

**LUNAR FUNDING I LIMITED**  
*(incorporated with limited liability in the Cayman Islands)*

**LUNAR FUNDING V PLC**  
*(incorporated as a public company with limited liability in Ireland)*

**US\$10,000,000,000**  
**Secured Asset-Backed Medium Term Note Programme**

This Programme Memorandum replaces and supersedes the Programme Memorandum dated 5 February 2018 describing the Programme (as defined below). Any Notes (as defined below) issued under the Programme on or after the date of this Programme Memorandum are issued subject to the provisions described herein. This does not affect any Notes already in issue.

Under this Secured Asset-Backed Medium Term Note Programme (the "**Programme**") Lunar Funding I Limited (the "**Cayman Issuer**"), Lunar Funding V PLC (the "**Irish Issuer**") and any other company which accedes to the Programme as an issuer (each an "**Additional Issuer**" and, together with the Cayman Issuer, the Irish Issuer and each in relation to the Notes issued by it, an "**Issuer**" and together, the "**Issuers**") may from time to time issue notes in bearer form and/or registered form (the "**Notes**") denominated in any currency and, subject to, and in accordance with, Condition 6 (*Covenants and Restrictions*) under "Conditions of the Notes" below, borrow monies by entering into loan agreements (and/or equivalent documents) and incur other forms of indebtedness (the "**Permitted Loans**"). The aggregate nominal amount of all Notes and Permitted Loans outstanding under the Programme will not at any time exceed US\$10,000,000,000 (or its equivalent in other currencies), subject to increase as provided herein. The Notes may have any maturity (over and above seven days) subject to the restrictions relating to maturity of Notes described under "Overview of Programme" below. Capitalised terms used below which are not specifically defined shall have the meaning set out in Condition 1 (*Definitions and Interpretation*) under "Conditions of the Notes" below.

Notes will be issued in series of Notes (each a "**Series**") (which may in turn be divided into separate tranches of Notes (each a "**Tranche**")) with the benefit of security constituted by a Supplemental Trust Deed relating to that Series of Notes (each a "**Supplemental Trust Deed**") which is supplemental to the Trust Deed dated 5 March 2019 between the Cayman Issuer, the Irish Issuer and Deutsche Trustee Company Limited (the "**Trustee**") (the "**Principal Trust Deed**" and together with the relevant Supplemental Trust Deed representing a Series or Tranche of Notes and any applicable Security Documents, the "**Trust Deed**"). The specific terms of each Series or Tranche of Notes will be set forth in this Programme Memorandum as modified by an Issue Memorandum relating thereto (each an "**Issue Memorandum**"). References in this Programme Memorandum to the "**applicable Issue Memorandum**" are to the Issue Memorandum which sets out the specific terms of each Series or Tranche of Notes.

Each Series of Notes issued under the Programme will be secured over certain property, assets, rights and benefits of the relevant Issuer (together the "**Charged Property**" as more fully described under "Overview of Programme–Security" below). Each Series and/or Tranche of Notes may also be issued with the benefit of a credit support document (each a "**Credit Support Document**") issued by a credit support provider (each a "**Credit Support Provider**") as specified in the applicable Issue Memorandum. The claims of each Counterparty against any of the Issuers under any Related Agreements relating to Notes and/or of each Credit Support Provider under any Credit Support Document and/or of certain other creditors of any of the Issuers (together with the Trustee, the Noteholders and the Couponholders, the "**Secured Parties**") may also be secured on the Charged Property relating to such Notes, as specified in the applicable Issue Memorandum.

Claims against the relevant Issuer by holders of Notes, Coupons and/or Receipts of each Series of Notes and other Secured Parties and creditors of such Issuer in relation to such Series of Notes will be limited to the Charged Property relating to such Series and to any Credit Support Document issued in

respect thereof. The net proceeds of realisation of the security over the Charged Property relating to each Series of Notes will be applied in payment of amounts due in respect of such Series of Notes to the Noteholders and Couponholders (and certain other creditors (including the applicable Secured Parties) of the relevant Issuer) in accordance with the order of priority (the "**Order of Priority**") specified in the applicable Issue Memorandum. The obligations of the relevant Issuer in respect of the amounts payable in accordance with such Order of Priority will be limited to such net proceeds. In the event that such net proceeds are less than the aggregate amount payable in accordance with the applicable Order of Priority (such negative amount being referred to as a "**shortfall**") the other assets of the relevant Issuer (including, for the avoidance of doubt, the Charged Property in respect of any other Series of Notes, any assets of the Issuer secured in relation to any Permitted Loans and such Issuer's share capital) will not be available for payment of such shortfall, all claims in respect of which shall be extinguished and which shortfall shall be borne by the creditors of the relevant Issuer specified therein in accordance with such Order of Priority (applied in reverse order). Each holder of Notes, Coupons and/or Receipts, by subscribing for or purchasing such Notes, Coupons and/or Receipts, will be deemed to accept and acknowledge that it is fully aware that (a) its rights to obtain payment or repayment under the Notes in full shall be limited to its share of the proceeds of realisation of the security over the Charged Property on which such Notes are secured, applied in accordance with the applicable Order of Priority and that it has no right to receive any further amounts and (b) such holder shall be precluded from taking action (including, without limitation, bringing a petition for winding-up) against the relevant Issuer to receive any further amounts from such Issuer following realisation of such security and application of the proceeds in accordance with the applicable Order of Priority.

**Neither the Arranger nor any of the Dealers (each as named below) (i) stands behind any of the Issuers, the Programme or any Series of Notes issued under the Programme or (ii) will make good any losses incurred by any of the Issuers in respect of the Charged Property or otherwise.**

This Programme Memorandum is a base prospectus for the purposes of the Prospectus Directive.

The base prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**") as competent authority under Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU) (the "**Prospectus Directive**"). The Central Bank only approves this base prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Notes issued under the Programme during the 12 months from the date of this base prospectus to be admitted to the official list (the "**Official List**") and trading on its regulated market. Notes may be listed or admitted to trading, as the case may be, on such other stock exchange(s) or market(s) as may be specified in the relevant Issue Memorandum. The relevant Issue Memorandum will specify whether or not Notes will be listed on Euronext Dublin. The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. Such approval relates only to the Notes which are to be admitted to trading on the regulated market of Euronext Dublin or other regulated markets for the purposes of Directive 2004/39/EC, as amended, varied or replaced from time to time including through the implementation of Directive 2014/65/EU (the "**Markets in Financial Instruments Directive**") or which are to be offered to the public in any Member State of the European Economic Area.

If an Additional Issuer accedes to the Programme it will, in respect of Notes to be issued by it which are to be listed on Euronext Dublin, be required to produce an issuer disclosure annex which, together with this Programme Memorandum, will comprise a base prospectus for such Additional Issuer. The Programme provides that Notes may be listed on such other or further stock exchange(s) as may be agreed between the Issuer of such Notes, the relevant Dealer (as defined below) and NