)	Index Sponsor:	BNP Paribas.
(iii)	Custom Index:	Applicable.
(iv)	Index Currency:	EUR.
(v)	Screen Page:	BNPIGRER Index
(vi)	Formula:	See Part C (<i>Specific Product Contractual Terms</i>).
(vii)	Settlement Price:	The Settlement Price in respect of the Strike Date, an Observation Date or the Redemption Valuation Date, as the case may be, will be the level of the Custom Index as calculated by the Index Calculation Agent (as defined in Part D (<i>Description of the Custom Index</i>) below).
(viii)	Disrupted Day:	If the Strike Date, an Observation Date or the Redemption Valuation Date is a Disrupted Day, the Settlement Price will be calculated in accordance with Index Linked Condition 8(B). The definition of Disrupted Day in Index Linked Condition 12 will apply.
(ix)	Calculation Agent responsible for calculating the redemption amount due:	BNP Paribas Arbitrage S.N.C., or any successor thereto or any of its affiliates.
(x)	Provisions for determining redemption amount where calculation by reference to Formula is impossible or impracticable:	Not applicable.
(xi)	Strike Date:	31 August 2011.
(xii)	Strike Price:	Not applicable.
(xiii)	Averaging:	Averaging does not apply to the Notes.
(xiv)	Redemption Valuation Date:	31 August 2016.
(xv)	Observation Date(s):	k Observation Date k

	1	31 August 2012
	2	30 August 2013
	3	2 September 2014
	4	1 September 2015
	5	the Redemption Valuation Date
(xvi)	Observation Period:	Not applicable.
(xvii)	Exchange Business Day:	Not applicable.
(xviii)	Scheduled Trading Day:	Not applicable.
(xix)	Custom Index Business Day:	Custom Index Business Day (Single Custom Index Basis).
(xx)	Scheduled Custom Index Business Day:	Scheduled Custom Index Business Day (Single Custom Index Basis).
(xxi)	Exchange(s):	Not applicable.
(xxii)	Related Exchange:	Not applicable.
(xxiii)	Weighting:	Not applicable.
(xxiv)	Valuation Time:	As per the Conditions.
(xxv)	Index Correction Period:	As per the Conditions.
(xxvi)	Market Disruption	Not applicable.
(xxvii)	Custom Index Disruption Event:	Specified Maximum Days of Disruption will be equal to 20 Scheduled Custom Index Business Days.
(xxviii)	Knock-in Event:	Not applicable.
(xxix)	Knock-out Event:	Not applicable.
(xxx)	Automatic Early Redemption Event:	Not applicable.
(xxxi)	Delayed Redemption on Occurrence of Index Adjustment Event:	Not applicable.
37.	Share Linked Redemption Amount:	Not applicable.
38.	Commodity Linked Redemption Amount:	Not applicable.
39.	Inflation Linked Redemption Amount:	Not applicable.
40.	Currency Linked Redemption Amount:	Not applicable.
41.	Formula Linked Redemption Amount:	Not applicable.
42.	Fund Linked Redemption Amount:	Not applicable.

43.	Credit Linked Notes:	Not applicable.
	(i) All Guarantees:	Not applicable.
	(ii) Credit Events:	Not applicable.
44.	Debt Linked Notes:	Not applicable.
45.	Market Access Notes:	Not applicable.
46.	ETI Linked Redemption Amount:	Not applicable.
47.	Early Redemption	
	Early Redemption Amount(s) (if required or if different from that set out in Condition 7(e) (<i>Early Redemption Amount</i>)):	Liquidation Proceeds is applicable.
	Swap Counterparty optional termination - Call option (Condition 7(f) and Condition 8(h)(i))	Not applicable.
	Swap Counterparty optional termination - Repurchase (Condition 8(h)(ii))	Applicable.
	Early Redemption Events:	
	(i) Asset Payment Default Event:	Applicable.
	(ii) Asset Default Event:	Applicable.
	(iii) Asset Redemption Event:	Applicable.
	(iv) Asset Payment Shortfall Event:	Not applicable.
	(v) Compartment Tax Event:	Applicable.
	(vi) Related Agreement Termination Event:	Applicable, save where the Related Agreement terminates as a result of the occurrence of a Custom Index Adjustment Event, an Additional Disruption Event or an Optional Additional Disruption Event.
	(vii) Annex Early Redemption Event:	Applicable.
	(iix) Compartment Change in Law Event:	Applicable.
	Additional Early Redemption Event(s):	Not applicable.
	Redemption for taxation and other reasons:	
	- Condition 7(m)(i) (<i>Redemption of Notes for taxation reasons</i>):	Not applicable.
	- Condition 7(m)(ii) (<i>Illegality</i>):	Not applicable.
	Maturity Date Extension:	Applicable.
		The Extended Maturity Date will be two calendar years after the Maturity Date or, if the

Early Redemption Date falls prior to the Maturity Date, two calendar years after such Early Redemption Date, as the case may be. Sale of Assets is applicable.

48. Provisions applicable to Physical Delivery: Not applicable.
49. Variation of Settlement:
- (a) Issuer's option to vary settlement: The Issuer does not have the option to vary settlement in respect of the Notes.
- (b) Variation of Settlement of Physical Delivery Notes: Not applicable.
50. Order of Priority: Swap Counterparty Priority.

COMPARTMENT ASSETS AND SECURITY

51. Description of Compartment: Compartment 2011-141 is a Compartment in respect of which at any time only this Series of Notes may be outstanding.
- Compartment Accounts: Applicable.
- Account Bank: Applicable - BNP Paribas Securities Services, Luxembourg Branch.
- Cash Manager: Applicable - BNP Paribas Securities Services, Luxembourg Branch.
- Sub-Custodian in relation to the Compartment Assets: Not applicable.
- Security for the Notes is "Charged Assets charged to Trustee; additional foreign law security": Not applicable.
- General security (if different to Conditions): Not applicable.
- Compartment Assets substitution by Swap Counterparty (pursuant to Condition 8(f)): Not applicable.
- Compartment Assets substitution under a Credit Support Annex/Credit Support Deed: delivery or payment of securities, obligations or cash by (if not Swap Counterparty) (Condition 8(g)): Not applicable.
- Issuer's rights as holder of Compartment Assets (if different from that set out in Condition 8(j)) Not applicable.
- Prescription (if different from terms set out in Condition 10): Not applicable.

Enforcement and realisation (if different from terms set out in Condition 12): Not applicable.

52. Charged Assets:
- In connection with the Notes, the Issuer will or has (a) entered into an over-the-counter derivative transaction which will be documented under a swap agreement with BNP Paribas (the "**Swap Counterparty**") governed by an ISDA Master Agreement (the "**ISDA Master Agreement**") and evidenced by a confirmation incorporating by reference one or more sets of definitions published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") (the "**Swap Agreement**") and (b) purchased the Zero Coupon Bonds.
- (i) legal jurisdiction by which the Charged Assets are governed: The Swap Agreement and the Agency Agreement are governed by English law. The Supplemental Trust Deed is governed by English law (save that the provisions relating to the pledge created thereunder will be governed by Luxembourg law). The Zero Coupon Bonds will be governed by German law.
- (ii) obligors under the Charged Assets: The Obligors under the Charged Assets are the Swap Counterparty under the Swap Agreement, the Account Bank, the Cash Manager and the Issuing and Paying Agent under the Agency Agreement in respect of their obligations in respect of the Notes and the relevant Compartment, and SÜDWESTBANK AG in respect of the Zero Coupon Bonds.
- (iii) legal nature of the Charged Assets: The legal nature of the Charged Assets is set out in Condition 8(c)(i)(A), 8(c)(i)(B) and 8(c)(i)(C).
- (iv) expiry or maturity date(s) of the Charged Assets: The maturity date of the Zero Coupon Bonds is 31 August 2016, subject to adjustment for non-business days in accordance with the terms of the Zero Coupon Bonds.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

53. Form of Notes: Bearer Notes:
- Permanent Bearer Global Note which is exchangeable for definitive Bearer Notes only upon an Exchange Event in the manner set out in the Base Prospectus.
54. Financial Centre(s) or other special provisions relating to Payment Days for the purposes of Condition 6(a) (*Method of Payment*): TARGET Settlement Day.

55. Talons for future Coupons or Receipts to be attached to definitive Notes (and dates on which such Talons mature): No.
56. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and, if different from those specified in the Temporary Global Note, consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not applicable.
- For the purposes of Condition 7(h), "Early Redemption Date" means, in respect of any Note, the seventh Payment Business Day following a Part Payment Default Date Not applicable.
- For the purposes of Condition 7(h) (*Partly Paid Notes*), "Settlement Amount" means, in respect of any Note, an amount determined by the Calculation Agent in accordance with the following formula: Not applicable.
- Max [0; [paid-up Nominal Amount - Unwinding Costs]]
57. Details relating to Notes redeemable in instalments: Not applicable.
58. Redenomination, renominalisation and reconventioning provisions: Not applicable.
59. Other terms or special conditions: Not applicable.
- DISTRIBUTION**
60. Date of Subscription Agreement: Not applicable.
61. Name and address of Dealer: BNP Paribas of 10 Harewood Avenue, London NW1 6AA.
62. Total commission and concession: Not applicable.
63. U.S. Selling Restrictions: Reg. S. The Notes may not be offered, sold, resold, traded, pledged, redeemed, transferred, delivered or exercised, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person.
64. Non exempt Offer: An offer of the Notes may be made by the Dealer and other parties authorised by the Dealer (together with the Dealer, the "**Financial Intermediaries**") other than pursuant to Article 3(2) of the Prospectus Directive in Germany (the "**Public Offer Jurisdiction**") during the Offer Period. See further Paragraph 8 (*Public Offer*) of

Part B below (*Other Information*).

65. Additional selling restrictions: Not applicable.

PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue and public offer in the Public Offer Jurisdiction and admission to trading of the Notes on the Luxembourg Stock Exchange's Regulated Market and the Frankfurt Stock Exchange's Open Market ("*Freiverkehr*") from the Issue Date and to list the Notes on the Official List of the Luxembourg Stock Exchange and the Frankfurt Stock Exchange with effect from the Issue Date of the Notes described herein pursuant to the SecurAsset S.A. EUR 20,000,000,000 Secured Note and Warrant Programme.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. Information relating to SÜDWESTBANK AG has been extracted from SUDWESTBANK AG's website. Information relating to BNP Paribas Securities Services has been extracted from the website of BNP Paribas Securities Services. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by SÜDWESTBANK AG and BNP Paribas Securities Services, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer acting through its Compartment 2011-141:

By: _____

Duly authorised signatory

By: _____

Duly authorised signatory

PART B – OTHER INFORMATION

1. Listing and Admission to trading

- (i) Listing Application has been made to list the Notes on (i) the Official List of the Luxembourg Stock Exchange and (ii) the Official List of the Frankfurt Stock Exchange, with effect from the Issue Date.
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on (i) the Luxembourg Stock Exchange's Regulated Market and (ii) the Frankfurt Stock Exchange's Open Market, from the Issue Date.

The Notes have not been listed or admitted to trading, and application has not been made to list or have the Notes admitted to trading, on any other stock exchange.
- (iii) Estimate of total expenses EUR1,975 related to admission to trading

2. Risk Factors

The ability of the Issuer to pay principal on the Notes will be dependent on SÜDWESTBANK AG performing its obligations under the Zero Coupon Bonds and the creditworthiness of the SÜDWESTBANK AG. If SÜDWESTBANK AG fails to pay any amount that it is due to pay in respect of the Zero Coupon Bonds or it becomes insolvent, investors may lose the value of their entire investment or part of it, as the case may be. Following such occurrence, the Notes may be redeemed earlier or later than the Maturity Date. The price of the Notes may be volatile and will be affected by, amongst other things, the time remaining to the Maturity Date and the creditworthiness of SÜDWESTBANK AG, which in turn may be affected by political, economic and financial events in one or more jurisdictions.

In the event that SÜDWESTBANK AG fails to pay any amount due in respect of the Zero Coupon Bonds when due or suffers an insolvency event, an Early Redemption Event will occur and the Issuer shall notify the Noteholders through the relevant Clearing Systems accordingly.

Upon an amendment to, or a change in the application or official interpretation of, the tax or similar laws and regulations of Germany or the German political sub-divisions or tax authorities, which would require SÜDWESTBANK AG to make certain additional payments in respect of the Zero Coupon Bonds (including payments under the Zero Coupon Bonds and/or a purchase or exchange of Zero Coupon Bonds), SÜDWESTBANK AG may redeem all, but not some only, of the Zero Coupon Bonds at their early redemption amount. In such an event, an Early Redemption Event will occur and the Issuer shall notify the Noteholders through the relevant Clearing Systems accordingly.

Following an Early Redemption Event, the Notes may be redeemed earlier or later than the Maturity Date. The occurrence of an event affecting either the Index or the Zero Coupon Bonds may result in an Early Redemption Event. Where the Early Redemption Event results from the failure of SÜDWESTBANK AG to make any payment due in respect of the Zero Coupon Bonds or its insolvency, there may be difficulties in recovering the cash value of the Zero Coupon Bonds. In such a case or in circumstances where the Issuer has not received a payment under any Charged Asset (including the Swap Agreement), the redemption in full of the Notes may be postponed for up to two calendar years following the earlier of the Early Redemption Date or the Maturity Date. If, by such day, the amounts are not able to be recovered, then the Noteholders may lose their entire investment amount. Investors should consider carefully the likelihood of such circumstances. There is no guarantee that any such delay in redemption will result in any

payments or any additional payments to the Noteholders. Following the Extended Maturity Date, the Issuer will have no obligation to pay any further amounts to the holders of the Notes.

The Notes are suitable for investors who expect the Index to perform positively and do not expect an event relating to the creditworthiness of SÜDWESTBANK AG or the financial institutions (including BNP Paribas) involved in the transaction to occur, but in view of the potential for such an event to reduce the expected returns considerably, possibly even to zero, they should be capable of sustaining an entire loss of their capital investment.

SÜDWESTBANK AG is acting in a number of different capacities in respect of the Notes. It is the obligor in respect of the Zero Coupon Bonds and is acting as global co-ordinator in respect of the offering of the Notes. Such a relationship could present certain conflicts of interest, which could adversely affect the value of the Notes.

BNP Paribas is acting in a number of different capacities in respect of the Notes, including as the Swap Counterparty. Furthermore its affiliate, BNP Paribas Arbitrage S.N.C. is acting as calculation agent in respect of the Notes. Such activities could present certain conflicts of interest, which could adversely affect the value of the Notes.

The Trustee is not responsible for ensuring that the Security created by the Issuer is valid and enforceable.

3. **Notification**

The Commission de Surveillance du Secteur Financier (CSSF), which is the competent authority for the purposes of the Prospectus Directive and the relevant implementing measures in Luxembourg, has been requested to provide the *Bundesanstalt für Finanzdienstleistungsaufsicht (BaFIN)*, its equivalent competent authority in Germany, with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive and the relevant implementing measures in Luxembourg.

4. **Interests of Natural and Legal Persons Involved in the Offer**

Save as discussed in "*Risk Factors*" in the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

5. **Reasons for the Offer, Estimated Net Proceeds and Total Expenses**

Reasons for the offer: The net proceeds of the Notes will be used to purchase Compartment Assets, to make payments to the Swap Counterparty under the Swap Agreement in connection with the Notes and/or to pay fees and expenses in connection with the administration of the Issuer and/or the Notes.

Estimated net proceeds: 100 per cent. of the Aggregate Nominal Amount.

Estimated total expenses: The Issuer expects to incur EUR1,975 in listing and admission to trading expenses.

Fees: Fees will be paid to SÜDWESTBANK AG in respect of the issue of the Notes. SÜDWESTBANK AG will receive an upfront fee of up to 1 per cent. of the Aggregate Nominal Amount, which is included in the Offer Price of the Notes, and no annual fee. Details of such fees are available from SÜDWESTBANK AG upon request.

6. **Performance of Index, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying**

The Final Redemption Amount of each Note shall be 100 per cent of the Specified Denomination of each Note, plus a Premium determined by reference to the best Running Asian Value of the Index determined in respect of each Observation Date, provided that the Premium will never be less than zero. The Running Asian Value of the Index will be calculated on each Observation Date.

The ability of the Issuer to pay the Final Redemption Amount is, however, linked to the creditworthiness of SÜDWESTBANK AG and of a number of other financial institutions (including BNP Paribas) acting in the several capacities described in these Final Terms.

Description of the Custom Index

See Part D for a full description of the Custom Index.

7. **Operational Information**

- (i) ISIN Code: XS0642087489
- (ii) Common Code: 064208748
- (iii) Any clearing system(s) other than Euroclear and Clearstream, Luxembourg approved by the Issuer and the Principal Paying Agent and the relevant identification number(s): In addition to Euroclear and Clearstream, Luxembourg the Notes will be eligible for settlement in Clearstream Banking AG, Frankfurt.
The WKN is A1GS00
- (iv) Delivery: Delivery against payment.
- (v) Additional Paying Agent(s) (if any): Not applicable.

8. **Public Offers:** Applicable.

Offer Period: From and including 18 July 2011 to and including 12.00pm (Central European Time) on 19 August 2011 (the "**Offer End Date**").

If, during the Offer Period, the requests for subscription exceed the total amount of Notes offered, the Issuer will terminate the Offer Period early and the acceptance of further requests will immediately cease. In such event, a notice will be published on the Luxembourg Stock Exchange's website (www.bourse.lu).

Offer Price: Between 100 per cent. and 103 per cent. (which amount shall include a distribution fee of up to 3 per cent. to be retained by the global co-ordinator, SÜDWESTBANK AG). Details of such fee are available from SÜDWESTBANK AG and the Issuer upon request.

Conditions to which the offer is subject: Offers of the Notes are conditional on their issue and on any additional conditions set out in the standard terms of business of the Financial Intermediaries, notified to investors by such relevant Financial

Intermediaries.

Description of the application process:

Details of the minimum and/or maximum amount of application: Minimum subscription amount per investor: EUR1,000.

Maximum subscription amount per investor: EUR20,000,000.

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: Not applicable.

Details of the method and time limits for paying up and delivering the Notes. The Notes will be cleared through the clearing system and are due to be delivered on or about the Issue Date.

Manner and date in which results of the offers are to be made public: Notice published on the web site of the Bourse de Luxembourg (www.bourse.lu), on or around the Offer End Date.

Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: Not applicable.

Categories of potential investors to which the Notes are offered: Offers may be made by the Financial Intermediaries in Germany to retail clients, institutional investors and private bank clients.

Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Subject to the Aggregate Nominal Amount, allotted amounts shall be equal to the amount of the application. After allotment, the Notes will be recorded in the investor's account indicated in the application. Neither the Issuer nor the Dealer will deliver any document to the investor unless explicitly requested. Any such notification will not affect the date of listing of the Notes. Neither the Issuer nor the Dealer is responsible for such recording or notification.

No dealings in the Notes may take place prior to the Issue Date.

Amount of any expenses and taxes specifically charged to the subscriber or purchaser: Not applicable.

See the "Offer Price" above which includes the fees payable to the global co-ordinator.

9. **Placing and Underwriting**

Applicable.

Name and address of the co-ordinator(s) of the global offer and of single parts of the offer:	SÜDWESTBANK AG with registered address Anschrift SÜDWESTBANK AG Rotebühlstraße 125 70178 Stuttgart Telefon 0711/66 44-0 Telefax 0711/66 44-470 info@suedwestbank.de BLZ: 600 907 00
Name and address of any paying agents and depository agents in each country (in addition to the Issuing and Paying Agent):	Not applicable.
Entities agreeing to underwrite the issue on a firm commitment basis, and entities agreeing to place the issue without a firm commitment or under "best efforts" arrangements:	BNP Paribas shall undertake to underwrite no more than EUR 20,000,000 in Aggregate Nominal Amount of Notes.
When the underwriting agreement has been or will be reached:	26 August 2011.

10. **Description of Charged Assets:**

Amount of the Charged Assets:	The principal amount of the Zero Coupon Bonds purchased by the Issuer will be equal to the Aggregate Nominal Amount of the Notes. At any time prior to the maturity of the Zero Coupon Bonds, their market value will be less than 100 per cent. of their principal amount.
Loan to value ratio or level of collateralisation of the Charged Assets	Not applicable.
Method of origination or creation of the Charged Assets:	In connection with the Notes, the Issuer will, on the third Business Day following the Issue Date (which is expected to be 31 August 2011), purchase the Zero Coupon Bonds. In addition, the Issuer will enter into the Swap Agreement. The notional amount of the Swap Agreement and the aggregate nominal amount of the Zero Coupon Bonds held by the Issuer will be reduced upon any repurchase and cancellation of Notes by the Issuer so that the notional amount of the Swap Agreement and the aggregate nominal amount of the Zero Coupon Bonds held by the Issuer at any time will (in each case) be equal to the Aggregate Nominal Amount of the Notes left outstanding immediately following any such repurchase.

An indication of any significant representations and collaterals given to the Issuer relating to the Charged Assets:	Not applicable.
A description of any relevant insurance policies relating to the Charged Assets:	Not applicable.
Where the Charged Assets comprise obligations of 5 or fewer obligors which are legal persons or where an obligor accounts for 20% or more of the Charged Assets, or where an obligor accounts for a material portion of the Charged Assets:	<p>Applicable.</p> <p>The Swap Counterparty is BNP Paribas which is a <i>société anonyme</i> incorporated in France and its registered office is at 16 boulevard des Italiens - 75009 Paris. BNP Paribas is a bank which has securities listed on a number of stock exchanges including the Irish Stock Exchange and the Luxembourg Stock Exchange.</p> <p>The issuer of the Zero Coupon Bonds is SÜDWESTBANK AG which is a primary savings bank with its registered office at Anschrift SÜDWESTBANK AG Rotebühlstraße 125 70178 Stuttgart</p> <p>Telefon 0711/66 44-0 Telefax 0711/66 44-470 info@suedwestbank.de BLZ: 600 907 00.</p> <p>SÜDWESTBANK AG has securities listed on the Stuttgart Stock Exchange.</p>
Any relationship that is material to the issue between the Issuer, guarantor and obligor under the Charged Assets:	Not applicable.
Charged Assets comprising obligations that are not admitted to trading on a regulated or equivalent market:	<p>Applicable.</p> <p>Under the Swap Agreement, the Issuer will, on the third Business Day following the Issue Date (which is expected to be 31 August 2011), pay to the Swap Counterparty an amount which is equal to the net proceeds of the Notes which are not paid as the purchase price for the Zero Coupon Bonds or used to pay fees and expenses in connection with the administration of the Issuer and/or the Notes. On the third Business Day following the Redemption Valuation Date, the Swap Counterparty will pay an amount to the Issuer which will be equal to the Premium in respect of each outstanding Note, provided that no Early Redemption Event or Event of Default has occurred.</p>
Charged Assets comprising obligations that are admitted to trading on a regulated or equivalent market:	<p>The Zero Coupon Bonds are admitted to trading on Stuttgart Stock Exchange.</p> <p>The Issuer will, on the third Business Day following the Issue Date (which is expected to be 31 August</p>

2011), purchase the Zero Coupon Bonds issued by SÜDWESTBANK AG at a price of 86.35 per cent. of the Aggregate Nominal Amount and on 31 August 2016, subject to adjustment for non-business days in accordance with the terms of the Zero Coupon Bonds, SÜDWESTBANK AG will pay to the Issuer an amount equal to the then Aggregate Nominal Amount of the Notes.

Additional description where more than ten (10) per cent of the Charged Assets comprise equity securities that are not traded on a regulated or equivalent market:

Not applicable.

Additional description where a material portion of the Charged Assets are secured on or backed by real property:

Not applicable.

Flow of funds:

Subject to the occurrence of an Event of Default or an Early Redemption Event:

- (a) on the day which is three Business Days following the Redemption Valuation Date, the Swap Counterparty will pay an amount to the Issuer equal to the amount that the Issuer requires to pay the Premium in respect of each Note; and
- (b) on 31 August 2016, subject to adjustment for non-business days in accordance with the terms of the Zero Coupon Bonds, SÜDWESTBANK AG will pay an amount under the Zero Coupon Bonds equal to the then Aggregate Nominal Amount of the Notes to the Issuer.

The amounts received by the Issuer as described in paragraphs (a) and (b) above will be paid into the relevant Compartment Account.

The moneys standing to the credit of the Compartment Account will be used by the Issuer to redeem each Note at its Final Redemption Amount on the Maturity Date.

Arrangements upon which payments of interest and principal to investors are dependent:

The Issuer is dependent on receiving payments when due from SÜDWESTBANK AG in respect of the Zero Coupon Bonds and the Swap Counterparty pursuant to the Swap Agreement in order to pay the Final Redemption Amount in respect of each Note.

Names, addresses and significant business activities of the originators of the Compartment Assets:

Not applicable.

Name, address and significant business activities of the Calculation Agent, together

The Calculation Agent is BNP Paribas Arbitrage S.N.C. of 8 rue de Sofia, 75018 Paris. It is

with a summary of the Calculation Agent's responsibilities, its relationship with the originator or the creator of the assets forming the Charged Assets:

responsible for calculating the Final Redemption Amount, among other things. It may also make adjustments to the Notes to reflect any changes to the Index, as set out in the Index Linked Conditions.

All determinations in respect of the Notes shall be made by the Calculation Agent in its sole and absolute discretion acting in good faith and in a commercially reasonable manner and shall be binding on all Noteholders in the absence of manifest error.

Names and addresses and brief description of:

- (a) any swap counterparties and any providers of other material forms of credit/liquidity enhancement; and
- (b) the banks with which the main accounts relating to the Series are held.

The Swap Counterparty is BNP Paribas.

The bank relating to the Series is BNP Paribas Securities Services, Luxembourg Branch which acts as the Account Bank. The address of BNP Paribas Securities Services, Luxembourg Branch is 33 rue de Gasperich, Howald-Hesperange, L-2085 Luxembourg. BNP Paribas Securities Services is a leading provider of a securities services and investment operations solutions to issuers, financial institutions and institutional investors worldwide.

Availability of any liquidity supports and any investment parameters for the investment of temporary liquidity surpluses and description of the parties responsible for such investment:

Not applicable.

Information on any credit enhancements, an indication of where material potential liquidity shortfalls may occur and the availability of any liquidity supports and indication of provisions designed to cover interest/principal shortfall risks:

Not applicable.

Without prejudice to the paragraph immediately above, details of any subordinated debt finance:

Not applicable.

Information concerning the Charged Assets reproduced from a source published by a third party:

Not applicable.

PART C – SPECIFIC PRODUCT CONTRACTUAL TERMS

1. Calculation of Final Redemption Amount

The Final Redemption Amount in respect of each Note of the Specified Denomination will be an amount equal to:

$$N \times (100\% + \text{Best Running Asian})$$

Where:

“N” is equal to the Calculation Amount; and

“**Best Running Asian**” means the highest “Asian_k” value (calculated in the manner set out at paragraph 2 below) with respect to the Index, calculated for each of the five annual Observation Dates and as described by the formula set out below:

$$\text{BestRunningAsian} = \max_{k=1}^{k=5} \text{Asian}_k$$

2. Calculation of Asian_k

Asian_k means, in respect of any annual Observation Date, a value equal to the greater of:

- (1) zero per cent; and
- (2) the mean average of (a) the performance of the IndexNet_j value for such annual Observation Date when compared to the value of IndexNet₀ and (b) the performance of the IndexNet_j value for each previous annual Observation Date when compared to the value of IndexNet₀, expressed as a percentage, and as described by the formula below:

$$\text{Asian}_k = \max \left[0\%; \frac{1}{k} \times \sum_{j=1}^{j=k} \left(\frac{\text{IndexNet}_j}{\text{IndexNet}_0} - 1 \right) \right]$$

Where:

“**IndexNet₀**” is equal to 100%; and

“**IndexNet_j**” is described in paragraph 3 below.

3. Calculation of IndexNet_j

IndexNet_j is a measure of the daily performance of the Index as of any annual Observation Date, less a fee.

IndexNet_j is calculated by measuring the percentage change in the level of the Index on annual Observation Date_k from the level of the Index on the immediately preceding Index Level Determination Date, multiplying this change by the value of IndexNet as calculated in respect of the immediately preceding annual Observation Date (or the value of IndexNet₀ where IndexNet_j is calculated in respect of the first annual Observation Date) and adjusting the resulting value to account for a fee, as described by the formula below:

$$IndexNet_j = IndexNet_{j-1} \times \frac{Index_t}{Index_{t-1}} \times \left(1 - 1\% \times \frac{Act_{t-1,t}}{360} \right)$$

Where:

“ $Act_{t-1,t}$ ” is the actual number of calendar days between Index Level Determination Date t-1 and Index Level Determination Date t;

“ $Index_t$ ” is the level of the Index on the annual Observation Date_k (such date also being Index Level Determination Date t);

“ $Index_{t-1}$ ” is the level of the Index on the Index Level Determination Date immediately preceding Index Level Determination Date t; and

“ $IndexNet_0$ ” is equal to 100%.

PART D – DESCRIPTION OF THE CUSTOM INDEX

1 Description of the Index

1.1 General

All references in this Part D to “the Index” are references to the Custom Index.

The Index is a EUR denominated Index sponsored by BNP Paribas S.A. (the “**Index Sponsor**”). The objective of the Index is to provide a diversified exposure to the potential growth of the “green” industries, through four sectors: waste management, energy efficiency, renewable energies and water. This is achieved via a synthetic exposure to the performance of a dynamic basket comprising four green excess return custom indices sponsored by BNP Paribas (the “**Index Components**”), where the weightings of such components within the dynamic basket are rebalanced on a quarterly basis. The Index Components are assigned weightings by the BNP Paribas Arbitrage S.N.C., acting in its capacity as index calculation agent (the “**Index Calculation Agent**”) and their respective levels are used to compute the level of the Index.

1.2 Index Start Date and Initial Index Level

The Index was established by using historical backtesting on 29 October 2004 (the “**Index Start Date**”) with an initial level of 100 index points. The Index is calculated, maintained and published by the Index Calculation Agent and sponsored by the Index Sponsor. The Index is calculated on every Index Level Determination Date by the Index Calculation Agent.

1.3 Index Methodology

The methodology of the Index is to track the performance of a basket of Index Components (the “**Index Methodology**”). The weight of each Index Component that comprises the basket can be adjusted by the Index Calculation Agent on a daily basis to seek to ensure that a maximum target volatility of 12% is not exceeded. The weight of the four Index Components is reset to 25% on a quarterly basis, with the rebalancing dates falling on the last Business Day of January, April, July and October in each year. The Index is calculated on every Index Level Determination Date.

1.4 Type of Index

The Index is an "Excess Return" index. As a consequence, the level of the index reflects the performance of the strategy of the index above the EURIBOR money market rate

In order to control the risks associated with the Index, the Index also has a built in volatility control mechanism. When the Index Calculation Agent determines that volatility of the Index exceeds the maximum volatility target of 12%, then the exposure of the Index to Index Components will be reduced and a portion of the Index corresponding to such reduction will be exposed to non-remunerated cash, with the aim of maintaining the volatility of the Index below the maximum volatility target.

1.5 Index Costs

The methodology for calculating the Index embeds certain costs in the strategy which cover, amongst other things, the costs in running the Index which may vary over time in line with the prevailing market conditions. The variation of such costs (if any) will be determined by the Index Sponsor acting in a commercially reasonable manner and will be displayed on BNP Paribas Global Market Website (<https://globalmarkets.bnpparibas.com>) or any successor page thereto, or on any successor data provider as the Index Sponsor may deem appropriate.

2 Composition of the Index

On the Index Start Date, the Index was comprised of the following Index Components of the type (each a "**Component Type**") and currency denomination set out in the table below:

i	Index Components	Component Type	Bloomberg Reference	Currency	Index Weighting
1.	BNP Paribas Global Renewable Energies ER Index	Index	BNPIREER Index	EUR	25%
2.	BNP Paribas Global Energy Efficiency ER Index	Index	BNPIEEER Index	EUR	25%
3.	BNP Paribas Global Water ER Index	Index	BNPIGWER Index	EUR	25%
4.	BNP Paribas Global Waste Management ER Index	Index	BNPIWAER Index	EUR	25%

BNP Paribas Global Renewable Energies ER Index (the "Renewable Energies Index")

The Renewable Energies Index is a EUR denominated index which aims to provide exposure to the performance of shares of companies whose revenues are linked to worldwide industries involved in the production of energy derived from resources such as sunlight, wind, tides, geothermal heat and other similar regenerative resources. The composition of the Renewable Energies Index is reviewed twice a year by the calculation agent of the Renewable Energies Index in accordance with the "Renewable Energies Selection Criteria", as described in the Renewable Energies Index's rules. The Renewable Energies Index also has a built-in volatility control mechanism with a target volatility of 15%. This volatility control mechanism operates in a similar manner to the volatility control mechanism relating to the Index, as described at Section 6.2 (*Volatility control mechanism, Allocation calculation*) below.

BNP Paribas Global Energy Efficiency ER Index (the "Energy Efficiency Index")

The Energy Efficiency Index is a EUR denominated index which aims to provide exposure to the performance of shares of companies whose revenues are linked to the energy efficiency industry. This means companies offering products with minimum energy consumption, in a context of rising energy costs and growing environmental concerns. The composition of the Energy Efficiency Index is reviewed twice a year by the calculation agent of the Energy Efficiency Index in accordance with the "Energy Efficiency Selection Criteria", as described in the Energy Efficiency Index's rules. The Energy Efficiency Index also has a built-in volatility control mechanism with a target volatility of 15%. This volatility control mechanism operates in a similar manner to the volatility control mechanism relating to the Index, as described at Section 6.2 (*Volatility control mechanism, Allocation calculation*) below.

BNP Paribas Global Water ER Index (the "Water Index")

The Water Index is a EUR denominated index which aims to provide exposure to the performance of shares of companies whose revenues are linked to the global water industry. This means companies involved in water supply, water treatment and water infrastructure and technology. The composition of the Water Index is reviewed twice a year by the calculation agent of the Water Index in accordance with the "Water Selection Criteria", as described in the Water Index's rules. The Water Index also has a built-in volatility control mechanism with a target volatility of 15%. This volatility control mechanism operates in a similar manner to the volatility control mechanism

relating to the Index, as described at Section 6.2 (*Volatility control mechanism, Allocation calculation*) below.

BNP Paribas Global Waste Management ER Index (the “Waste Management Index”)

The Waste Management Index is a EUR denominated index which aims to provide exposure to the performance of shares of companies whose revenues are linked to the global waste management industry. This means companies involved in waste collection, waste transport, waste processing, recycling and/or disposal of waste and waste infrastructure and technology. The composition of the Waste Management Index is reviewed twice a year by the calculation agent of the Waste Management Index in accordance with the “Waste Management Selection Criteria”, as described in the Waste Management Index’s rules. The Waste Management Index also has a built-in volatility control mechanism with a target volatility of 15%. This volatility control mechanism operates in a similar manner to the volatility control mechanism relating to the Index, as described at Section 6.2 (*Volatility control mechanism, Allocation calculation*) below.

Following the Index Start Date, the Index Calculation Agent has reviewed and will review the composition of the Index and the weighting of each Index Component within the Index (the “**Index Weightings**”) on an ongoing basis and in accordance with the Index Rules and Index Methodology.

3 Calculation of the Index Level and Publication of the Index Level

- 3.1 The Index is calculated on a daily basis by the Index Calculation Agent on each Index Level Determination Date, subject to and in accordance with the provisions of the Index Rules. The initial Index Level and the initial composition of the Index on the Index Start Date are set out in Section 1 (*Description of the Index*) and Section 2 (*Composition of the Index*) respectively of this Part D.
- 3.2 Subject to Section 4 (*Non-publication of an Index Component Level*) of this Part D, on the first Business Day following an Index Level Determination Date, the Index Calculation Agent will publish the Index Level as at the relevant Index Level Determination Date. The Index Level will be published under Bloomberg code BNPIGRER Index and under Reuters code BNPIGRER, or any successor pages thereto, and on any other data provider as the Index Sponsor deems appropriate. In the event of inconsistency between Index Levels published on any data provider’s system then the Index Level published on Bloomberg shall prevail.

4 Non-publication of an Index Component Level

- 4.1 If any week day is not a Reference Index Level Publication Day in respect of one or more Index Components (an “**affected Index Component(s)**”), then the Index Calculation Agent may alternatively, in its sole discretion:
 - (i) deem such a day to be an Index Level Determination Date and calculate and publish the Index Level in respect of such day either using the last value available for the affected Index Component(s), using a good faith estimate of the value of the affected Index Component(s) or deeming, for the purposes of calculating the Index Level, the value of any affected Index Components to be equal to zero; or
 - (ii) deem that such a day is not an Index Level Determination Date and not calculate and publish the Index Level in respect of such day but only for a period not more than 20 Scheduled Index Business Days. After 20 Scheduled Index Business Days, the Index Calculation Agent may either resume the calculation and publication of the Index Level in accordance with subsection (i) or make such adjustments to the Index as it deems appropriate in accordance with Section 5 (*Adjustments*) below.

- 4.2 In addition to the rights set out in Section 4.1 above, the Index Sponsor may delay or suspend the calculation and publication of the Index Level for a period not exceeding 20 Scheduled Index Business Days, or discontinue the calculation and publication of the Index Level, if it determines that any event or circumstance has occurred and is continuing which would make the determination of the Index Level impossible or impracticable including any event or circumstance that interrupts the ability of the Index Sponsor or Index Calculation Agent to perform its duties in respect of the Index.
- 4.3 If the Index Calculation Agent deems any week day to be an Index Level Determination Date pursuant to Section 4.1 above and calculates and publishes the Index Level in respect of such day, such Index Level Determination Date may not automatically be a Custom Index Trading Day in respect of the Notes. The consolidated terms and conditions governing the Notes, and provisions relating to Custom Index Trading Days, are set out below under the heading *Consolidated Terms and Conditions of the Notes*.

5 Adjustments

If any Index Component ceases to exist or is, or would be, subject to an adjustment by the Index Calculation Agent as a result of any of the circumstances described in section 12 below or if a Hedging Disruption Event occurs in respect of that Index Component, the Index Calculation Agent may (a) effect no change to the Index (b) adjust the Index in the manner described in section 12 below or as it otherwise deems appropriate including but not limited to replacing or removing such Index Component or (c) terminate the Index.

The aim of the Index Calculation Agent when making any such operational adjustments is to ensure that, so far as possible, the basis principles and economic effect of the Index are maintained.

6 Description for Calculation of the Index

6.1 Determination of Index Component Performance

The value of the Index is calculated recursively on each Index Level Determination Date by the Index Calculation Agent by reference to the performance of the Index Components on such Index Level Determination Date against their levels on the previous Rebalancing Date.

6.2 Volatility control mechanism, Allocation calculation

In order to control the risks associated with the Index, the Index has a built in volatility control mechanism. When the Index Calculation Agent determines that the volatility of the Index exceeds the maximum target volatility of 12%, exposure of the Index to the Index Components will be reduced on a pro rata basis and a corresponding portion of the Index will be exposed to non-remunerated cash, with the aim of maintaining the volatility of the Index below the maximum target volatility. A cap of 25% exists on the maximum Index Weighting change of any Index Component in a single day; any Index Weighting change in excess of this cap will be postponed until the next Business Day.

7 Index Adjustment, Suspension and Termination Events

- 7.1 Upon the occurrence of an Index Increased Cost of Maintenance Event, the Index Sponsor shall take into account as it deems appropriate, any amendment, correction or any potential adjustment of the Index of whatsoever nature relating to the Index Increased Cost of Maintenance Event and may require the Index Calculation Agent to make adjustments to the Index to reflect the Index Increased Cost of Maintenance Event. In making any such adjustments the Index Sponsor may require the Index Calculation Agent to substitute an existing component in the Index with a replacement component which it deems suitable and will subsequently perform the necessary adjustments to the Index.

Where:

“Index Increased Cost of Maintenance Event” means the Index Sponsor, acting in good faith and a commercially reasonable manner, deeming that the amount of tax, duties, expenses, fees, rates (including without limitation any stock loan and/or stock borrowing and/or repurchase and/or replication costs or rates) associated with acquiring, establishing, re-establishing, substituting, maintaining, unwinding or disposing of any transactions or assets necessary in order to calculate, compile, hedge and/or maintain the Index has increased since the date the Index was launched.

- 7.2 Upon the occurrence of an Index Force Majeure Event, the Index Sponsor may suspend the Index until the end of the Index Force Majeure Event (the **“Index Suspension Period”**). If the Index Suspension Period exceeds one month the Index Sponsor may either (i) require the Index Calculation Agent to adjust the Index taking into account as it deems appropriate, any amendment or potential adjustment of the Index of whatsoever nature relating to the Index Force Majeure Event and in making any such adjustments the Index Sponsor may advise the Index Calculation Agent to substitute an existing Index Component with a replacement component which it deems suitable and the Index Calculation Agent will subsequently perform the necessary adjustments to the Index or (ii) terminate the Index.

Where:

“Index Force Majeure Event” means the performance of the Index Sponsor and the Index Calculation Agent’s obligations being prevented or materially hindered or delayed due to any act, law, rule, regulation, judgment, order, directive, interpretation, decree or material legislative or administrative interference of any government authority or otherwise, the occurrence of civil war, disruption, military action, unrest, political or terrorist activity, riot, public demonstration and/or protest, any other financial or economic reasons or any other causes or impediments beyond such party’s control; or any expropriation, confiscation, requisition, nationalization or other action taken or threatened by any government authority that deprives the Index Calculation Agent (or any of its relevant affiliates), of all or substantially all of its assets in the relevant currency jurisdiction.

- 7.3 Upon the occurrence of an Index Change in Law Event, the Index Sponsor may either i) require the Index Calculation Agent to adjust the Index taking into account as it deems appropriate, any amendment or potential adjustment of the Index of whatsoever nature relating to the Index Change in Law Event and in making any such adjustments the Index Sponsor may advise the Index Calculation Agent to substitute an existing Index Component with a replacement component which it deems suitable and the Index Calculation Agent will subsequently perform the necessary adjustments to the Index or ii) terminate the Index.

Where:

“Index Change in Law Event” means that, (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation in respect of tax, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing or financial authority) or the combined effect thereof is occurring more than once, the Index Sponsor determines that it has become illegal to hold, acquire or dispose of any Index Components (or parts thereof) or any relevant hedge positions relating to the Index.

- 7.4 Upon the occurrence of an Index Tax Event, the Index Sponsor may as the case be, review the composition of the Index and make such adjustments as it deems necessary.

Where:

“Index Tax Event” means any change in any applicable tax law or tax regulation, the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable tax law or tax regulation or a substantial likelihood of a change in any applicable tax or tax regulation and practice, save in relation to stamp taxes.

General Index Rules

8 Roles of the Index Calculation Agent and the Index Sponsor

The Index Calculation Agent is responsible for the day to day calculation and publication of the Index and the Index Sponsor is responsible for devising the Index Methodology and ensuring the Index level is published by the Index Calculation Agent in accordance with the Index Methodology.

9 Supplements, Amendments, Revisions, Modifications and Withdrawal of the Index Rules

The Index Rules may be supplemented, amended or withdrawn at any time. Any supplements, amendments, revisions or modifications to the Index Rules which are of a formal, minor or technical nature or are made to correct an error and do not conflict with the interests of any affected parties may be effected immediately. If the Index Calculation Agent and the Index Sponsor deem that any supplement, amendment, revision or modification may be in conflict with the interests of an affected party, a period of at least 15 calendar days should pass between the date that the proposed change is published and the date it comes into effect.

10 Rules for the periodical adjustment of the Index

10.1 The composition of the Index may be reviewed and adjusted periodically, including on a daily basis. The general aim of the Index Calculation Agent when periodically reviewing and adjusting the Index is to ensure that the selection of the Index Components continues to conform with the Index Methodology and that the Index continues to reflect the value of the Index Components.

10.2 The calculation of the Index is based on available information relating to the Index Components (closing prices, related dividends, corporate adjustments etc.). In the event any such information changes subsequent to the calculation and publication of any Index Levels, the Index Calculation Agent shall decide whether or not to effect any corrections to the Index as it deems necessary.

11 Other Important Information

11.1 Transactions involving the Index Components

The Index Sponsor and its affiliates may from time to time engage in transactions involving any Index Component(s) (or sub-components thereof) for their proprietary accounts and for accounts under their management. Such transactions may have a positive or negative effect on the value or level of such Index Component(s) (and/or sub-components thereof) and consequently upon the Index Level. In doing so, none of the Index Sponsor and its affiliates are under any obligation to act in the interests of users of the Index or parties exposed to products referencing the Index.

11.2 Acting in other capacities

The Index Calculation Agent, Index Sponsor or any of their affiliates may from time to time act in multiple capacities with regard to the Index or any products referencing the Index.

11.3 Other derivative instruments in respect of the Index Components

The Index Calculation Agent, Index Sponsor or any of their affiliates may issue, enter into, create, purchase, sell or otherwise distribute derivative instruments in respect of the Index or any Index Component(s) (or sub-components thereof) and the introduction of such products into the marketplace may affect the Index Level.

11.4 Market-Making for the Index Components

The Index Calculation Agent or the Index Sponsor may, in certain cases, act as a market-maker or sponsor for any Index Component(s) (or sub-components thereof). By such sponsoring or market-making, the Index Calculation Agent or Index Sponsor may, to a large extent, determine the price of such Index Component(s) (or sub-components thereof), and consequently influence the Index Level.

11.5 Obtaining of non-public information

The Index Calculation Agent, Index Sponsor and/or their affiliates may acquire non-public information with respect to any Index Component(s) (or sub-components thereof), and neither the

Index Calculation Agent or Index Sponsor nor any of their affiliates undertakes to disclose any such information to any user of the Index. In addition, one or more of the Index Calculation Agent's or Index Sponsor's affiliates may publish research reports with respect to such Index Component(s) (or sub-components thereof). Such activities could present conflicts of interest and may affect the Index Level.

12 Adjustments for Index Components

12.1 Successor Reference Index

If a Reference Index is (i) not calculated and announced by the Reference Index Sponsor but is calculated and announced by another sponsor acceptable to the Index Calculation Agent, or (ii) replaced by the Reference Index Sponsor with a successor index using, in the determination of the Index Calculation Agent, the same or a substantially similar calculation formula and method as the Reference Index, then in each case that index (the "**Successor Reference Index**") will be deemed to be the Reference Index.

12.2 Reference Index Adjustment Events

If on any week day there is a Reference Index Adjustment Event, then the Index Calculation Agent shall determine if it has a material effect on the Index and, if so, may adjust the Index either by (a) calculating the Index Level using the level for that Reference Index as determined by the Index Calculation Agent in accordance with the formula for and method of calculating that Reference Index last in effect prior to the change, failure, cancellation or other event which gives rise to the Reference Index Adjustment Event (but using only those securities that comprised that Reference Index immediately prior to that Reference Index Adjustment Event) (b) deeming, for the purposes of calculating the Index Level, the level of the affected Reference Index to be equal to zero or (c) making such adjustments to the Index as it deems appropriate. In effecting such adjustments the Index Calculation Agent may remove the affected Reference Index as an Index Component and/or select one or more other indices to replace it.

12.3 Corrections

In the event that any price or level published by the Reference Index Sponsor and which is utilized for any calculation or determination made in respect of the Index is subsequently corrected and the correction is published by the Reference Index Sponsor within three Reference Index Publication Days after the original publication, the Index Calculation Agent will, to the extent necessary, adjust the Index to account for such correction.

12.4 Definitions

For the purposes of this Part D only:

"Business Day" means any week day except for 25 December and 1 January in each year.

"Hedging Disruption Event" means, in respect of any Index Component(s), the occurrence of any event that the Index Calculation Agent determines materially restricts it from: (i) entering into hedging arrangements in relation to a relevant Index Component; (ii) freely realising and recovering, the proceeds of hedge positions relating to a relevant Index Component between accounts within the jurisdiction of the hedge positions (the "**Affected Jurisdiction**") or from accounts in the Affected Jurisdiction to accounts outside of the Affected Jurisdiction; (iii) determining a rate at which any currency relevant to the relevant Index Component(s) or hedge positions into another relevant currency.

"Index Level Determination Date" means each week day on which the Index Calculation Agent acting in a commercially reasonable manner determines it is able to determine and calculate the Index Level, subject to the provisions of the Index Rules.

"Index Rules" means the rules in relation to the Index summarised in this Part D and set out extensively in the rule book of the Index published by the Index Sponsor.

"Reference Index" means an Index Component in respect of which the Component Type is identified as 'Index' in Section 2 of this Part D.

"Reference Index Adjustment Event" means any of a Reference Index Modification, a Reference Index Cancellation or a Reference Index Disruption.

"Reference Index Cancellation" means in respect of a Reference Index, a Reference Index Sponsor permanently cancels the Reference Index and no Successor Reference Index exists or it has become impossible or impracticable, for any reason whatsoever and in the sole determination of the Index Calculation Agent, for the Reference Index to be an Index Component of the Index.

"Reference Index Disruption" means in respect of a Reference Index, the Reference Index Sponsor fails to calculate and announce a relevant Reference Index on a Reference Index Level Publication Day.

"Reference Index Level Publication Day" means each Business Day on which the level of the relevant Reference Index is scheduled to be published by the relevant Reference Index Sponsor.

"Reference Index Modification" means in respect of a Reference Index, a Reference Index Sponsor announces that it will make a material change in the formula for or the method of calculating that Reference Index or in any other way materially modifies that Reference Index (other than a modification prescribed in that formula or method to maintain that Reference Index in the event of changes in constituent components and capitalisation, contracts or commodities and other routine events).

"Reference Index Sponsor" means, in respect of any Reference Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the relevant Reference Index and (b) announces (directly or through an agent) the level of the relevant Reference Index on each Reference Index Level Publication Day.

ANNEX

RISK FACTORS

Set out below are risk factors relating to the Notes which have been extracted from the Base Prospectus and/or the Final Terms relating to the Notes without material amendment.

A. Risks relating to the Issuer

Factors that may affect the Issuer's ability to fulfil its obligations under the Notes issued under the Programme

Risks relating to the Issuer

There are certain factors that may affect the Issuer's ability to fulfil its obligations under Notes issued under the Programme. The Issuer's sole business is to enter into, perform and serve as a vehicle for, any transactions permitted under the Securitisation Act 2004. The Issuer finances the purchase of the Compartment Assets with the proceeds of the issue of Series of Notes. Each Series of Notes will be issued through a separate Compartment. The Issuer has, and will have, no assets other than Compartment Assets or other Charged Assets acquired by it, in each case in connection with the issue of the Notes or the entry into of other obligations relating to the Programme or otherwise from time to time. Recourse of the Noteholders against the Issuer is limited to the funds available to the Issuer from time to time in respect of the assets designated as Compartment Assets and other Charged Assets in the Final Terms and the Issuer shall have no liability to make any payments under the Notes where such funds are not available to it. Therefore, the Noteholders are exposed to the risk that the Issuer will not have sufficient funds available to it to make payments owed under the Notes and will not have any further recourse against the Issuer or any other party in such circumstances, but will suffer a corresponding loss on their investment.

Issuer's dependency upon counterparty to swap agreements, deposit agreements and repurchase agreements

The ability of the Issuer to meet its obligations under Notes issued by it may depend on the receipt by it of payments under relevant swap agreements, usually with BNP Paribas or BNP Paribas Arbitrage S.N.C., deposit agreements or repurchase agreements. Consequently, the Issuer is exposed to the ability of counterparties in respect of such swap agreements, deposit agreements and/or repurchase agreements to perform their obligations under such agreements and to the creditworthiness of such counterparties. In particular, in respect of certain Series of Notes, the Issuer may pay the issue proceeds of the Notes to the Swap Counterparty in return for the Swap Counterparty agreeing to pay all amounts due on the Notes. In such circumstances, the Swap Counterparty may or may not provide credit support for its obligations under the relevant Swap Agreement. Where the Swap Counterparty does provide credit support for its obligations, such credit support may only be in amounts which are equal to the market value (or a percentage thereof) of the Notes at that time and which may be less than the principal amount outstanding of the Notes. The Issuer will be dependent in whole or in part on receipt of payments from the Swap Counterparty in order to meet its obligations under the Notes. Certain Notes may be subject to early redemption in the event that the Swap Counterparty or any affiliate incurs or would incur a materially increased cost in relation to the Swap Counterparty performing its obligations with respect to the Swap Agreement. Upon such redemption, Noteholders may receive less than the original amount invested in the Notes. Following such redemption, an investor may not be able to reinvest the proceeds of such redemption on equivalent terms. Potential investors should consider reinvestment risk in light of other investments available at that time.

Issuer's dependency upon Compartment Assets

The ability of the Issuer to meet its obligations under Notes issued by it may depend on the receipt by it of payments from the Compartment Assets it purchases (if any) with the proceeds of the issue of each Series of Notes. Such Compartment Assets securing the Notes may not be realisable for their full nominal value and the Noteholders are therefore exposed to the risk that the Issuer will not have sufficient funds available to it to make payments owed under the Notes.

Compartments

The board of directors of the Issuer (the "**Board**") may establish one or more compartments (together the "**Compartments**" and each a "**Compartment**"), each of which is a separate and distinct part of the Issuer's estate (*patrimoine*) and which may be distinguished by the nature of acquired risks or assets and the Conditions as completed, modified and amended by the applicable Final Terms, the reference currency or other distinguishing characteristics. The Conditions of the Notes issued in respect of, and the specific objects of, each Compartment shall be determined by the Board. Each Secured Party shall be deemed to fully adhere to, and be bound by, the Conditions applicable to the Notes and the Articles of Incorporation of the Issuer (the "**Articles**").

The Issuer is established as a *société de titrisation* within the meaning of the Securitisation Act 2004 which provides that claims against the Issuer by the Secured Parties will, in principle, be limited to the net assets of the relevant series included in the relevant Compartment. In respect of any Compartment and any Note, and following a Note Acceleration in respect of such Note, the entitlement of the holder of such Note will be limited to such Noteholder's pro rata share of the proceeds of the relevant Charged Assets applied in accordance with the Order of Priority specified in the Final Terms. If, in respect of any Note, the net proceeds of the enforcement or liquidation of the relevant Charged Assets are not sufficient to make all payments due in respect of such Note, no other assets of the Issuer will be available to meet such shortfall, and the claims of the holder of such Note as against the Issuer in respect of any such shortfall shall be extinguished. Where amounts are due to be paid in priority to a Note in accordance with the Order of Priority, the net proceeds of the enforcement or liquidation of the relevant Charged Assets may not be sufficient to pay such amounts or may only be sufficient to make all such payments due in priority to such Note, in which case no amounts will be available to make payments in respect of such Note. In all cases, neither the holder of a Note nor any person on its behalf (including the Trustee) shall have the right to petition for the winding-up of the Issuer as a consequence of any shortfall. Noteholders, by acquiring the Notes, expressly accept, and shall be deemed to be bound by, the provisions of the Securitisation Act 2004 and, in particular, the provisions with respect to compartments, limited recourse, non-petition, subordination and priority of payments.

Each Compartment may be separately liquidated without such liquidation resulting in the liquidation of another Compartment or of the Issuer itself. As far as each Compartment is concerned and subject to any particular rights or limitations attaching to any Notes, as may be specified in the Articles or upon which such Notes may be issued including, without limitation, the relevant Conditions and the Final Terms, if the net assets of a Compartment are liquidated the proceeds thereof shall be applied in the order set out in the Conditions.

As between the Secured Parties, each Compartment is deemed to comprise assets of a separate entity.

Fees, expenses and other liabilities incurred on behalf of the Issuer but which do not relate specifically to any Compartment shall be general liabilities of the Issuer and shall not be payable out of the assets of any Compartment. The Board shall ensure that creditors of such liabilities waive recourse to the assets of any Compartment. If such creditors do not waive recourse and such general liabilities cannot be otherwise funded, they shall be apportioned pro rata among the Compartments of the Issuer upon a decision of the Board.

The Board shall establish and maintain separate accounting records for each of the Compartments of the Issuer. The assets of each Compartment may include the proceeds of the issue of the Notes of the relevant Series, any Related Agreements, any collateral relating to such Series, any proceeds from the Related Agreements and any such collateral. The fees, costs and expenses in relation to the Notes of each Series may be allocated to the respective Compartment in accordance with the relevant Conditions.

To give effect to the provisions of the Securitisation Act 2004 and the Articles under which the Charged Assets of a Compartment are available only for the Secured Parties for the relevant Series relating to that Compartment, the Issuer will contract with parties for the account of the relevant Compartment and on a "limited recourse" basis such that claims against the Issuer in relation to each Series would be restricted to the Charged Assets of the Compartment for the relevant Series.

Issuer (acting through the relevant Compartment) the sole party liable under the Notes

The Notes will be contractual obligations of the Issuer solely in respect of the relevant Compartment of the Issuer. The fulfilment of the Issuer's obligations under the Notes are not guaranteed by any third party. Consequently, Noteholders have no right of recourse against any such third parties. In connection with the above it should also be noted that, pursuant to the Securitisation Act 2004, where individual Compartment Assets are insufficient for the purpose of meeting the Issuer's obligations under the relevant issue of Notes, it will not be possible for the Noteholders of that issue to obtain satisfaction of the debt owed to them by the Issuer from assets belonging to another Compartment. Accordingly, to the extent Compartment Assets are insufficient, the Noteholders risk not being able to receive any amounts in respect of their investment or losing the value of their initial investment.

Insolvency of the Issuer

Although the Issuer will contract on a "limited recourse" basis as noted above, it cannot be excluded as a risk that the Issuer's assets (that is, its aggregate Compartment Assets plus any other assets it may possess) will become subject to insolvency proceedings. The Issuer is a public limited liability company (*société anonyme*) incorporated under the laws of Luxembourg and managed by its Board. Accordingly, insolvency proceedings with respect to the Issuer would likely proceed under, and be governed by, the insolvency laws of Luxembourg.

Under Luxembourg law, a company is insolvent (*en faillite*) when it is unable to meet its current liabilities and when its creditworthiness is impaired. The Issuer can be declared bankrupt upon petition by a creditor of the Issuer or at the initiative of the court or at the request of the Issuer in accordance with the relevant provisions of Luxembourg insolvency law. If granted, the Luxembourg court will appoint a bankruptcy trustee (*curateur*) who shall be obliged to take such action as he deems to be in the best interests of the Issuer and of all creditors of the Issuer. Certain preferred creditors of the Issuer (including the Luxembourg tax authorities) may have a priority that ranks senior to the rights of the Secured Parties (including Noteholders) in such circumstances. Other insolvency proceedings under Luxembourg law include controlled management and moratorium of payments (*gestion contrôlée et sursis de paiement*) of the Issuer, composition proceedings (*concordat*) and judicial liquidation proceedings (*liquidation judiciaire*).

In the event of such insolvency proceedings taking place, Noteholders bear the risk of a delay in the settlement of any claims they might have against the Issuer or receiving, in respect of their claims, the residual amount following realisation of the Issuer's assets after preferred creditors have been paid, with the result that they may lose their initial investment.

Consequences of insolvency proceedings

If the Issuer fails for any reason to meet its obligations or liabilities (that is, if the Issuer is unable to pay its debts and may obtain no further credit), a creditor, who has not (and cannot be deemed to have) accepted non petition and limited recourse provisions in respect of the Issuer, will be entitled

to make an application for the commencement of insolvency proceedings against the Issuer. In that case, such creditor would, however, not have recourse to the assets of any Compartment (in the case that the Issuer has created one or more Compartments) but would have to exercise its rights on the general assets of the Issuer unless its rights would arise in connection with the "creation, operation or liquidation" of a Compartment, in which case, the creditor would have recourse to the assets allocated to that Compartment but he would not have recourse to the assets of any other Compartment. Furthermore, the commencement of such proceedings may in certain conditions, entitle creditors (including the relevant counterparties) to terminate contracts with the Issuer (including Related Agreements) and claim damages for any loss created by such early termination. The Issuer will seek to contract only with parties who agree not to make application for the commencement of winding-up, liquidation and bankruptcy or similar proceedings against the Issuer. Legal proceedings initiated against the Issuer in breach of these provisions shall, in principle, be declared inadmissible by a Luxembourg court.

Custody Arrangements

Compartment Assets (together with any related Compartment Security) will be held by the Custodian on behalf of the Issuer pursuant to the Agency Agreement (as defined in Condition 8(b)(i) (*Custodian; Custody Account; Account Bank; Compartment Account*)). Assets held by the Custodian may not be immediately available to investors upon the bankruptcy of the Custodian and certain classes of creditors having general rights of preference stipulated by Luxembourg law, such as preference rights for judicial fees (including the fees and costs of a receiver/liquidator), unpaid salaries and various tax, excise and social security contributions, may take preference over secured creditors in bankruptcy proceedings. In circumstances where a charge under English law is expressed to be taken over the Compartment Assets and the Compartment Assets are held by or through the Custodian through a clearing system or where the Compartment Assets are held outside England and Wales, any security over the Compartment Assets will take the form of an assignment by way of security of the Issuer's rights against the Custodian under the Agency Agreement to the extent that such rights relate to the Compartment Assets, rather than a charge over the Compartment Assets themselves.

B. Risks relating to Notes

General

Limitations on recourse and rights with respect to underlyings

There are certain factors which are material for the purpose of assessing the risks associated with an investment in Notes issued under the Programme. Such factors will vary depending on the type of Notes issued, in particular in relation to Notes ("**Underlying Reference Linked Notes**"), the interest and/or redemption amount of which is linked to the value of one or more index, share, inflation index, commodity, unit, interest or share in a fund, the credit of one or more reference entity, or the combination of any of the foregoing or such other underlying or basis of reference (each an "**Underlying Reference**").

In addition to the factors set out in this section "*B. Risks Relating to Notes*", Noteholders should be aware that the ability of the Issuer to meet its obligations under the Notes may depend on the receipt by it of payments from the Compartment Assets it purchases (if any) with the proceeds of the issue of the Notes and/or on the receipt by it of payments under the Swap Agreement notwithstanding the performance of any relevant Underlying Reference. The Noteholders are therefore exposed to the risk that the Issuer will not have sufficient funds available to it to make payments owed under, or due in respect of, the Notes. See section "*A. Risks relating to the Issuer*" above for further details of such risks.

Claims against the Underlying Reference

The Notes do not represent a claim against any Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference) and Noteholders will not have any right of recourse under the Notes to any such Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference). The Notes are not in any way sponsored, endorsed or promoted by any issuer, sponsor, manager or other connected person in respect of any Underlying Reference and such entities have no obligation to take into account the consequences of their actions on any Noteholders.

Risks associated with product structure

Once the proceeds of the issue of the Notes have been invested in the Charged Assets with respect to a particular Compartment, such Charged Assets (including, without limitation, assets such as hedging agreements and debt securities) will constitute the only source of funds available to the Issuer for the satisfaction of its pre-enforcement obligations under the Notes and the relevant Related Agreements (if any). Accordingly, if such Charged Assets do not generate sufficient cashflows, either:

- (i) an Early Redemption Event under the Notes may occur, which, in turn, may lead to the realisation of the Charged Assets by the Disposal Agent; or
- (ii) an Event of Default may occur under the Notes, which, in turn, may lead to the enforcement and liquidation of the relevant Charged Assets by the Trustee (or its appointee under the Trust Deed).

The Trustee is not obliged to take any action unless it has been indemnified and/or secured to its satisfaction against any liability it may incur. The proceeds of any such enforcement and liquidation, or realisation, as the case may be, (net of any costs, including the costs of enforcement and liquidation) may not be sufficient to meet the claims of the Secured Parties (including the Noteholders) with respect to the relevant Compartment. As more fully described below, claims against the Issuer by holders of the Notes of a particular Series and each other Secured Party in respect of any Compartment will be limited to the relevant Charged Assets.

In addition, the Issuer may issue Notes the redemption amount of which is limited to the liquidation proceeds of the Charged Assets of the Compartment relating to such Notes. The proceeds of any such liquidation (net of any costs, including the costs of liquidation) may not be sufficient to meet the claims of the Secured Parties (including the Noteholders) with respect to the relevant Compartment.

Potential Conflicts of Interest

Certain entities within the Group (being BNP Paribas and its consolidated subsidiaries and including, if applicable, any dealer appointed under the Programme (each a "**Dealer**")) may also engage in trading activities (including hedging activities) relating to the Underlying Reference and other instruments or derivative products based on or relating to the Underlying Reference of any Notes for their proprietary accounts or for other accounts under their management. BNP Paribas and its affiliates (including, if applicable, any Dealer) may also issue other derivative instruments in respect of the Underlying Reference. BNP Paribas and its affiliates (including, if applicable, any Dealer) may also act as underwriter in connection with future offerings of shares or other securities relating to an issue of Notes or may act as financial adviser to certain companies or companies whose shares or other securities are included in a basket or in a commercial banking capacity for such companies. In addition BNP Paribas and its affiliates (including, if applicable, any Dealer) may act in a number of different capacities in relation to an underlying index, including, but not limited to, issuer of the constituents of the index, index sponsor and/or calculation agent. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Notes.

The Calculation Agent may be the Swap Counterparty or an affiliate of the Swap Counterparty and consequently, potential conflicts of interest may exist between the Calculation Agent and Noteholders, including with respect to certain determinations and judgments that the Calculation Agent must make, including whether a Market Disruption Event, a Settlement Disruption Event, a Custom Index Adjustment Event or Credit Event (each, as defined below) has occurred. The Calculation Agent is obliged to carry out its duties and functions as Calculation Agent in good faith and using its reasonable judgment. Furthermore, the Calculation Agent will not act as a fiduciary or as an advisor to the Noteholders in respect of its duties as Calculation Agent.

Swap Counterparty as Instructing Party

Where "Swap Counterparty Priority" is stated as being applicable in the Final Terms, the Swap Counterparty will (unless it is the defaulting party under the relevant Swap Agreement) be the Instructing Party, and will have certain rights to direct the Trustee on certain matters, including the ability to instruct the Trustee to enforce the Security in certain circumstances, notwithstanding that the Noteholders have not voted in respect of such matters. In these circumstances, there can be no assurance that the Swap Counterparty will act in the interests of Noteholders. The Swap Counterparty has no obligation or liability to, and shall not be obliged to have regard to the interests of, the Noteholders in relation to any such directions.

Modification

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

Trustee and enforcement

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Secured Parties (including Noteholders). The Trustee is not obliged to take any such action without first being indemnified and/or secured to its satisfaction. The Trustee is not responsible for ensuring that the Issuer's obligations (or the security interest created by the Issuer) are valid and enforceable.

Change in law

The conditions of the Notes are based on relevant laws in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such laws or administrative practices after the date of this Base Prospectus.

Transfer restrictions

The Notes may be subject to certain transfer restrictions. Such restrictions on transfer may limit the liquidity of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time and potentially until their maturity or expiration, as applicable.

Notes issued linked to certain events

The redemption amount of the Notes or may be linked to the occurrence or non-occurrence of certain events which are not connected with the Issuer such as credit, price levels or index levels. The occurrence of such events is beyond the control of the Issuer, and Noteholders are exposed to the risk of such event occurring or not, as the case may be.

Ranking of the Notes

The Notes are unsubordinated obligations of the Issuer and will rank pari passu with themselves.

Possible Illiquidity of the Notes in the Secondary Market

It is very difficult to predict the price at which the Notes will trade in the secondary market or whether such market will be liquid or illiquid. Also, to the extent the Notes are redeemed, the number of Notes outstanding will decrease, resulting in a diminished liquidity for the remaining Notes. A decrease in the liquidity of the Notes may cause, in turn, an increase in the volatility associated with the price of such Notes.

The Issuer and any Dealer may, but is not so obliged, at any time purchase any Notes at any price in the open market or by tender or private offer/treaty. Any Notes may be held or resold or surrendered for cancellation as further described herein. A Dealer may, but is not obliged to, be a market-maker for an issue of Notes and may cease to do so at any time. Even if a Dealer is a market-maker for the Notes, the secondary market for such Notes may be limited. There may be no secondary market for the Notes and to the extent that an issue of Notes is or becomes illiquid, an investor may have to hold such Notes until maturity to realise greater value than their then trading value.

Redemption or Cancellation of the Notes (as applicable) in the Event of Illegality or Impracticability

If the Issuer determines that the performance of its obligations under the Notes has become illegal or impracticable in whole or in part for any reason, the Issuer may redeem the Notes by paying to each Noteholder the aggregate fair market value of such Notes less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements. Such cancellation may result in an investor not realising a return on an investment in such Notes.

Post-issuance Information

The Issuer will not provide post-issuance information in relation to the Underlying Reference and investors will not be entitled to obtain such information from the Issuer.

A Security's purchase price may not reflect its inherent value

Prospective investors in the Notes should be aware that the purchase price of a Note does not necessarily reflect its inherent value. Any difference between purchase price of a Note and its inherent value may be due to a number of different factors including, without limitation, prevailing market conditions and fees, discounts or commissions paid or accorded to the various parties involved in structuring and/or distributing the Notes. For further information prospective investors should refer to the party from whom they are purchasing the Notes. Prospective investors may also wish to seek an independent valuation of a Note prior to its purchase.

The Cash Settlement Amount may be less than the value of an investment in a Note

Each Noteholder may receive a Cash Settlement Amount and/or physical delivery of the Entitlement the value of which may be less than the value of Noteholders' investment in the Notes. In certain circumstances Noteholders may lose the entire value of their investment.

Certain Considerations Regarding Purchasing Notes as Hedges

Prospective purchasers intending to purchase Notes to hedge against the market risk associated with investing in the Underlying Reference which may be specified in the applicable Final Terms should recognise the complexities of utilising the Notes in this manner. For example, the value of the Notes may not exactly correlate with the value of the Underlying Reference which may be specified in the applicable Final Terms. Due to fluctuating supply and demand for the Notes, there is no assurance that their value will correlate with movements of the Underlying Reference. For these reasons, among others, it may not be possible to purchase or liquidate securities in a portfolio at the prices used to calculate the value of any relevant Underlying Reference. In addition, in

certain cases, the ability of any Noteholder to use the Notes for hedging may be restricted by the provisions of the U.S. Securities Act of 1933, as amended.

Risk of Leveraged Exposure

Leverage involves the use of a number of financial techniques to increase the exposure to an Underlying Reference, and can therefore magnify both returns and losses. While the use of leverage allows for potential multiples of a return (assuming a return is achieved) when the Underlying Reference moves in the anticipated direction, it will conversely magnify losses when the Underlying Reference moves against expectations. If the Notes include leverage, potential holders of Notes should note that the Notes will involve a higher level of risk, and that whenever there are losses such losses may be higher than those of a similar security which is not leveraged. Investors should therefore only invest in leveraged Notes if they fully understand the effects of leverage.

Market and Other Risks

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, Noteholders may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for securities that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of securities generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of the Notes. The provision of a secondary market by any market participant may not alleviate these risks.

Exchange rate risks and exchange controls

The Issuer will make payments in respect of the Notes in the Specified Currency. This presents certain risks relating to currency conversions if a Noteholder's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal or cash settlement amount payable (as applicable) in respect of the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Investment considerations may restrict certain investments

The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal, tax, accountancy and other advisers to determine whether and to what extent (i) it is permitted by law and regulation to invest in the Notes, (ii) the Notes may be used as collateral for various types of

borrowing, and (iii) other restrictions, including but not limited to accountancy, solvency and liquidity, apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

Risks related to the structure of the Notes

Risks relating to Underlying Reference Linked Notes

Investments in Underlying Reference Linked Notes entail significant risks and may not be appropriate for investors lacking financial expertise. Prospective investors should consult their own financial, tax and legal advisers as to the risks entailed by an investment in Underlying Reference Linked Notes and the suitability of such Notes in light of their particular circumstances and ensure that their acquisition is fully consistent with their financial needs and investment policies, is lawful under the laws of the jurisdiction of their incorporation and/or in which they operate, and is a suitable investment for them to make. The Issuer believes that such Notes should only be purchased by investors that are in a position to understand the special risks that an investment in these instruments involves, in particular relating to options and derivatives and related transactions, and should be prepared to sustain a total loss of the purchase price of their Notes.

Underlying Reference Linked Notes are securities which do not provide for predetermined redemption amounts and/or interest payments but amounts payable (whether in respect of principal and/or interest or settlement, as the case may be) or deliverable will be dependent upon the performance of the Underlying References which themselves may contain substantial credit, equity, funds, correlation, volatility, commodity interest rate, foreign exchange, time value, political and/or other risks.

An investment in Underlying Reference Linked Notes therefore entails significant risks that are not associated with similar investments in a conventional fixed or floating rate debt security. These risks include, among other things, the possibility that:

- the Underlying Reference may be subject to significant changes, whether due to the composition of any such Underlying Reference itself, or because of fluctuations in value of the Underlying Reference;
- the resulting returns or interest rate (where applicable) will be less (or may be more) than that payable on a conventional debt security issued by the Issuer at the same time;
- the holder of an Underlying Reference Linked Note could lose all or a substantial portion of the principal of such Note (whether payable at maturity or upon redemption or repayment), and, if the principal is lost, interest, or any other return on principal, may cease to be payable on such Note;
- any Underlying Reference Linked Note that is linked to more than one type of Underlying Reference, or to formulae that encompass the risks associated with more than one type of Underlying Reference, may carry levels of risk that are greater than Underlying Reference Linked Notes that are linked to one type of Underlying Reference only;
- it may not be possible for investors to hedge their exposure to these various risks relating to Underlying Reference Linked Notes;
- a significant market disruption could mean that any Underlying Reference ceases to exist; and
- each Noteholder may receive an amount on redemption, settlement or cancellation (as the case may be) and/or physical delivery of securities together with cash for roundings in respect of any Underlying Reference Linked Notes, and the amount payable on

redemption, settlement or cancellation (as the case may be) and/or the aggregate value of securities physically delivered and cash may be significantly less than the value of the relevant Noteholder's investment in such Notes or the amount of such investment;

In addition, the value of Underlying Reference Linked Notes on the secondary market is subject to greater levels of risk than is the value of other securities and the market price of such Notes may be very volatile or there may even be no (or a very limited) secondary market. The secondary market, if any, for Underlying Reference Linked Notes will be affected by a number of factors, independent of the creditworthiness of the Issuer, including (but not limited to) the creditworthiness of any reference entity, the value of the applicable Underlying Reference, the volatility of the Underlying Reference, the time remaining to the maturity, the amount outstanding and market interest rates. The value of the applicable Underlying Reference depends on a number of interrelated factors, including economic, financial and political events, over which the Issuer has no control.

Additionally, if the formula used to determine the amount of principal, premium and/or interest payable with respect to Underlying Reference Linked Notes contains a weighting or leverage factor, the effect of any change in the Underlying Reference will be increased. The historical experience of the Underlying Reference should not be taken as an indication of future performance of such Underlying Reference during the term of any Underlying Reference Linked Notes.

Additionally, there may be regulatory and other ramifications associated with the ownership by certain investors of certain Underlying Reference Linked Notes.

None of the Issuer, BNP Paribas and its respective affiliates, the Trustee, the Dealer or its respective affiliates provide any advice with respect to any Underlying Reference nor make any representation as to its quality, credit or otherwise, and investors in the relevant Notes must rely on their own sources of analysis, including credit analysis with respect to any Underlying Reference.

The risks reflect the nature of such a Note as an asset which may become worthless when redeemed. The risk of the loss of some or all of the purchase price of an Underlying Reference Linked Note upon redemption means that, in order to recover and realise a return upon its investment, a purchaser of such Note must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant Underlying Reference.

Risks relating to Index Linked Notes

The Issuer may issue notes where the amount of principal and/or interest payable are dependent upon the level of an index or indices ("**Index Linked Notes**").

Potential investors in Index Linked Notes should be aware that depending on the terms of the Index Linked Notes (i) they may receive no or a limited amount of interest, (ii) payment of principal or interest or delivery of any entitlement may occur at a different time than expected and (iii) they may lose all or a substantial portion of their investment. In addition, the movements in the level of an index or indices may be subject to significant fluctuations that may or may not correlate with other indices, changes in interest rates or currencies and the timing of changes in the relevant level of the index or indices may affect the actual yield to investors, even if the average level is consistent with their expectations.

If the amount of principal and/or interest payable or the entitlement or settlement amount is dependent upon movements in currency exchange rates and are determined in conjunction with a multiplier greater than one or by reference to some other leverage factor, the effect of changes in the level of the index or the indices on principal or interest payable or the settlement amount or entitlement (as the case may be) will be magnified.

The market price of such Notes may be volatile and may depend on the time remaining to the redemption date or expiration date (as applicable) and the volatility of the level of the index or

indices. The level of the index or indices may be affected by the economic, financial and political events in one or more jurisdictions, including the stock exchange(s) or quotation system(s) on which any securities comprising the index or indices may be traded. The index may reference equities, bonds or other securities or it may be a property index referencing certain property price data which will be subject to market price fluctuations. A property index may include valuations only and not actual transactions and the property data sources used to compile the index may be subject to change, which may adversely affect the return on the Notes.

An investment in Index Linked Notes linked to a custom index ("**Custom Index Linked Notes**") will entail significant risks not associated with an investment in a conventional debt security. On an interest payment date or on maturity, as the case may be, of Custom Index Linked Notes, Noteholders will receive an amount (if any) determined by reference to the value of the underlying custom index/custom indices. Such custom index may be an index established, sponsored and/or calculated by the Swap Counterparty and/or its affiliates or another entity which may not be widely published or available. The custom index may reference equities, bonds, indices, rates, commodities, funds or other securities, it may be a property index referencing certain property price data which will be subject to market price fluctuations or even a combination of all or some of the foregoing.

Pursuant to the operational rules of the relevant custom index/custom indices, the custom index/custom indices generally are scheduled to be calculated on each weekday. In the event that one of the levels/values/prices of a component included in the custom index/custom indices is not available for any reason on any weekday (i.e., either because it is a non-scheduled trading day in respect of that index component or that index component is subject to a market disruption or otherwise) (a "**Disrupted Day**") then the calculation agent of the custom index/custom indices may, but is not obliged to, calculate the level of the custom index/custom indices on that day by taking a level/value/price for the affected index component from the preceding day on which a level for such affected index component was available.

For the avoidance of doubt, the Swap Counterparty and/or its affiliates may not be able to trade on and hedge its obligations in respect of the custom index/custom indices under the relevant Swap Agreement and or other underlying hedging arrangements notwithstanding the calculation agent of the custom index/custom indices has calculated and published a level in respect of such day. In the event that the strike date or initial calculation date (as the case may be) or any other valuation or observation date is a Disrupted Day for the custom index/custom indices, the strike date, initial calculation date or relevant valuation or observation date, as the case may be, shall be the first succeeding day on which the Swap Counterparty and/or its affiliates is able to trade on and hedge its obligations in respect of the custom index/custom indices subject to a specified maximum days of disruption, as more fully set out in the terms and conditions of the relevant Notes.

Where the Underlying Reference is a custom index and a custom index adjustment event (as described in the terms and conditions of the relevant Notes) occurs, the Calculation Agent may make such adjustments as it determines appropriate to the terms of such Notes (including substituting a custom index with another custom index with a similar strategy as the original custom index) or notify the Issuer that it has not determined any appropriate adjustment, following which the Issuer will redeem such Custom Index Linked Notes. In making such adjustment or determination, the Calculation Agent shall, to the extent applicable to the relevant Custom Index Linked Notes, take into account any corresponding or similar adjustment or other determination made in respect of any applicable Swap Agreement in relation to such custom index adjustment event. Such action may have an adverse effect on the value and liquidity of the affected Custom Index Linked Notes.

Market Disruption Events or failure to open of an Exchange

If an issue of Underlying Reference Linked Notes includes provisions dealing with the occurrence of a Market Disruption Event or failure to open of an exchange on the Strike Date, a Valuation

Date or an Observation Date and the Calculation Agent determines that a Market Disruption Event or failure to open of an exchange has occurred or exists on such date, any consequential postponement of the Strike Date, Valuation Date, or Observation Date or any alternative provisions for valuation provided in any such Underlying Reference Linked Notes may have an adverse effect on the value and liquidity of such Underlying Reference Linked Notes. The timing of such dates (as scheduled or as so postponed or adjusted) may affect the value of the relevant Underlying Reference Linked Notes such that the relevant holder of the Underlying Reference Linked Notes may receive a lower cash redemption amount and/or interest amount or other payment than otherwise would have been the case. In addition, any such consequential postponement may result in the postponement of the date of redemption of the Underlying Reference Linked Notes.

Adjustment to indices

Where the Underlying Reference is an index (including a commodity index or custom index) and an index adjustment event (as described in the applicable Terms and Conditions) occurs, the Calculation Agent may make such adjustments as it determines appropriate to the terms of such Notes or notify the Issuer that it has not determined any appropriate adjustment, following which the Issuer will redeem the Notes. In making such adjustment or determination, the Calculation Agent shall, to the extent applicable to the relevant Notes, take into account any corresponding or similar adjustment or other determination made in respect of any applicable Swap Agreement in relation to such index adjustment event. Such action may have an adverse effect on the value and liquidity of the affected Underlying Reference Linked Notes.

Maturity Date Extension and Settlement Date Extension

Where the Issuer has not received in full the amount it is scheduled to receive in respect of any of the Charged Assets relating to the Notes (such assets the "**Non-Performing Assets**") on or prior to the Early Redemption Date or the Maturity Date, redemption in full of the Notes will be postponed until the date specified in the applicable Final Terms, the "Extended Maturity Date". Such Extended Maturity Date may, depending on the terms of the Notes, be a considerable period of time after the date on which the Issuer was due to redeem the Notes. The Issuer will in the period to, and including, the Extended Maturity Date pay over any amounts it receives in such period in respect of the relevant Charged Assets to the Noteholders (to the extent amounts are due to the Noteholders) and shall appoint an agent to assist it in recovering amounts due in respect of the relevant Charged Asset or, where applicable and when requested to do so by the Calculation Agent, the Issuer may sell the Charged Assets (or its rights in connection therewith). There is no guarantee, notwithstanding the postponement of the redemption of the Notes in full that any further sums will be recovered in respect of the Charged Assets and that the Noteholders would receive any greater amount than if the Notes had been redeemed in full on the Early Redemption Date or the Maturity Date.

Additional Factors relating to certain Underlying References

Certain considerations associated with Notes linked to Emerging Markets Underlying References

The Issuer may issue Notes where the amount payable on redemption or settlement (as the case may be) or the interest payable (in the case of Notes only) is linked to Underlying References which consist of (i) securities, funds or indices comprising securities of issuers that are located in, or subject to regulation in, emerging or developing countries, or (ii) securities which are denominated in the currency of, or are traded in, emerging or developing countries or (iii) currencies of emerging or developing countries. Prospective investors should note that additional risks may be associated with investment in such Notes, including risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws including, but not limited to, those relating to expropriation, nationalisation and confiscation. Securities traded in emerging or developing countries tend to be less liquid and the prices of such securities

more volatile. In addition, settlement of trades in some such markets may be slower and more subject to failure than in markets in developed countries.

Increased custodian costs as well as administrative difficulties (such as the applicability of the laws of the jurisdictions of emerging or developing countries to custodians in such jurisdictions in various circumstances, including bankruptcy, ability to recover lost assets, expropriation, nationalisation and record access) may also arise from the maintenance of assets in such emerging or developing countries.

Prospective purchasers of such Securities should also be aware that the probability of the occurrence of a disruption event and consequently loss of investment or profit by an investor may be higher for certain developing or emerging markets. Prospective purchasers are expected to conduct their own enquiries and be satisfied that there are additional risks associated with investments linked to the performance of underlying assets located in these markets.

C. Specific Risks relating to Notes

EU Savings Directive

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax, were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. The Issuer is required to maintain a Paying Agent in a Member State that is obliged to withhold or deduct tax pursuant to the Directive.

No gross-up upon the application of withholding tax

The Notes will not have the benefit of a gross-up provision in respect of withholding taxes. Noteholders will bear the risk of the imposition of any deduction or withholding with respect to payments made under the Notes.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

A Note's purchase price may not reflect its inherent value

Prospective investors in the Notes should be aware that the purchase price of a Note does not necessarily reflect its inherent value. Any difference between a Note's purchase price and its inherent value may be due to a number of different factors including, without limitation, prevailing market conditions and fees, discounts or commissions paid or accorded to the various parties involved in structuring and/or distributing the Note. For further information prospective investors should refer to the party from whom they are purchasing the Note. Prospective investors may also wish to seek an independent valuation of a Note prior to its purchase.

D. Additional risks relating to the Series SA-141 Notes

The ability of the Issuer to pay principal on the Notes will be dependent on SÜDWESTBANK AG performing its obligations under the Zero Coupon Bonds and the creditworthiness of SÜDWESTBANK AG. If SÜDWESTBANK AG fails to pay the amount it is due to pay in respect of the Zero Coupon Bonds, or it becomes insolvent, investors may lose the value of their entire investment or part of it, as the case may be. Following such occurrence the Notes may be redeemed earlier or later than the Maturity Date. The price of the Notes may be volatile and will

be affected by, amongst other things, the time remaining to the Maturity Date and the creditworthiness of SÜDWESTBANK AG, which in turn may be affected by economic, financial and political events in one or more jurisdictions.

In the event that the SÜDWESTBANK AG fails to pay an amount under the Zero Coupon Bonds when due or suffers an insolvency event, an Early Redemption Event will occur and the Issuer shall notify the Noteholders through the relevant Clearing Systems accordingly.

Upon an amendment to, or a change in the application or official interpretation of, the tax or similar laws and regulations of Germany or the German political sub-divisions or tax authorities, which would require SÜDWESTBANK AG to make certain additional payments in respect of the Zero Coupon Bonds (including payments under the Zero Coupon Bonds and/or a purchase or exchange of Zero Coupon Bonds), SÜDWESTBANK AG may redeem all, but not some only, of the Zero Coupon Bonds at their early redemption amount. In such an event, an Early Redemption Event will occur and the Issuer shall notify the Noteholders through the relevant Clearing Systems accordingly.

Following an Early Redemption Event, the Notes may be redeemed earlier or later than the Maturity Date. The occurrence of an event affecting the Index may result in an Early Redemption Event. Where the Early Redemption Event results from the failure of SÜDWESTBANK AG to make payment in respect of the Zero Coupon Bonds or its insolvency, there may be difficulties in recovering the cash value of the Zero Coupon Bonds. In such a case or in circumstances where the Issuer has not received a payment under any other Charged Asset (including the Swap Agreement), the redemption of the Notes may be postponed for up to two calendar years following the earlier of the Early Redemption Date or the Maturity Date. If, by such day, the amounts are not able to be recovered, then the Noteholders may lose their entire investment amount. Investors should consider carefully the likelihood of such circumstances. There is no guarantee that any such delay in redemption will result in any payments or any additional payments to the Noteholders. Following the Extended Maturity Date, the Issuer will have no obligation to pay any further amounts to the holders of the Notes.

The Notes are suitable for investors who expect the Index to perform positively over the observed period and do not expect an event relating to the creditworthiness of SÜDWESTBANK AG or the other financial institutions (including BNP Paribas) involved in the transaction, but in view of the potential for such an event to reduce the expected returns considerably, possibly even to zero they should be capable of sustaining an entire loss of their capital investment.

SÜDWESTBANK AG is acting in a number of different capacities in respect of the Notes. It is the obligor in respect of the Zero Coupon Bonds and is acting as global co-ordinator in respect of the offering of the Notes. Such a relationship could present certain conflicts of interest, which could adversely affect the value of the Notes.

The Trustee is not responsible for ensuring that the Security created by the Issuer is valid and enforceable.

CONSOLIDATED TERMS AND CONDITIONS OF THE NOTES

The following are the consolidated Terms and Conditions of the Notes, which will include the additional terms and conditions contained in the Annex hereto which will be incorporated by reference into each Global Note and each Definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the Issuer and the relevant Dealer(s) at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed upon or attached thereto such Terms and Conditions and the terms and conditions set out in the Final Terms of the Notes. These consolidated Terms and Conditions are provided for information purposes only. In the event of any conflict between (i) these Terms and Conditions and (ii) the terms and conditions set out in the Final Terms and the Terms and Conditions of the Notes set out in the Base Prospectus, the terms and conditions set out in the Final Terms and the Terms and Conditions set out in the Base Prospectus will prevail.

This Note is one of a Series (as defined below) of Notes issued by SecurAsset S.A. (the "**Issuer**"), a regulated securitisation undertaking within the meaning of the Luxembourg Act dated 22 March 2004 on securitisation, as amended (the "**Securitisation Act 2004**", which term shall include such act as modified, amended or re-enacted from time to time), constituted and secured by a supplemental trust deed (the "**Supplemental Trust Deed**"), to be dated on or about 26 August 2011 (the "**Issue Date**") between, *inter alia*, the Issuer, BNP Paribas Trust Corporation UK Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed (as defined below)) as trustee for the Noteholders (as defined in Condition 1) and the persons specified therein as a Swap Counterparty (as defined in Condition 8 (*Compartment Assets*)). The Supplemental Trust Deed is supplemental to a trust deed (the "**Trust Deed**", which expression includes the same as it may be modified and/or supplemented and/or restated from time to time) dated 6 February 2009 as amended and restated on 3 February 2010 and as further amended and restated on 23 February 2011 and made between the Issuer and BNP Paribas Trust Corporation UK Limited as trustee (the "**Trustee**", which expression shall include any successor appointed pursuant to the Trust Deed. References herein to the "Issuer" shall include the Substitute Company as defined in Condition 13(e) (*Substitution*), in the case of any substitution of the Issuer in accordance with that Condition.

References herein to the Notes shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Note(s) represented by a global Note, units of each specified denomination (the "**Specified Denomination**") in the Specified Currency of issue;
- (b) definitive Notes in bearer form ("**Definitive Bearer Notes**") issued in exchange for a global Note; and
- (c) any global Note in bearer form ("**Bearer Global Note(s)**" and each a global Note).

This Series means the Series SA-141 Notes issued by the Issuer acting through its Compartment 2011-141. The Aggregate Nominal Amount of the Notes is an amount up to EUR 20,000,000 which will be notified by the Calculation Agent to the Issuer on 23 August 2011 (the "**Trade Date**"). The Notes will be issued at an issue price of 100 per cent. of the Aggregate Nominal Amount of the Notes and offered at between 100 per cent. and 103 per cent. (the "**Offer Price**"). A distribution fee of up to 3 per cent. of the Aggregate Nominal Amount of the Notes will be retained by the global co-ordinator, SÜDWESTBANK AG.

The Notes have the benefit of an agency agreement dated 6 February 2009 as amended and restated on 3 February 2010 as further amended and restated on 23 February 2011 (the "**Agency Agreement**", which expression includes the same as it may be modified and/or supplemented and/or restated from time to time) and made between, *inter alia*, the Issuer, the Trustee, BNP Paribas Arbitrage S.N.C. of 8 rue de Sofia, 75018, Paris as calculation agent (the "**Calculation Agent**"), which expression shall include any additional or successor calculation agents), BNP Paribas Securities Services, Luxembourg Branch as account bank (the "**Account Bank**"), BNP Paribas Securities Services, Luxembourg Branch as issuing and principal paying agent, registrar, transfer agent and cash manager (the "**Issuing and Paying Agent**", the

"**Registrar**", "**Transfer Agent**" and the "**Cash Manager**" respectively, which expressions shall include, in each case, any additional or successor agents) and the other paying agents named therein (together with the Issuing and Paying Agent and the Registrar, the "**Paying Agents**", which expression shall include any additional or successor paying agents). The Paying Agents, the Transfer Agent, the Calculation Agent, the Cash Manager and the Custodian shall be referred to collectively hereunder as the "**Agents**". The Notes, the Trust Deed (together with any Supplemental Trust Deed), the Agency Agreement (together with any supplements thereto), the Dealer Agreement and any other Related Agreements are together referred to as the "**Transaction Documents**".

The Trustee acts for the benefit of the holders for the time being of the Notes (the "**Noteholders**", which expression shall mean, in the case of Bearer Notes, the holders of the Notes, and shall, in relation to any Notes represented by a global Note, be construed as provided in Condition 1 below) in accordance with the provisions of the Trust Deed. The Trustee also holds the Compartment Security granted by the Issuer for itself and the other Secured Parties (as defined below).

The custodian is BNP Paribas Securities Services, Luxembourg Branch (the "**Custodian**").

The Calculation Agent is responsible for, among other things, calculating the Final Redemption Amount. It may also make adjustments to the Notes to reflect any changes to the Custom Index, as set out in the Index Linked Conditions.

All determinations in respect of the Notes shall be made by the Calculation Agent in its sole and absolute discretion acting in good faith and in a commercially reasonable manner and shall be binding on the Noteholders in the absence of manifest error.

Any reference herein to "Euroclear" and/or "Clearstream, Luxembourg" (each term as defined below) shall, whenever the context so permits, be deemed to include a reference to Clearstream Banking AG, Frankfurt.

As used herein, "**Tranche**" means Notes which are identical in all respects and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Trust Deed and the Agency Agreement are available for inspection by holders of Notes during normal business hours from the specified offices of the Paying Agents. Copies of the applicable Final Terms are available for viewing by Noteholders at www.bourse.lu and copies may be obtained from the specified office of the Issuing and Paying Agent. The Noteholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Trust Deed, the Agency Agreement and these terms and conditions (the "**Terms and Conditions**" or the "**Conditions**"). The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed (as such term is defined in the Trust Deed).

By subscribing to, or otherwise acquiring, the Notes, each Noteholder expressly acknowledges and agrees that:

- (a) the Issuer (i) is subject to the Securitisation Act 2004 and (ii) in connection with the Notes has created a specific Compartment, Compartment 2011-141, to which all assets, rights, claims and agreements relating to the Notes will be allocated;
- (b) the provisions with respect to the Order of Priority specified herein will apply;
- (c) all payments to be made by the Issuer in respect of the Notes and the related Swap Agreement (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 Charged Assets and, following a Note Acceleration in respect of the Note, the entitlement of the Noteholder will be limited to such Noteholder's pro rata share of the proceeds of the relevant Charged Assets applied in accordance

with the Order of Priority specified herein and not to the assets allocated to other compartments created by the Issuer or to any other assets of the Issuer;

- (d) it shall have no right to attach or otherwise seize the Charged Assets (subject as provided above), or any other assets of the Issuer, including, without limitation, any assets allocated to any other compartments of the Issuer; and
- (e) no Noteholder shall be entitled to petition or take any other step for the liquidation, winding-up or the bankruptcy of the Issuer or any similar proceedings.

Words and expressions defined in the Trust Deed or the Agency Agreement shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated, and provided that, in the event of any inconsistency between the Trust Deed or the Agency Agreement and these Terms and Conditions, these Terms and Conditions will prevail.

1. **Form, denomination and title**

The Notes are in bearer form ("**Bearer Notes**"), and, in the case of Definitive Bearer Notes, serially numbered, in euros (the "**Specified Currency**") and in denominations of EUR1,000 (the "**Specified Denomination**").

This Note is a Custom Index Linked Note.

Settlement in respect of the Notes will be by way of cash payment ("**Cash Settled Notes**").

Subject as set out below, title to Bearer Notes will pass by delivery. Subject as set out below, the Issuer, the Trustee and any Paying Agent will (except as otherwise required by law) deem and treat the bearer of any Bearer Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Bearer Notes is represented by a global Note held on behalf of, Euroclear Bank S.A./N.V., as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Trustee and any Paying Agent as the holder of such nominal amount of the Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer, the Trustee and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Without limitation to the foregoing, 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.

Notes which are represented by a global Note held on behalf of Euroclear and Clearstream, Luxembourg will be transferable only in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be. References to Euroclear or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to Clearstream Banking AG, Frankfurt.

2. **Transfers of Registered Notes**

These Notes are not in registered form (a "**Registered Note**").

3. **Status of the Notes**

(a) *Status of the Notes*

The Notes are secured, limited recourse obligations of the Issuer, ranking pari passu without any preference among themselves which are secured in the manner described in Condition 8 (*Compartment Assets*) and recourse in respect of which is limited in the manner described in Condition 8 (*Compartment Assets*).

(b) *Guaranteed Notes*

These Notes are not guaranteed.

4. **Restrictions**

(a) The Issuer has covenanted in the Trust Deed that, *inter alia*, so long as any of the Notes remains outstanding, it will not, without the prior written consent of the Trustee:

(i) engage in any activity or do anything whatsoever, except:

- (A) issue instruments which are subject to the Securitisation Act 2004 and the enforcement and limited recourse provisions of the Trust Deed or any other relevant agreement ("**Permitted Instruments**", provided that such term shall include, without limitation, Related Agreements and Further Notes (each as defined below));
- (B) otherwise incur indebtedness (any such indebtedness, "**Permitted Indebtedness**") in respect of moneys borrowed or raised where such indebtedness is incurred on terms that it is subject to, and in compliance with, the Securitisation Act 2004 and/or is secured on assets or other property which are not part of the Charged Assets and on terms which provide for the extinguishment of all claims in respect of such indebtedness after application of the proceeds of the assets or property on which such indebtedness is secured;
- (C) enter into any deed or agreement of any kind related to any Permitted Instrument or Permitted Indebtedness, but provided always that any such deed or agreement is entered into on terms that the obligations of the Issuer thereunder relate to a compartment of specified assets of the Issuer (other than its share capital) which does not form part of the Charged Assets and on terms which provide for extinguishment of all claims in respect of such obligations after application of the assets on which such indebtedness is secured;
- (D) acquire, or enter into any agreement constituting, the collateral in respect of any Permitted Instrument or the assets securing any Permitted Indebtedness to enable it to discharge its obligations under such Permitted Instrument or Permitted Indebtedness;
- (E) perform its obligations under each Permitted Instrument or Permitted Indebtedness, or any deed or agreement incidental to the issue and constitution of, or the granting of security for, any Permitted Instrument or Permitted Indebtedness;
- (F) enforce any of its rights whether under any deed or agreement entered into in relation to any Permitted Instrument or Permitted Indebtedness;

- (G) perform any act incidental to or necessary in connection with any of the above; or
 - (H) as permitted by the Conditions;
 - (ii) have any subsidiaries;
 - (iii) have any employees;
 - (iv) dispose of any of its property or other assets or any part thereof or interest therein (subject (A) to this subparagraph (a) and (B) as provided in the terms and conditions relating to any Permitted Instrument or the terms and conditions relating to any Permitted Indebtedness);
 - (v) issue any further fungible Notes unless the trustee and/or guarantor thereof is the same person as, respectively, the Trustee and/or, as the case may be, the Guarantor for the Notes;
 - (vi) pay any dividend or make any other distribution to its members;
 - (vii) guarantee or become obligated for the debts of any other entity or hold out its credit as being available to satisfy the obligations of others;
 - (viii) pledge its assets for the benefit of any other entity or make any loans or advances to any entity (other than in respect of or in connection with Permitted Instruments and Permitted Indebtedness); or
 - (ix) consolidate or merge with any other person.
- (b) The Issuer has covenanted in the Trust Deed that, *inter alia*, save with the prior written consent of the Trustee, the Issuer shall, so long as any of the Notes remains outstanding:
- (i) maintain proper books and records, accounts and financial statements for each Compartment and for the Issuer;
 - (ii) hold itself out as a separate entity, conduct its business in its own name and maintain an arm's length relationship with its affiliates (if any);
 - (iii) notify the Trustee in writing immediately on becoming aware of the occurrence of any Event of Default or Potential Event of Default or the proposed mandatory redemption of any Note;
 - (iv) provide the Trustee with certain certificates within specified timeframes that no Event of Default or Potential Event of Default has occurred since the certification date of the last certificate or the date of the Trust Deed, or, if such an event has occurred, giving details of it;
 - (v) for each Series send to the Trustee at least 48 hours (if practicable) before it is to be issued the form of each notice to be given to the Noteholders and, once given, two copies of each such notice;
 - (vi) forthwith upon request by the Trustee give notice to the Noteholders of any Series of any unconditional payment to the Issuing and Paying Agent or the Trustee of any sum due in respect of the Notes of such Series made after the due date for such payment;
 - (vii) in relation to each Series:
 - (A) comply and procure that each of the parties thereto complies with its obligations under the Agency Agreement, any Swap Agreement, any deposit agreement (a

"**Deposit Agreement**") or any repurchase agreement (a "**Repurchase Agreement**"); and

- (B) procure that any Swap Counterparty gives the Trustee notice of any substitution of the Compartment Assets with substitute securities or cash substitute in accordance with the terms of Condition 8(f) (*Compartment Assets substitution by Counterparty*);
- (viii) not commingle its assets with those of any other entity; and
- (ix) observe all formalities required by its memorandum and articles of association (including maintaining adequate capital for its operations).

5. **Interest**

No interest is payable or will accrue in respect of the Notes.

(a) *Interest on Fixed Rate Notes*

Not applicable.

(b) *Interest on Floating Rate Notes, Index Linked Interest Notes, Share Linked Notes, Debt Linked Interest Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes, Hybrid Notes and Notes with interest linked to other Underlying References*

Not applicable.

(c) *Zero Coupon Notes*

Not applicable.

(d) *Interest on Index Linked Interest Notes, Share Linked Notes, Debt Linked Interest Notes, Commodity Linked Interest Notes, Inflation Linked Interest Notes, Currency Linked Interest Notes, Fund Linked Interest Notes, Credit Linked Interest Notes, ETI Linked Interest Notes, Hybrid Notes and Notes with interest linked to other Underlying References*

Not applicable.

(e) *Interest on Partly Paid Notes*

Not applicable.

(f) *Interest Payments*

Not applicable.

(g) *Determination or Calculation by Trustee*

Not applicable.

(h) *Rounding generally*

In connection with the calculation of any amount payable in respect of the Notes and unless otherwise provided in these Terms and Conditions, such amounts will, if necessary, be rounded to the nearest sub-unit (being, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such

currency and, with respect to euro, means one cent) of the relevant Specified Currency, half of any such sub-unit being rounded upwards.

6. **Payments**

(a) *Method of Payment*

(i) *Bearer Notes*

Payments of principal and interest (if any) in respect of the Definitive Bearer Notes will (subject as provided below) be made against presentation or surrender of such Bearer Notes as the case may be, at any specified office of any Paying Agent. If any Definitive Bearer Notes are redeemed or become repayable prior to the Maturity Date in respect thereof, principal will be payable on surrender of each such Note. All payments of interest (if any) and principal with respect to Bearer Notes will be made only against presentation and surrender of the relevant Bearer Notes outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

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 euro-cheque.

(ii) *Registered Notes*

Not applicable.

(iii) *Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will be made in the manner specified above and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside of the United States. A record of each payment made on such Global Note, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which such Global Note is presented for the purpose of making such payment, and such record shall be prima facie evidence that the payment in question has been made.

The holder of the relevant Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the payment obligations of the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular nominal amount of Notes must look solely to Euroclear and/or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of the relevant Global Note. No person other than the holder of the relevant Global Note shall have any claim against the Issuer in respect of any payments due on that Global Note.

If any date for payment of any amount in respect of any Note is not a Payment Day, then the holder thereof shall not be entitled to payment of the amount due until the next following Payment Day and shall not be entitled to any interest or other sum in respect of any such delay.

For these purposes, "**Payment Day**" means any day which (subject to Condition 10 (*Prescription*)) is 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:

- (A) the relevant place of presentation; and
- (B) in relation to any sum payable in euro, a day on which the TARGET System is open.

In these Conditions, "**Business Day**" means, in relation to any sum payable in euro, a day which is a day (a "**TARGET Settlement Day**") on which the Trans-European Automated Real-Time Gross Settlement Express Transfer ("**TARGET**") payment system which utilises a single platform and which was launched on 19 November 2007 (or, if such system ceases to be operative, such system (if any) determined by the Calculation Agent to be a suitable replacement) (the "**TARGET System**") is open.

The names of the initial Issuing and Paying Agent and the other initial Paying Agents and their initial specified offices are set out below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and to appoint additional or other Paying Agents and/or to approve any change in the specified office of any Paying Agent, provided that:

- (1) so long as any Notes are listed on any stock exchange, there will at all times be a Paying Agent, which may be the Issuing and Paying Agent (in the case of Bearer Notes) and a Transfer Agent with a specified office in the place required by the rules and regulations of the relevant stock exchange; and
- (2) there will at all times be a Issuing and Paying Agent and a Registrar; and
- (3) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusion of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Payments in respect of the Notes will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9.

(b) *Physical Delivery*

Physical Delivery does not apply to the Notes.

(c) *Currency unavailability*

Currency unavailability does not apply to the Notes.

7. **Redemption and Purchase**

(a) *Redemption at maturity*

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount as set out in Part B of the Annex to these Terms and Conditions in the relevant Specified Currency on the Maturity Date. The "**Maturity Date**" is 7 September 2016 or if that is not a Business Day, the immediately succeeding Business Day.

(b) *Final Terms*

The Notes cannot be redeemed prior to their Maturity Date (except as otherwise provided in paragraph (1) below and in Condition 11 (*Events of Default*)).

(c) *Redemption at the Option of the Issuer*

Redemption at the option of the Issuer does not apply to the Notes.

(d) *Redemption at the Option of the Noteholders*

Redemption at the option of the Noteholders does not apply to the Notes.

(e) *Early Redemption Amounts*

For the purposes of paragraph (l) below and Condition 11 (*Events of Default*), the Notes will be redeemed at the Early Redemption Amount calculated by the Calculation Agent as follows: the Issuer shall appoint an agent to sell or otherwise realise the Charged Assets (the "**Disposal Agent**") which shall be the Calculation Agent (or such other party as may be agreed by the Issuer and the Trustee provided that, for the avoidance of doubt, the Disposal Agent may not be the Issuer) and the Early Redemption Amount in respect of each Note shall be the *pro rata* share of the Liquidation Proceeds. "**Liquidation Proceeds**" shall be an amount, subject to a maximum equal to the Liquidation Proceeds Cap, equal to the amounts received by or on behalf of the Issuer upon the sale or realisation of the Charged Assets (including, without limitation, any termination payment received by the Issuer under the relevant Swap Agreement and/or the amount received by the Issuer in respect of the Charged Assets on the redemption date, expiration date or other date for final payment in respect of the Charged Assets) after the deduction of any fees (including, without limitation, any legal fees), costs, expenses and taxes incurred by the Disposal Agent (for itself and on behalf of the Issuer), in respect of the sale or realisation of the Charged Assets and the early redemption of the Notes, any due and unpaid fees, costs and expenses of the Trustee and the Agents and any amounts due to be paid to the Swap Counterparty under the Swap Agreement. "**Liquidation Proceeds Cap**" means (A) in case of redemption of the Notes as a result of an Early Redemption Event, the Final Redemption Amount (calculated on the basis that any reference to the Maturity Date in relation to the determination thereof shall be deemed to be a reference to the Early Redemption Date) that would have been payable but for the occurrence of the Early Redemption Event; or (B) following a Note Acceleration, the Final Redemption Amount (calculated on the basis that any reference to the Maturity Date in relation to the determination thereof shall be deemed to be a reference to the date on which notice of the Note Acceleration was given by the Trustee in accordance with Condition 11 (*Events of Default*)) that would have been payable but for the occurrence of the Event of Default.

(f) *Redemption following Swap Counterparty optional termination*

Redemption following Swap Counterparty optional termination does not apply to the Notes.

(g) *Instalments*

The Notes are not repayable in instalments.

(h) *Partly Paid Notes*

The Notes are not Partly Paid Notes.

(i) *Purchases*

If the Issuer has satisfied the Trustee that it has made arrangements for the realisation of no more than the equivalent proportion of the Compartment Assets, for the termination of no more than the equivalent proportion of the Swap Agreement and for the purchase of the Notes, which transaction will leave the Issuer with no net liabilities in respect thereof, the Issuer may at any time purchase Notes at any price in the open market or otherwise, in accordance with applicable laws and regulations. The Trustee will accept as evidence of the satisfaction of the criteria to such purchase a certificate (which it may rely on without further enquiry) of the Issuer confirming such arrangements and confirming that the remaining Charged Assets are sufficient to secure the Issuer's

remaining obligations in respect of the remaining Notes. If required by any applicable law or regulation, Notes purchased by or on behalf of the Issuer will be surrendered for cancellation (within one Business Day of such purchase), in the case of Bearer Notes, by surrendering any such Note to a Paying Agent.

In such circumstances:

- (A) the Issuer and the Secured Parties will be deemed to have consented to the release of the security in respect of that proportion of the Charged Assets that corresponds to the principal amount outstanding of the Notes so purchased;
- (B) unless an Event of Default or Potential Event of Default (as defined in the Trust Deed) has occurred and the Trustee has actual notice of such occurrence, such proportion of the Charged Assets shall be deemed to have been released from the security created under the Supplemental Trust Deed.

(j) *Cancellation*

All Notes which are redeemed or purchased by the Issuer will forthwith be cancelled and may not be reissued or resold. Upon such cancellation, in the case of Notes which are admitted to trading on the regulated market of the Luxembourg Stock Exchange and listed on the Official List of the Luxembourg Stock Exchange, the Issuer will forthwith inform the Luxembourg Stock Exchange of such cancellation. All Notes so cancelled and any Notes purchased and cancelled pursuant to paragraph (i) above shall be forwarded to the Issuing and Paying Agent or, in the case of Registered Notes, the Registrar, and cannot be reissued or resold.

(k) *Condition 7(k)*

Not used.

(l) *Early Redemption Events*

In each case, in the event that the Calculation Agent notifies the Issuer in writing (with a copy to the Trustee, on which notification the Trustee shall rely without further investigation or enquiry) that it has determined that one or more (as applicable) of the following events (each, an "**Early Redemption Event**") has occurred:

- (i) there is a payment default in respect of any of the Charged Assets (other than the relevant Swap Agreement) (an "**Asset Payment Default Event**");
- (ii) the issuer or primary obligor in respect of any of the Compartment Assets (each, a "**Compartment Assets Issuer**") or any guarantor of the Compartment Assets Issuer's obligations in respect of any Compartment Assets fails to perform or observe any of its other obligations under the relevant Compartment Assets and the failure continues after the expiration of any applicable grace period (an "**Asset Default Event**"); or
- (iii) any of the Compartment Assets is, for any reason, redeemed or otherwise terminated prior to its scheduled redemption or termination date (an "**Asset Redemption Event**"); or
- (iv) not applicable; or
- (v) on or after the Trade Date, (A) due to the adoption of any change in any applicable law or regulation (including, without limitation, any tax law) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or brought in a court of competent jurisdiction), either (1) any amount is required to be deducted or withheld for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing

authority in respect of any payment to be received by the Issuer under one or more Compartment Assets or (2) the Issuer becomes obliged to pay any amount for or on account of any tax, levy, impost, duty, charge, assessment or fee of any nature imposed by any government or other taxing authority in respect of (I) any payment received by the Issuer under one or more Compartment Asset or (II) holding, acquiring or disposing of any Compartment Asset (a "**Compartment Tax Event**"); or

- (vi) the early termination of the Swap Agreement (or any other agreement specified as a Related Agreement) entered into in respect of the Notes other than where the Issuer is the Defaulting Party thereunder and the relevant event of default relates to the insolvency of the Issuer or under the Notes or due to the purchase by the Issuer of all the outstanding Notes of the Series (a "**Related Agreement Termination Event**");
- (vii) in relation to the Index Linked Conditions, the Calculation Agent notifies the Issuer that an event has occurred in respect of which the Calculation Agent in its sole and absolute discretion determines it is not possible to make an adjustment in respect of such event and that the Notes should be redeemed early as contemplated in either (A) such Index Linked Conditions or (B) Condition 7(o)(B), as the case may be (an "**Annex Early Redemption Event**"); or
- (viii) on or after the Trade Date, (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation in respect of tax, solvency or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing or financial authority), or the combined effect thereof if occurring more than once, the Issuer or the Calculation Agent determines in its sole and absolute discretion that it has become illegal for (1) the Issuer to perform its obligations in respect of any Notes or the Swap Counterparty to perform its obligations in respect of any Swap Agreement, (2) the Issuer to hold, acquire or dispose of relevant hedge positions relating to any Notes or for the Swap Counterparty to hold, acquire or dispose of relevant hedge positions relating to any Swap Agreement save where such an event in (A) or (B) above would constitute an Additional Disruption Event or an Optional Additional Disruption Event or (3) for the Issuer to hold, acquire or dispose of any Compartment Assets (a "**Compartment Change in Law Event**"),

the Issuer shall forthwith give not more than 30 nor less than 15 days' notice (which notice shall be irrevocable) to the Trustee and the Noteholders pursuant to Condition 18 (*Notices*) prior to the specified date of redemption that it intends to redeem the Notes in accordance with this Condition 7(1), and upon the expiry of such notice, the Issuer shall redeem all, but not some only, of the Notes at their Early Redemption Amount, together, if appropriate, with accrued interest to (but excluding) the date of redemption specified in the relevant notice, provided that such redemption shall take place in accordance with Condition 7(n).

(m) *Redemption for taxation and other reasons*

Except as provided in Condition 7(1) above, redemption for taxation and other reasons does not apply to the Notes.

(n) *Maturity Date Extension*

The terms of this Condition 7(n) shall apply as set out below ("**Maturity Date Extension**").

- (i) Where the Issuer has not received in full the amount it is scheduled to receive on or prior to such date in respect of any of the Charged Assets relating to the Notes (such assets, the "**Non-Performing Assets**") it shall, on the Early Redemption Date or the Maturity Date, as the case may be, pay any amounts it has received in respect of the Charged Assets *pro*

rata to the Noteholders (provided that all amount(s) which are to be deducted from such amounts in accordance with the definition of Liquidation Proceeds have been paid in full (the "**Deduction Amounts**")) and redemption in full of the Notes will be postponed until the date falling two calendar years after the Maturity Date or, if the Early Redemption Date falls prior to the Maturity Date, two calendar years after such Early Redemption Date, as the case may be (the "**Extended Maturity Date**"), provided that if during the Extension Period the Calculation Agent gives at least three Business Days' notice to the Issuer that the Calculation Agent, in its sole discretion, has determined that the Issuer will not receive any further amounts in respect of the Non-Performing Assets and that it will not be possible to realise any further amounts in respect of the Non-Performing Assets, the date on which such notice expires shall be deemed to be the actual Extended Maturity Date and no further amounts shall be paid by the Issuer in respect of the Notes following such date.

- (ii) On each day in the Extension Period falling three Business Days after the receipt of any amounts by the Issuer in respect of any Non-Performing Asset, the Issuer shall procure that such amounts are paid *pro rata* to the Noteholders as set out in Condition 7(n)(iv) and provided that the Deduction Amounts have been paid in full.
- (iii) The Issuer shall appoint an agent (which may be the Swap Counterparty, provided the Swap Counterparty is not the obligor in respect of a relevant Non-Performing Asset, or the Trustee or any other party which the Issuer may appoint with the consent of the Trustee) to assist it in recovering amounts in respect of the Non-Performing Assets (a "**Realisation Agent**"). Any fees, costs and expenses charged and incurred by the relevant Realisation Agent will be deducted from the amounts available to pay Noteholders or any other Secured Party which is entitled to such amounts.
- (iv) If there is a Non-Performing Asset, the Issuer shall, at the request of the Calculation Agent, procure that any Non-Performing Asset and any other Charged Asset in respect of the relevant Compartment (or the Issuer's rights thereto) which the Issuer is requested by the Calculation Agent to sell shall be sold by the Disposal Agent prior to the Extended Maturity Date and the proceeds from such sale (less any costs or expenses incurred in such sale) will be applied in accordance with the terms of this Condition 7(n) and, if the Calculation Agent determines, in its discretion acting reasonably, that such sale is not possible in respect of any Non-Performing Asset, it shall be deemed that the amount received in respect of such Non-Performing Asset is equal to zero.
- (v) The total amount received in respect of the Charged Assets in the period from, and including, the Maturity Date or the Early Redemption Date, as the case may be, to, but excluding, the Extended Maturity Date (the "**Extension Receipts**") shall be deemed to form part of the Liquidation Proceeds as set out in Condition 7(e) provided that, to the extent amounts are owed to Secured Parties other than the Noteholders in respect of the relevant Series of Notes, the Issuer shall apply the Extension Receipts in accordance with the applicable Order of Priority which would apply following a Note Acceleration in respect of the Notes and any reference to amounts being paid to the Noteholders in this Condition 7(n) shall be construed accordingly.
- (vi) No interest shall accrue on the Notes for the period from, and including, the Maturity Date or the Early Redemption Date, as the case may be, to, and including, the Extended Maturity Date if redemption of the Notes in whole or in part is postponed to the Extended Maturity Date in accordance with this Condition 7(n).
- (vii) As used in this Condition 7(n), "**Extension Period**" means the period from, but excluding, the Maturity Date or the Early Redemption Date to, and including, the Extended Maturity Date.
- (o) *Additional Disruption Events and Optional Additional Disruption Events*

(A) **"Additional Disruption Event"** means each of Change in Law and Hedging Disruption;

"Change in Law" means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any law or regulation in respect of tax, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing or financial authority) or the combined effect thereof if occurring more than once, the Calculation Agent determines in its sole and absolute discretion that:

- (a) it has become illegal for the Issuer, the Swap Counterparty and/or any of the Swap Counterparty's Affiliates to hold, acquire or dispose of any relevant hedge position relating to the Index (each a **"Hedge"**); or
- (b) the Swap Counterparty or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in performing its obligations in respect of the Swap Agreement or in holding, acquiring or disposing of any Hedge;

"Hedging Disruption" means that the Swap Counterparty and/or any of its Affiliates is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or option contracts it deems necessary to hedge the equity price risk or any other relevant price risk including but not limited to the currency risk of the Swap Counterparty performing its obligations with respect to the Swap Agreement, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s), asset(s) or futures or options contract(s) or any relevant hedge positions relating to the Swap Agreement, as determined by the Calculation Agent;

"Increased Cost of Hedging" means that the Swap Counterparty and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract on any relevant hedge positions relating to the Index it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest risk) of the Swap Counterparty performing its obligations under the Swap Agreement entered into with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) or any such futures or options contract(s) or any relevant hedge positions relating to the Index, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Swap Counterparty and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

"Optional Additional Disruption Event" means Increased Cost of Hedging;

(B) If an Additional Disruption Event and/or an Optional Additional Disruption Event occurs, the Calculation Agent may take the action described in (a) or, if applicable, (b) or (c) below, as the case may be, provided that where the circumstances giving rise to such Additional Disruption Event and/or Optional Additional Disruption Event result in a determination, adjustment or calculation being made in respect of the relevant Swap Agreement, the Calculation Agent shall, to the extent applicable, make the corresponding determination, adjustment or calculation in respect of the Notes:

- (a) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any of these Terms and Conditions to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment;

- (b) on giving notice to Noteholders in accordance with Condition 18 of the Notes (*Notices*), notify the Issuer and the Issuer shall redeem all but not some only of the Notes, each Note being redeemed by payment of an amount equal to the fair market value of a Note taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less the cost to the Swap Counterparty and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes (*Notices*); or
 - (c) use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), promptly notify the Issuer and the Issuer will give notice to the Noteholders in accordance with Condition 18 of the Notes (*Notices*) and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Notes and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent in its sole and absolute discretion which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred.
- (C) Notwithstanding any other provision of these Conditions, in exercising its discretion in the manner set out in Condition 7(o)(B) above, the Calculation Agent shall, to the extent applicable to the Notes, take into account any corresponding or similar determination or selection or any other adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Additional Disruption Event or Optional Additional Disruption Event.
- (D) Upon the occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 18 (*Notices*) stating the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.
- (E) In determining to take a particular action as a result of an Additional Disruption Event or Optional Additional Disruption Event, the Calculation Agent is under no duty to consider the interests of Noteholders or any other person. In making any determination as to which action to take following the occurrence of an Additional Disruption Event or Optional Additional Disruption Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by Noteholders or any other person in connection with the Notes as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Notes.

8. **Compartment Assets**

(a) *Compartment Assets*

- (i) In respect of any Series of Notes, "**Compartment**" shall mean the compartment created by the Board of the Issuer pursuant to the Securitisation Act 2004 under which the Notes are to be issued. Each Compartment will comprise a pool of Issuer assets and liabilities separate from the pools of Issuer assets and liabilities relating to any other Compartments. In respect of any Series of Notes, such assets will consist of the Charged Assets (as defined in Condition 8(c) (*Compartment Security*) below), which Charged Assets may include, *inter alia*, the Compartment Assets described herein. The Compartment in respect of the Notes is Compartment 2011-141.
- (ii) Subject to the Trust Deed (but without prejudice to the rights of the Issuer under Condition 7(n) (*Maturity Date Extension*)), in order to meet any part of its obligations under the Notes in respect of (A) any redemption thereof, (B) any Related Agreements, (C) any agreements for the purchase of the Notes or (D) any other payments (if any) due from the Issuer under these Conditions and/or the Trust Deed in relation to the Notes), the Issuer may, at any time, procure the liquidation of some or all of the Compartment Assets.
- (iii) In accordance with the Securitisation Act 2004, the Charged Assets are available exclusively to satisfy the rights of the Secured Parties (as defined in Condition 8(e) (*Application of Proceeds*)).
- (iv) In connection with the issue of the Notes the Issuer has entered into or will enter into an over-the-counter derivative transaction which will be documented under a swap agreement with BNP Paribas (the "**Swap Counterparty**") governed by an ISDA Master Agreement (the "**ISDA Master Agreement**") and evidenced by a confirmation incorporating by reference one or more sets of definitions published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") (the "**Swap Agreement**" or "**Related Agreement**").
- (v) Where no reference is made in the Supplemental Trust Deed to any Repurchase Agreement or Deposit Agreement, references in these Terms and Conditions to any such document or agreement and to any Repo Counterparty or Counterparty, as the case may be, shall not be applicable.

(b) *Custodian; Custody Account; Account Bank; Compartment Account*

- (i) Each Custody Account (as defined below), together with such Compartment Assets as are capable of being so held, will be held by the Custodian on behalf of the Issuer, and each Compartment Account (as defined below) will be held by the Account Bank, in each case on and subject to (A) the terms and conditions of the Agency Agreement (B) the Securitisation Act 2004 and (C) in the cases of the Compartment Assets, the Custody Account and the Compartment Account, the terms and conditions of the Compartment Security created pursuant to the Trust Deed. The Issuer reserves the right to replace the Custodian at any time, but only with the prior written consent of the Trustee and in accordance with (x) the provisions of the Securitisation Act 2004 and (y) the relevant CSSF instructions and/or guidelines. Notice of such change shall be given to the Noteholders in accordance with Condition 18 (*Notices*). References herein to the "**Custodian**" shall, as the context requires, be construed as references to the Custodian and/or any additional or successor custodians appointed from time to time.
- (ii) If the Charged Assets of the Issuer in respect of the Compartment include Compartment Assets, in respect of such Compartment the Custodian (on behalf of the Issuer) shall establish and maintain an account in the name of the Issuer (the "**Custody Account**") with a bank or other financial institution (which shall be the Custodian). The Custody

Account for the Compartment shall be entirely separate from any other accounts of the Issuer and the Custodian, including, without limitation, the accounts established in connection with any other Compartment(s). Such Compartment Assets shall only be removed from the Custody Account at such times and in such amounts as are contemplated in these Terms and Conditions and the Trust Deed or in order for the Issuer (or any appointee on its behalf) and the Trustee (or any receiver) to fulfil their respective obligations under the Notes and pursuant to the Trust Deed.

- (iii) The Issuer shall establish and maintain an account in the name of the Issuer in respect of the relevant Compartment (the "**Compartment Account**") with the Account Bank. The Compartment Account for the Compartment shall be entirely separate from any other accounts of the Issuer and the Account Bank, including, without limitation, the accounts established in connection with any other Compartment(s). Amounts standing to the credit of the Compartment Account shall only be removed from the Compartment Account at such times and in such amounts as are contemplated in these Terms and Conditions and the Trust Deed or in order for the Issuer (or any appointee on its behalf) and the Trustee (or any receiver) to fulfil their respective obligations under the Notes and pursuant to the Trust Deed.

(c) *Compartment Security*

- (i) The Issuer has (as specified in the Supplemental Trust Deed relating to the Notes or in another relevant security document relating to the Notes), assigned or created a first fixed charge, and/or other security interest, in each case in favour of the Trustee for itself and as trustee for the Secured Parties, over or in respect of:
 - (A) the present and future Compartment Assets relating to the relevant Compartment and all of the Issuer's rights, title, interest and benefit, present and future, in respect of sums derived from the present and future Compartment Assets relating to the relevant Compartment (including, without limitation, any proceeds of the sale thereof);
 - (B) (x) the Issuer's rights, title, interest and benefit, present and future, in, to and under all sums held by the Agents, the Account Bank (including sums standing to the credit of the Compartment Account) and the Custodian to meet payments due in respect of the Notes relating to the relevant Compartment (the "**Cash Assets**"); (y) any sums of money, securities or other property received or receivable by the Issuer under any Related Agreement (including, without limitation, the Swap Agreement) relating to the relevant Compartment; and (z) all of the Issuer's rights, title, interest and benefit, present and future, as against the Custodian in respect of any sum standing to the credit of the Custody Account (as defined in Condition 8(b) (*Custodian; Custody Account, Account Bank; Compartment Account*)) relating to the relevant Compartment); and
 - (C) the Issuer's rights, title, interest and benefit, present and future, in, to and under any Transaction Document (including without limitation the Swap Agreement) and any agreement for the sale, transfer and/or delivery of assets relating to the relevant Compartment (as contemplated under Condition 8(a) (*Compartment Assets*)) and any sums received or receivable by the Issuer under any such agreement.
- (ii) Not applicable.
- (iii) The security described in sub-paragraph (i) shall be referred to herein as the "**Compartment Security**" and the assets described in sub-paragraph (i) shall be referred to herein as the "**Charged Assets**".

The "**Compartment Assets**" in respect of the Notes are:

- (1) the Swap Agreement;
- (2) the Agency Agreement; and
- (3) zero coupon bonds issued by SÜDWESTBANK AG ("**SUDWESTBANK**") with a principal amount equal to the Aggregate Nominal Amount and an issue price of 86.35 per cent. due 31 August 2016 (subject to adjustment for non-business days in accordance with the terms of such bond) (the "**Zero Coupon Bonds**"). At any time prior to the maturity of the Zero Coupon Bonds, their market value will be less than 100 per cent. of their principal amount.

(d) *General provisions relating to security*

The Compartment Security constituted or created pursuant to the Trust Deed will be granted to the Trustee for itself and for the other Secured Parties (as defined in Condition 8(e) (*Application of Proceeds*)) as continuing security for (i) the payment of all sums due to the Trustee or any appointee or any receiver under the Trust Deed or due under the Notes, (ii) the performance of the Issuer's obligations under any Related Agreement (including the Swap Agreement) and (iii) the payment of all sums payable to the Agents pursuant to any provision of the Agency Agreement (including the provisions which require the Issuer to reimburse (and to pay interest on the amount reimbursed as provided in the Agency Agreement) to the Issuing and Paying Agent for any amount paid out by the Issuing and Paying Agent to the holders of Notes before receipt of the corresponding amount due from the Issuer).

(e) *Application of Proceeds*

- (i) The Trustee shall (subject to the provisions of the Trust Deed) apply all moneys received by it under the provisions of the Trust Deed in connection with the realisation or enforcement as described in Condition 12 (*Enforcement and Realisation*) of the Compartment Security constituted by or pursuant to the Trust Deed in accordance with the Swap Counterparty Priority as specified in Condition 8(e)(iii) below (such amounts being the "**Available Enforcement Proceeds**").
- (ii) By subscribing to or otherwise acquiring the Notes, each Noteholder expressly consents to the provisions of this Condition 8(e), the order of priority specified below (the "**Order of Priority**") and the limitation of its rights in accordance with article 64 of the Securitisation Act 2004 and is deemed to have accepted and agreed to such provisions and the consequences thereof. The Order of Priority shall be Swap Counterparty Priority as set out below.
- (iii) The Order of Priority applicable to the Notes is "**Swap Counterparty Priority**". Accordingly, Available Enforcement Proceeds shall be applied:
 - (1) first, in payment or satisfaction of the Trustee's remuneration and the fees, costs, charges, expenses and liabilities incurred by the Trustee or any receiver in preparing and executing the trusts in the Trust Deed in relation to the Notes (including, but not limited to, any taxes required to be paid and the costs of realising any security and payment of any indemnity claims of the Trustee);
 - (2) secondly, in payment or satisfaction of each of the Agents' fees, costs, charges, expenses and liabilities incurred pursuant to the Agency Agreement;
 - (3) thirdly, in meeting the claims (if any) of the Swap Counterparty under the Swap Agreement relating to the Notes;

- (4) fourthly, rateably in meeting the claims (if any) of the holders of Notes. If the moneys received by the Trustee are not enough to pay such amounts in full, the Trustee shall apply them *pro rata* on the basis of the amount due to each party entitled to such payment; and
- (5) fifthly, in payment of the balance (if any) to the Issuer;

"**Secured Parties**" means each of the Trustee, any receiver, the Noteholders, the Swap Counterparty and the Agents (each, a "**Secured Party**").

(f) *Compartment Assets substitution by Swap Counterparty*

Compartment Assets substitution by Swap Counterparty does not apply to the Notes.

(g) *Compartment Assets substitution under a Credit Support Annex, Credit Support Deed or Pledge*

Compartment Assets substitution under a Credit Support Annex, Credit Support Deed or Pledge does not apply to the Notes.

(h) *Swap Counterparty optional termination*

The Swap Counterparty may (unless it is the defaulting party under the Swap Agreement) opt to terminate a Swap Agreement in whole or in part in accordance with the methods set out below.

(i) *Call option:*

Not applicable.

(ii) *Repurchase*

The Swap Counterparty may opt to terminate the Swap Agreement upon service of written notice on the Issuer with a copy to the Trustee, in whole or in part and without payment by either party, if any of the Notes to which that transaction relates are purchased by or on behalf of the Swap Counterparty or any of its subsidiaries or affiliates ("**Purchased Notes**"). Where such option is exercised, such Swap Agreement will terminate *pro rata* in the proportion (the "**Proportion**") that the aggregate principal amount of the Purchased Notes bears to the aggregate principal amount of the Notes outstanding immediately prior to the purchase of the Purchased Notes by the Swap Counterparty or any of its subsidiaries or affiliates. Upon service of such notice, the Swap Counterparty will be either (A) authorised by the Issuer to take delivery of and/or deliver and/or realise on the Issuer's behalf the Proportion of the Charged Assets (if any) charged to or otherwise secured in favour of the Trustee under the Trust Deed or (B) entitled to payment of an amount equal to the Proportion of the Charged Assets where the Charged Assets are constituted by cash ("**Realised Collateral**"). The Realised Collateral will be payable or deliverable, as the case may be, by the Issuer to or to the order of the Swap Counterparty, in the contractual currency paid by the Issuer under the Swap Agreement (where the Realised Collateral is not being delivered). Upon receipt of the Realised Collateral, the Swap Counterparty will deliver to the Issuing and Paying Agent the Purchased Notes for cancellation. In such circumstances:

- (1) the Issuer will be deemed to have consented to the Trustee releasing the Realised Collateral to the Swap Counterparty upon termination of the Swap Agreement in the manner described in this Condition 8(h);
- (2) where relevant, the Swap Counterparty, on behalf of the Issuer, will be deemed to be authorised by the Issuer to realise the Proportion of the Charged Assets; and

- (3) the Trustee will, unless an Event of Default or a Potential Event of Default (as defined in the Trust Deed) has occurred, be deemed to release the Realised Collateral from the security created in respect of it under the Supplemental Trust Deed.

(i) *Residual Shortfall*

In the case of Notes, if the net proceeds of the realisation or enforcement of the Charged Assets created pursuant to the Trust Deed in respect of the Charged Assets following payment of all prior ranking amounts (the "**Net Proceeds**") are not sufficient to make all payments due in respect of such Notes, then:

- (i) the obligations of the Issuer in respect of such Notes will be limited to such Net Proceeds and neither the Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall have any claim in respect of any asset of the Issuer not forming part of the Charged Assets; and
- (ii) the Issuer will not be obliged to make any further payment in excess of the Net Proceeds and any Noteholder's right to receive any further sums in respect of any Residual Shortfall shall be extinguished in full, and neither the Trustee nor any Secured Party nor anyone acting on behalf of any Secured Party shall be entitled to take any further steps against the Issuer or the Trustee to recover any such Residual Shortfall.

No Secured Party nor any party to the Trust Deed shall be entitled to petition or take any other step for the winding-up of the Issuer (including, without limitation, the opening of any bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of an examiner in respect of the Issuer (including, without limitation, the appointment of any receiver (*curateur*) (except any receiver appointed by the Trustee pursuant to the Trust Deed), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-vérificateur*), *juge délégué* or *juge commissaire*). Failure by the Issuer to make any payment in respect of any Residual Shortfall shall in no circumstances constitute an Event of Default under Condition 11 (*Events of Default*).

In this Condition, "**Residual Shortfall**" means the difference, if any, between the Net Proceeds and the aggregate amount which would have been due under the Notes but for the operation of this Condition 8(i).

(j) *Issuer's rights as holder of Compartment Assets*

The Issuer may exercise any rights in its capacity as holder of the Compartment Assets (including, without limitation, a right to vote or any analogous right howsoever described) only with the consent of the Trustee (or as directed in writing by the respective holders of at least 25 per cent. in principal amount of the Notes then outstanding or as directed by an Extraordinary Resolution of the Noteholders) and (except in relation to the Swap Agreement) the Swap Counterparty and, if such direction is given, the Issuer will act in accordance with such directions, unless such instructions are in the reasonable opinion of the Issuer contrary to applicable laws, regulations and/or circular letters issued by the Issuer's supervisory authority or materially detrimental to the interests of the Issuer. In particular, the Issuer will not attend or vote at any meeting of holders of the Compartment Assets, or give any consent or notification or make any declaration in relation to the Compartment Assets, save with the consent of the Trustee (or as directed in writing by the respective holders of at least 25 per cent. in principal amount of Notes then outstanding or as directed by an Extraordinary Resolution of each of the Noteholders) and the Swap Counterparty. In the event of a conflict between the instructions of the Trustee (or the Noteholders) and the Swap Counterparty, the instructions of the Instructing Party will prevail.

In these Conditions "**Instructing Party**" means the Swap Counterparty (except in relation to the Swap Agreement, or where it is the defaulting party under the Swap Agreement, in which case the Instructing Party will be the Noteholders).

9. **Taxation**

All payments in respect of the Notes shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In the event that any amounts are required to be deducted or withheld for, or on behalf of any Tax Jurisdiction, the Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other such additional amount and all payments by the Issuer shall be made subject to any tax, duty, withholding or other amount which may be required to be made, paid, withheld or deducted. Such withholding or deduction shall not constitute an Event of Default under Condition 11.

In these Conditions:

"**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of materialised Notes (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

"**Tax Jurisdiction**" means, in relation to the Issuer, the Grand Duchy of Luxembourg or any political subdivision or any authority thereof or therein having power to tax.

10. **Prescription**

Bearer Notes will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9 (*Taxation*)) therefor.

11. **Events of Default**

- (a) The Trustee at its discretion may (subject as provided in sub-paragraph (b) below), and if so requested in writing by the holders of at least 25 per cent. in principal amount of the Notes then outstanding, or if so directed by an Extraordinary Resolution of such holders, shall, subject in each case to being indemnified and/or secured to its satisfaction, give notice to the Issuer that the Notes are, and they shall accordingly forthwith become, immediately due and repayable at an amount equal to the Liquidation Proceeds (such occurrence, a "**Note Acceleration**") upon the occurrence of any of the following events (each an "**Event of Default**"):
- (i) a default is made for a period of 30 days or more in the payment of any sum due in respect of the Notes; or
 - (ii) the Issuer fails to perform or observe any of its other obligations under the Notes or the Trust Deed and (unless such failure is, in the opinion of the Trustee, incapable of remedy in which case no such notice as is referred to in this paragraph shall be required) such failure continues for a period of 45 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 (and for these purposes, a failure to perform or observe an obligation shall be deemed to be remediable notwithstanding that the failure results from not doing an act or thing by a particular time); or
 - (iii) any order is made by any competent court or any resolution passed for the winding-up or dissolution of the Issuer (including, without limitation, the opening of any bankruptcy

(*faillite*), insolvency, voluntary or judicial liquidation (*insolvabilité, liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), fraudulent conveyance (*actio pauliana*), general settlement with creditors or reorganisation proceedings or similar proceedings affecting the rights of creditors generally) or the appointment of a receiver of the Issuer (including, without limitation, the appointment of any receiver (*curateur*), liquidator (*liquidateur*), auditor (*commissaire*), verifier (*expert-vérificateur*), *juge délégué* or *juge commissaire*) save for the purposes of amalgamation, merger, consolidation, reorganisation or other similar arrangement on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Noteholders.

- (b) The Trust Deed provides that the Trustee shall not be under any obligation to monitor whether or not an Event of Default or a Potential Event of Default (as defined in the Trust Deed) has occurred or is continuing.

12. **Enforcement and Realisation**

Upon the occurrence of a Note Acceleration under Condition 11 (*Events of Default*), the Compartment Security constituted by or created pursuant to the Supplemental Trust Deed and any Additional Security Document relating to a Series of Notes and the Compartment to which such Series relates, shall become enforceable. The Trustee may enforce the Compartment Security at any time after it has become enforceable but is only obliged to enforce the Compartment Security if directed to do so by (i) (where the Instructing Party is the Noteholders) either a direction in writing by holders of at least 25 per cent. in principal amount outstanding of the relevant Series of Notes or by an Extraordinary Resolution of the holders of the Notes; or (ii) (where the Instructing Party is the Swap Counterparty) a written direction of the Swap Counterparty. The Trustee or any appointee or receiver appointed thereby may enforce the security by one or more of the following:

- (a) endeavouring to sell or otherwise realise the Charged Assets (including, without limitation, by terminating, closing out or enforcing any Related Agreement or other agreement entered into by the Issuer, the rights of the Issuer in respect of which form part of the Charged Assets) in accordance with the provisions of the Trust Deed; and/or
- (b) otherwise enforcing the Compartment Security constituted by or pursuant to the Trust Deed and/or any Additional Security Document, in each case, without any liability as to the consequences of any such action and without having regard to the effect of any such action on individual Noteholders,

provided that the Trustee shall not be required to take any such action without first being indemnified and/or secured to its satisfaction or to do anything which is or may be contrary to any applicable law or regulation.

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Secured Parties.

13. **Meetings of Noteholders; Modifications; Waiver; Trustee Determination; Substitution**

- (a) *Meetings of Noteholders*

The Trust Deed contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including modification by Extraordinary Resolution of the Notes (including these Conditions or the provisions of the Trust Deed insofar as the same may apply to the Notes). The quorum at any such meeting for passing an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Noteholders, whatever the principal amount of the Notes so held or represented, and an Extraordinary Resolution duly passed at any such meeting shall be binding on all the

Noteholders, whether present or not, except that any Extraordinary Resolution proposed to address a Reserved Matter (as defined in the Trust Deed), including (i) to amend the dates of maturity or redemption of the Notes, any Instalment Date or any date for payment of interest thereof, (ii) to change the principal amount of, or any premium payable on redemption of, the Notes, (iii) to change the Final Redemption Amount or Early Redemption Amount, (iv) to change any method of calculating the Final Redemption Amount or Early Redemption Amount, (v) to change the currency or currencies of payment or denomination of the Notes, (vi) to direct the Trustee to take any steps as specified in the Trust Deed and/or Condition 11 (*Events of Default*), (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution or (viii) to modify the definition of Reserved Matter in the Trust Deed, will only be binding if passed at a meeting of the Noteholders, the quorum at which shall be two or more persons holding or representing not less than 75 per cent. or, at any adjourned meeting, not less than 25 per cent., in principal amount of the Notes for the time being outstanding. The holder of a global Note representing all (or part) of the Notes for the time being outstanding will be treated as being two persons for the purposes of such quorum requirements. A resolution in writing signed by or on behalf of the holders of not less than 90 per cent. (including in the case of a resolution proposed to address a Reserved Matter) in principal amount of the Notes for the time being outstanding shall for all purposes be as valid and effectual as an Extraordinary Resolution passed at a meeting of Noteholders.

The provisions of articles 86 to 97 of the Luxembourg Act dated 10th August, 1915 on commercial companies, as amended, shall not apply to the Notes.

(b) *Modification*

The Trustee may, in respect of this Series, without the consent of the Noteholders, agree to (i) any modification to any Transaction Document or any other agreement to which the Issuer is a party which is of a formal, minor or technical nature or is made to correct a manifest error; (ii) any modification of any of the provisions of the Trust Deed or any other Transaction Document (other than in respect of a Reserved Matter) which in the opinion of the Trustee is not materially prejudicial to the interests of the Noteholders (iii) any modification of the provisions of the Trust Deed or any other Transaction Document (other than in respect of a Reserved Matter) which is made to satisfy any requirement of any stock exchange on which the Notes are or are proposed to be listed and which, in each case, is not in the opinion of the Trustee materially prejudicial to the interests of the Noteholders.

Notice of such modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 18 (*Notices*) unless the Trustee agrees otherwise.

(c) *Waiver*

The Trustee may, in respect of the Notes, without the consent of the Noteholders and without prejudice to its rights in respect of any subsequent breach, from time to time and at any time, but only if and in so far as in its opinion the interests of the Noteholders shall not be materially prejudiced thereby, waive or authorise, on such terms and conditions as to it shall seem expedient, any breach or proposed breach by the Issuer of any of the covenants or provisions in the Trust Deed or the Conditions or determine that any Event of Default or Potential Event of Default shall not be treated as such provided always that the Trustee shall not exercise any powers conferred on it by this Condition 13(c) in respect of any Reserved Matter or in contravention of any express direction given by an Extraordinary Resolution of the Noteholders, but no such direction shall affect any waiver, authorisation or determination previously given or made. Any such waiver, authorisation or determination shall be binding on the Noteholders.

Notice of any such waiver, authorisation or determination shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 18 (*Notices*) unless the Trustee agrees otherwise.

(d) *Trustee determination*

If, in the opinion of the Trustee, any modification, waiver, authorisation or determination referred to in paragraphs (b) (ii) or (iii) and (c) of this Condition 13 affects the interests of the holders of the Notes, the Trustee shall agree to such modification, waiver, authorisation or determination only if either (i) it is satisfied that, in its opinion, the interests of the holders of the Notes will not be materially prejudiced thereby or (ii) the holders of the Notes sanction such modification, waiver, authorisation or determination by way of Extraordinary Resolution, each of (i) and (ii) in accordance with the Conditions.

(e) *Substitution*

The Trust Deed contains provisions permitting the Trustee, subject to the further conditions set out in the Trust Deed and such amendment of the Trust Deed and other conditions as the Trustee may require, but without the consent of the holders of the Notes, to agree with the Issuer to the substitution, in respect of the Notes, in place of the Issuer (or of the previous substitute), as the principal debtor under the Notes, of any other company (such substituted company being hereinafter called the "**Substitute Company**").

Not later than 14 days after the execution of such amendment and compliance with such conditions as aforesaid, the Substitute Company shall give notice thereof in a form previously approved by the Trustee to the Noteholders in the manner provided in Condition 18 (*Notices*).

(f) *Entitlement of the Trustee*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the holders of Bearer Notes as a class and shall not have regard to the consequences of such exercise for any particular Noteholder and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequence of any such exercise upon individual holders of such Notes.

14. **Replacement of Notes**

Should any Note be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Issuing and Paying Agent, subject to relevant stock exchange requirements and all applicable laws, upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes must be surrendered before replacements will be issued.

15. **Exchange of Talons**

Not applicable.

16. **Further Notes**

The Issuer may from time to time without the consent of the Noteholders (but provided that the Trustee is satisfied that the restrictions set out in this Condition 16 will be complied with, create and issue further securities ("**Further Notes**") having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest and issue price) and so that the same shall be consolidated and form a single series with such Notes provided that (unless otherwise approved by an Extraordinary Resolution of the Noteholders):

- (i) The Issuer provides additional security for such Further Notes that comprises assets that are fungible with, and have the same proportionate composition as, the Charged Assets in respect of the relevant existing Notes and that has an aggregate principal amount at least equal to the product of (A) the principal amount of such existing security and (B) a

fraction, the numerator of which is the aggregate principal amount of the Further Notes and the denominator is the aggregate principal amount of the existing Notes; and

- (ii) The Issuer enters into an additional and/or supplemental agreement varying the terms of the Swap Agreement to take account of the Further Notes on terms no less favourable than those of the Swap Agreement as applicable.

Any Further Notes shall be constituted and secured by a further supplemental trust deed and the Notes and the Further Notes shall be secured by the same Charged Assets. References in these Conditions to "Notes" and "Charged Assets" shall be construed accordingly.

17. Removal, Indemnification and Obligations of the Trustee

The Trust Deed contains provisions for the appointment, retirement and removal of the Trustee. The Issuer shall as soon as practicable after the appointment of a new trustee notify the Noteholders of such appointment in accordance with Condition 18 (*Notices*).

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including for the exercise of any voting rights in respect of the Compartment Assets or for the value, validity, sufficiency and enforceability (which the Trustee has not investigated) of the Compartment Security created over the Charged Assets. The Trustee is not obliged to take any action under the Trust Deed, the Notes or otherwise unless indemnified and/or secured to its satisfaction. The Trustee and any affiliate is entitled to enter into business transactions with the Issuer, any issuer or guarantor (where applicable) of any of the Charged Assets any party other than the Issuer under a Related Agreement (including, without limitation, the Swap Counterparty), or any of their subsidiary, holding or associated companies without accounting to the Noteholders for profit resulting therefrom.

The Trustee is exempted from liability with respect to any loss or theft or reduction in value (as appropriate) of the Charged Assets from any obligation to insure or to procure the insuring of the Charged Assets (or any documents evidencing, constituting or representing the same or transferring any rights or obligations thereunder) and from any claim arising from the fact that the Charged Assets are held in an account with a clearing agent in accordance with that relevant clearing agent's rules or otherwise held in safe custody by the Custodian or any custodian whether or not selected by the Trustee (in each case, if applicable). The Trustee is not responsible for supervising the performance by (i) the Issuer of its own obligations and (ii) any other person of their obligations to the Issuer.

For the purposes of this Condition 17, the Issuer expressly accepts and confirms, for the purposes of articles 1278 and 1281 of the Luxembourg civil code, that notwithstanding any assignment, transfer and/or novation permitted under and made in accordance with the provisions of the Trust Deed or any agreement referred to therein to which the Issuer is party, any security created or guarantee given under the Trust Deed shall be reserved for the benefit of the new trustee (for itself and for the benefit of each other Secured Party).

18. Notices

All notices regarding the Notes shall be valid if: (a) in the case of Notes represented by a Global Note, delivered to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes; or (b) so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of such stock exchange or relevant authority so require, in accordance with such rules. If and for so long as the Notes are admitted to trading on, and listed on the Official List of the Luxembourg Stock Exchange, and so long as the Luxembourg Stock Exchange so require, notices shall be made available on the Luxembourg Stock Exchange's website, www.bourse.lu. Any such notice shall be deemed to have been given on the Business Day on which such delivery takes place or, if earlier, the date of such publication, or, if published more than once, on the date of the first such publication.

If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Issuing and Paying Agent (in the case of Bearer Notes). Whilst any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to the Issuing and Paying Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Issuing and Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

19. **Redenomination**

The Notes are not subject to Redenomination.

20. **Contracts (Rights of Third Parties) Act 1999**

The Notes shall not confer any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Notes, but this does not affect any right or remedy of a third party which may exist or is available apart from that Act.

21. **Governing Law and Submission to Jurisdiction**

The Trust Deed (save to the extent that the Trust Deed relates to security interests created over assets located or deemed to be located in Luxembourg), the Agency Agreement and the Notes (and any non-contractual obligations arising out of or in connection with such documents) are (or, as the case may be, shall be) governed by, and shall be construed in accordance with, English law.

The Issuer irrevocably agrees, for the exclusive benefit of the Noteholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes (including a dispute relating to non-contractual obligations arising out of such Notes) and accordingly any suit, action or proceedings arising out of or in connection with the Notes may be brought in such courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Noteholders may take any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Notes (including Proceedings relating to any non-contractual obligations arising out of or in connection with such Notes) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

The Issuer appoints BNP Paribas, London Branch, of 10 Harewood Avenue, London NW1 6AA (Attention: the Loan Administration Department), as its agent for service of process, and undertakes that, in the event of BNP Paribas, London Branch ceasing so to act or ceasing to be registered in England, it will appoint, subject to the prior written approval of the Trustee, another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

The Issuer has in the Trust Deed submitted to the jurisdiction of the English courts and has appointed an agent for service of process in terms substantially similar to those set out above.

ANNEX TO THE CONSOLIDATED TERMS AND CONDITIONS OF THE NOTES

PART A - ADDITIONAL TERMS AND CONDITIONS FOR INDEX LINKED SECURITIES

*The terms and conditions applicable to Index Linked Notes shall comprise the Consolidated Terms and Conditions of the Notes (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Index Linked Conditions**") and any other additional Terms and Conditions that may be specified herein (the "**Additional Terms and Conditions**"). In the event of any inconsistency between the General Conditions and the Index Linked Conditions and/or the Additional Terms and Conditions, the Index Linked Conditions and/or the Additional Terms and Conditions (as applicable) shall prevail.*

1. Market Disruption

Not applicable.

2. Adjustments to an Index

Not applicable.

3. Correction of Index

Not applicable.

4. Knock-in Event and Knock-out Event

Not applicable.

5. Automatic Early Redemption Event

Not applicable.

6. Definitions

Not applicable.

7. Custom Index

Not applicable.

8. Adjustments to the Custom Index and Custom Index Disruption

(A) Successor Index Sponsor Calculates and Reports the Index

If the Custom Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent, or (ii) replaced by a successor custom index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Custom Index, then in each case that custom index (the "**Successor Custom Index**") will be deemed to be the Custom Index.

(B) Modification and Cessation of Calculation of the Custom Index and Custom Index Disruption

If (i) on or prior to the last Valuation Date or the last Observation Date, the Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating the Custom Index or in any other way materially modifies the Custom Index (other than a modification prescribed in that formula or method to maintain the Custom Index in the event of changes in constituent components and capitalisation, contracts or commodities and other routine events) (a "**Custom Index Modification**"), or permanently cancels the Custom Index and no Successor Custom Index exists (a "**Custom Index**

Cancellation"), or (ii) on a Valuation Date or an Observation Date the Index Sponsor or (if applicable) the Successor Custom Index Sponsor fails to calculate and announce the Custom Index or it is not a Custom Index Business Day (a "**Custom Index Disruption**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), then:

- (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Valuation Date or last Observation Date, then such Valuation Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring, unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date or Observation Date, as the case may be, notwithstanding the Custom Index Disruption and the Calculation Agent shall determine the Settlement Price by using commercially reasonable efforts to determine the level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Observation Date (other than the last Observation Date) or the Valuation Date, the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Notes and, if so shall (x) to the extent that an equivalent or similar adjustment, determination or calculation has been made in respect of the relevant Swap Agreement, take the action described in (i), (ii), (iii) or (vii) below and (y) in the event that such Custom Index Modification, Custom Index Cancellation or Custom Index Disruption results in an Additional Termination Event occurring in respect of the relevant Swap Agreement, take the action described in either (iv), (v) or (vi) below (as applicable):
 - (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date or an Observation Date, the Calculation Agent may determine that the Strike Date or the relevant Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Observation Date) unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date or Observation Date, as the case may be (irrespective, in the case of an Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Observation Date) and may determine the Settlement Price by using commercially reasonable efforts to determine a level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the

occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or

- (ii) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Noteholders and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Notes and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Notes as the Calculation Agent in its sole and absolute discretion determines appropriate; or
- (iii) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Notes to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (iv) the Calculation Agent may require the Issuer to redeem the Notes in which case it will so notify the Issuer and the Issuer will give notice to Noteholders in accordance with Condition 18 of the Notes. If the Notes are so redeemed the Issuer will pay an amount to each Noteholder in respect of each redeemed Note being redeemed at an amount equal to the fair market value of each Note, taking into account the Custom Index Adjustment Event, less the cost to the Swap Counterparty and/or its Affiliates of unwinding the relevant Swap Agreement (if any) and any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 of the Notes; or
- (v) in the case of a Custom Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification;

(C) *Swap Agreement Determination*

Notwithstanding any other provision of this Index Linked Condition 8, in determining whether such Custom Index Adjustment Event has a material effect on the Notes and in making any calculation, substitution or adjustment in respect of Index Linked Condition 8(B) above, the Calculation Agent shall, to the extent applicable to the relevant Notes, take into account any corresponding or similar determination, adjustment or calculation made in respect of the relevant Swap Agreement in relation to such Custom Index Adjustment Event.

(D) *General*

In determining to take a particular action as a result of a Custom Index Adjustment Event, the Calculation Agent is under no duty to consider the interests of the Noteholders or any other person. In making any determination as to which action to take following the occurrence of an Index Adjustment Event, none of the Calculation Agent, the Issuer or the Swap Counterparty shall be

responsible for any loss (including liability in respect of interest), underperformance or opportunity cost suffered or incurred by the Noteholders or any other person in connection with the Notes as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Notes.

(E) *Notice*

The Calculation Agent shall, as soon as practicable, notify the relevant Agent of any determination made by it pursuant to Index Linked Condition 8(B) and the action proposed to be taken in relation thereto and the Calculation Agent shall make available for inspection by the Noteholders copies of any such determinations.

9. **Correction of the Custom Index**

With the exception of any corrections published after the day which is three Scheduled Custom Index Business Days prior to the due date for any payment in respect of the Notes, calculated by reference to the level of the Custom Index, if the level of the Custom Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Notes, is subsequently corrected and the correction published by the Index Sponsor within the number of days equal to the Custom Index Correction Period of the original publication, the level to be used shall be the level of the Custom Index as so corrected. Corrections published after the day which is three Scheduled Custom Index Business Days prior to a due date for payment under the Notes calculated by reference to the level of the Custom Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

10. **Knock-in Event and Knock-out Event**

Not applicable.

11. **Automatic Early Redemption**

Not applicable.

12. **Definitions relating to the Custom Indices**

"**Affiliate**" means in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "control" means ownership of a majority of the voting power of an entity;

"**Banking Day**" means any day other than each Saturday and Sunday and 25 December and 1 January in any year;

"**Custom Index**" means the BNP Paribas Global Green Excess Return Index;

"**Custom Index Business Day**" means Custom Index Business Day (Single Custom Index Basis);

"**Custom Index Business Day (Single Custom Index Basis)**" means any Scheduled Custom Index Business Day on which (i) the level of the Custom Index is calculated and made available and (ii) it is a Custom Index Trading Day;

"**Custom Index Correction Period**" means the period of ten (10) Scheduled Custom Index Business Days following the date on which the original level was calculated and made available by the Index Sponsor and being the date after which all corrections to the level of the Custom Index shall be disregarded for the purposes of any calculations to be made using the level of the Custom Index;

"Custom Index Trading Day" means, in respect of the Custom Index, a Scheduled Custom Index Business Day with respect to which the Swap Counterparty and/or any of its Affiliates determines in its sole and absolute discretion it is able to hedge its obligations in respect of such Custom Index under the Notes;

"Disrupted Day" means any Scheduled Custom Index Business Day on which a Custom Index Disruption has occurred or is continuing in the sole and absolute discretion of the Calculation Agent;

"Index Sponsor" means, in relation to a Custom Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to such Custom Index and (b) ensures the calculation and publication of the level of such Custom Index on a regular basis (directly or through an agent) in accordance with the rules of the Custom Index, which as of the Issue Date of the Notes is BNP Paribas;

"Observation Date" means the dates specified as such in the Final Terms or, if any such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Linked Condition 8(B) (*Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption*) shall apply;

"Scheduled Custom Index Business Day" means Scheduled Custom Index Business Day (Single Custom Index Basis);

"Scheduled Custom Index Business Day (Single Custom Index Basis)" means any Banking Day on which (i) the level of the Custom Index is scheduled to be calculated and made available and (ii) the Swap Counterparty and/or any of its Affiliates determines, in its sole and absolute discretion, that it is scheduled to be a Custom Index Trading Day;

"Settlement Price" means, in relation to each Cash Settled Note, subject to the provisions of this Annex and as referred to in "Valuation Date" or "Observation Date" contained herein, as the case may be, an amount equal to the level of the Custom Index as published by the Index Sponsor as determined by the Calculation Agent or, the level of the Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on any of the "Strike Date", "Observation Date" or the "Valuation Date";

"Specified Maximum Days of Disruption" means 20 Scheduled Custom Index Business Days;

"Successor Custom Index Sponsor" means, in relation to a Successor Custom Index, the index sponsor thereof;

"Valid Date" means a Scheduled Custom Index Business Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not occur;

"Valuation Date" means the Redemption Valuation Date or, if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Linked Condition 8(B) (*Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption*) shall apply; and

"Valuation Time" means the time by reference to which the Index Sponsor determines the level of the Custom Index in its sole and absolute discretion.

PART B - SPECIFIC PRODUCT CONTRACTUAL TERMS

1. Calculation of Final Redemption Amount

The Final Redemption Amount in respect of each Note of the Specified Denomination will be an amount equal to:

$$N \times (100\% + \text{Best Running Asian})$$

Where:

“N” is equal to the Calculation Amount; and

“**Best Running Asian**” means the highest “Asian_k” value (calculated in the manner set out at paragraph 2 below) with respect to the Index, calculated for each of the five annual Observation Dates and as described by the formula set out below:

$$\text{BestRunningAsian} = \max_{k=1}^{k=5} \text{Asian}_k$$

2. Calculation of Asian_k

Asian_k means, in respect of any annual Observation Date, a value equal to the greater of:

- (1) zero per cent; and
- (2) the mean average of (a) the performance of the IndexNet_j value for such annual Observation Date when compared to the value of IndexNet₀ and (b) the performance of the IndexNet_j value for each previous annual Observation Date when compared to the value of IndexNet₀, expressed as a percentage, and as described by the formula below:

$$\text{Asian}_k = \max \left[0\% ; \frac{1}{k} \times \sum_{j=1}^{j=k} \left(\frac{\text{IndexNet}_j}{\text{IndexNet}_0} - 1 \right) \right]$$

Where:

“**IndexNet₀**” is equal to 100%; and

“**IndexNet_j**” is described in paragraph 3 below.

3. Calculation of IndexNet_j

IndexNet_j is a measure of the daily performance of the Index as of any annual Observation Date, less a fee.

IndexNet_j is calculated by measuring the percentage change in the level of the Index on annual Observation Date_k from the level of the Index on the immediately preceding Index Level Determination Date, multiplying this change by the value of IndexNet as calculated in respect of the immediately preceding annual Observation Date (or the value of IndexNet₀ where IndexNet_j is calculated in respect of the first annual Observation Date) and adjusting the resulting value to account for a fee, as described by the formula below:

$$IndexNet_j = IndexNet_{j-1} \times \frac{Index_t}{Index_{t-1}} \times \left(1 - 1\% \times \frac{Act_{t-1,t}}{360} \right)$$

Where:

“ $Act_{t-1,t}$ ” is the actual number of calendar days between Index Level Determination Date t-1 and Index Level Determination Date t;

“ $Index_t$ ” is the level of the Index on the annual Observation Date_k (such date also being Index Level Determination Date t);

“ $Index_{t-1}$ ” is the level of the Index on the Index Level Determination Date immediately preceding Index Level Determination Date t; and

“ $IndexNet_0$ ” is equal to 100%.

DESCRIPTION OF THE ISSUER

This description of the Issuer has been extracted from the Base Prospectus

Information relating to the Issuer

General

The Issuer was incorporated in the Grand Duchy of Luxembourg as a public limited liability company (*société anonyme*) with unlimited duration on 23 January 2009 under the name SecurAsset S.A. ("**SecurAsset**") and is registered with the Luxembourg trade and companies register under number B 144385. The Issuer was established as a regulated securitisation undertaking under the Securitisation Act 2004 in order to offer securities in accordance with the provisions of such act and is authorised and supervised by the CSSF.

The Issuer is a company incorporated with limited liability (*société anonyme*) under the laws of the Grand Duchy of Luxembourg as a securitisation company (*société de titrisation*) within the meaning of, and governed by, the law of 22 March 2004 on securitisation, as amended (the "**Securitisation Act 2004**"), having its registered office at 2-8 avenue Charles de Gaulle, L-1653, Luxembourg. The telephone number of the Issuer is +352 27 00 12 200 and the fax number of the Issuer is +352 27 00 12 205.

The share capital of the Issuer is EUR 31,000 divided into 3,100 shares in registered form (the "**Issuer Shares**"), all of which are fully paid. Each Issuer Share is entitled to one vote. All the shares in the Issuer are held by Stichting AssetSecur, a foundation duly incorporated under the laws of The Netherlands, having its registered office at Naritaweg 165 Telestone 8, 1043BW Amsterdam, The Netherlands and registered with the trade register of the Chamber of Commerce in Amsterdam under number 34322925. The Issuer is managed by the Board. The directors comprising the Board are appointed by the shareholder of the Issuer. The Issuer has no subsidiaries.

Corporate Purpose

Pursuant to Article 4 of its Articles of Association, the Issuer has as its business purpose to enter into, perform and serve as a vehicle for, any transactions permitted under the Securitisation Act 2004. The Issuer may issue securities of any nature and in any currency and, to the fullest extent permitted by the Securitisation Act 2004, pledge, mortgage or charge or otherwise create security interests in and over its assets, property and rights to secure its obligations. The Issuer may enter into any agreement and perform any action necessary or useful for the purpose of carrying out transactions permitted under the Securitisation Act 2004, including, without limitation, disposing of its assets in accordance with the relevant agreements. The Issuer may only carry out the above activities if and to the extent that they are compatible with the Securitisation Act 2004.

Compartments

The Board of the Issuer may, in accordance with the terms of the Securitisation Act 2004, create individual Compartments. Each Compartment will correspond to a distinct part of the assets and liabilities in respect of the Issuer. The resolution of the Board creating one or more Compartments, as well as any subsequent amendments thereto, will be binding as of the date of such resolution against any third party.

Each series of Securities will be issued through a separate Compartment and each such Compartment will be treated as a separate entity. Rights of Holders of Securities and any other creditor of the Issuer that (i) have been designated as relating to a Compartment on the creation of a Compartment or (ii) have arisen in connection with the creation, the operation or the liquidation of a Compartment, are strictly limited to the assets of that Compartment which shall be exclusively available to satisfy such Holders of Securities or creditors, unless otherwise provided for in the resolution of the Board which created the relevant Compartment. Holders of Securities and other creditors of the Issuer whose rights are not related to a specific Compartment of the Issuer shall have no rights to the assets of any such Compartment.

Unless otherwise provided for in the resolution of the Board creating such Compartment, no resolution of the Board may amend the resolution creating such Compartment or directly affect the rights of the Holders of Securities or creditors whose rights relate to such Compartment without the prior approval of all of the Holders of Securities and other creditors whose rights relate to such Compartment. Any decision of the Board taken in breach of this provision shall be void.

Without prejudice to the preceding paragraph, each Compartment may be separately liquidated without such liquidation resulting in the liquidation of another Compartment of the Issuer or of the Issuer itself.

The liabilities and obligations of the Issuer incurred or arising in connection with a Compartment and all matters connected therewith will only be satisfied or discharged from the Charged Assets. The Charged Assets will be exclusively available to satisfy the rights of the Holders of the Securities and the other creditors of the Issuer in respect of the Securities and all matters connected therewith, as provided therein, and (subject to mandatory law) no other creditors of the Issuer will have any recourse against the Charged Assets of the Issuer.

Issuer authorised by the CSSF

The Issuer is a securitisation company authorised and supervised by the CSSF pursuant to the Securitisation Act 2004. The Issuer is deemed to qualify as a securitisation undertaking which will issue securities to the public on a continuous basis. According to the CSSF's administrative practice, more than three issues per year is to be regarded as being "on a continuous basis".

The CSSF has approved, on 5 February 2009, the Articles of the Issuer and the Issuer has been entered on 6 February 2009 into the official list by the CSSF which was published on 6 February 2009.

The CSSF has been informed of the members of the Board of the Issuer and its sole shareholder. The Issuer has also provided the CSSF with copies of the final form of each of the Trust Deed, Dealer Agreement, Agency Agreement and this base Prospectus, a copy of the financial information prepared by the Issuer and a copy of the opening financial statements certified by the Issuer's auditor.

The Securitisation Act 2004 empowers the CSSF to continuously supervise the Issuer and to comprehensively examine anything which may affect the interests of the Holders of Securities. For example, the CSSF can request regular interim reports on the status of the Issuer's assets and proceeds therefrom as well as any other documents relating to the operation of the Issuer, and can, under certain conditions, withdraw the authorisation of the Issuer.

The Issuer is obliged to provide information to the CSSF on a semi-annual basis with respect to new issues of Securities, outstanding issues of Securities and issues of Securities that have been redeemed during the period under review. In connection therewith the nominal value of each issue of Securities, the type of securitisation and the investor profile must be reported.

Capitalisation

The following table sets out the capitalisation of the Issuer as at the date of this Base Prospectus.

SHAREHOLDERS' FUNDS:

SHARE CAPITAL (ISSUER SHARES)	EUR 31,000
TOTAL CAPITALISATION	<u>EUR 31,000</u>

Indebtedness

As at the date of this Base Prospectus, the Issuer has no material indebtedness, contingent liabilities and/or guarantees other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated in this Base Prospectus.

Administration, Management and Supervisory Bodies

The directors of the Issuer are as follows:

Director	Business address	Principal outside activities
Damien Nussbaum	2-8, avenue Charles de Gaulle, L-1653 Luxembourg	Account manager
Severine Canova	8, avenue Hoche, 75008 Paris, France	Lawyer and company managing director
Hans van de Sanden	20, rue de la Poste, L-2346 Luxembourg	Company managing director
Mark Weeden	20, rue de la Poste, L-2346 Luxembourg	Company director

Each of the directors confirms that there is no conflict of interest between his duties as a director of the Issuer and his principal and/or other outside activities.

Citco C&T (Luxembourg) S.A., a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 2-8 avenue Charles de Gaulle L-1653 Luxembourg ("**Citco**") registered with the Luxembourg trade and companies register under number B 139 857, acts as corporate services agent and the domiciliation agent of the Issuer (the "**Corporate Services Agent**"). Pursuant to the terms of the management and administration agreement and the domiciliary agent agreement each effective 23 January 2009 and entered into between the Corporate Services Agent and the Issuer, the Corporate Services Agent will perform in Luxembourg certain administrative and corporate and domiciliary agent services. In consideration of the foregoing, the Corporate Services Agent will receive an annual fee as agreed with the Issuer. The appointment of the Corporate Services Agent may be terminated, in principle, by either the Issuer or the Corporate Services Agent upon not less than 90 calendar days' prior notice.

No corporate governance regime to which the Issuer would be subject exists in Luxembourg as at the date of this Base Prospectus.

Financial Statements

The financial year of the Issuer is the calendar year save that the first financial year was from the date of incorporation to 31 December 2009 and the second financial year was from 1 January 2010 to 31 December 2010. The Issuer published its first audited financial statements, in respect of the period ending on 31 December 2009, on 2 February 2010 and its second audited financial statements, in respect of the period ending on 31 December 2010, on 18 February 2011.

In accordance with articles 72, 74 and 75 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended, the Issuer is obliged to publish its annual accounts on an annual basis following approval of the annual accounts by the annual general meeting of the shareholders. The ordinary general meeting of shareholders takes place annually on 31 May or, if such day is not a business day, the next following business day in Luxembourg at 10.00 a.m., at the registered office of the Issuer or at such other place in Luxembourg as may be specified in the convening notice.

Any future published annual audited financial statements prepared for the Issuer will be obtainable free of charge from the specified office of the Paying Agents and the Issuer, as described in "*General Information*".

The Issuer has prepared an Opening Balance as at 23 January 2009. The Opening Balance has been audited by PricewaterhouseCoopers S.à r.l. and is incorporated by reference into this Base Prospectus (see the "*Documents Incorporated by Reference*" section).

Selected Financial Statements

As at 31 December 2010, the Issuer had total assets and total liabilities of euro 561,159,797.35. For the period from, and including, 1 January 2010 to, and including, 31 December 2010, the Issuer had total expenses of euro 96,760,127.91 and total income of euro 96,760,127.91.

Independent Auditors

The external auditors (*réviseurs d'entreprises agréés*) of the Issuer, which have been appointed by a resolution of the Board dated 5 February 2009, are PricewaterhouseCoopers S.à r.l., with registered office at 400, route d'Esch, B.P. 1443, L-1014 Luxembourg, a member of the Luxembourg institute of auditors (*Instituts des réviseur d'entreprises*) and an accountancy firm authorised to carry on business in the Grand Duchy of Luxembourg by the CSSF. PricewaterhouseCoopers S.à r.l. has no material interest in the Issuer."

Custom Index Disclaimer

The Notes are not in any way sponsored, endorsed, sold or promoted by any Index Sponsors of any index components (each a "**Reference Index**") which comprise the Custom Index (the "**Reference Index Sponsors**"). The Reference Index Sponsors do not make any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the relevant Reference Index components and/or the levels at which the relevant Reference Index stands at any particular time on any particular date or otherwise. No Reference Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the relevant Reference Index components and the relevant Reference Index Sponsor is under no obligation to advise any person of any error therein. None of the Reference Index Sponsors makes any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. None of the Issuer, the Dealer, the Calculation Agent or the Index Calculation Agent shall have any rights against or recourse to any Reference Index Sponsor should any Reference Index not be published or for any errors in the calculation thereof or on any other basis whatsoever in relation to any Reference Index, its production, or the level or constituents thereof. None of the Issuer, the Dealer, the Calculation Agent or the Index Calculation Agent shall have any liability to any party for any act or failure to act by any Reference Index Sponsor in connection with the calculation, adjustment or maintenance of the relevant Reference Index. None of the Issuer, the Dealer, the Calculation Agent or the Index Calculation Agent nor any of their affiliates has any affiliation with or control over any Reference Index or the relevant Reference Index Sponsor or any control over the computation, composition or dissemination of any Reference Index. Although the Index Calculation Agent will obtain information concerning each Reference Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the any of the Issuer, the Guarantor or the Calculation Agent or, any of their affiliates or the Index Calculation Agent as to the accuracy, completeness and timeliness of information concerning any Reference Index.

The Index Calculation Agent and the Index Sponsor shall not be held liable for any modification or change in the methodology used in calculating the Custom Index. The Index Calculation Agent and the Index Sponsor are under no obligation to continue the calculation, publication or dissemination of the Custom Index and cannot be held liable for any suspension or interruption in the calculation of the Custom Index. The Index Calculation Agent and the Index Sponsor decline any liability in connection with the level of the Index at any given time. Neither the Index Calculation Agent nor the Index Sponsor can be held liable for any loss whatsoever, directly or indirectly related to the Custom Index.

The index methodology is confidential. BNP Paribas does not guarantee the accuracy or completeness of the index methodology or the calculation methods, any errors or omissions in computing or disseminating the Custom Index, and for any use any Noteholder makes of it and BNP Paribas shall have no liability for any errors or omissions therein. The index methodology is based on certain assumptions, certain pricing models and calculation methods adopted by BNP Paribas and have certain inherent limitations. Information prepared on the basis of different models, calculation methods or assumptions may yield different results. Numerous factors may affect the analysis, which may or may not be taken into account. Therefore, the analysis of information may vary significantly from analysis obtained from other sources or market participants. The index methodology is strictly confidential. No Noteholder has authority to use or reproduce the index methodology in any way and BNP Paribas shall not be liable for any loss arising from the use of the index methodology or otherwise in connection herewith.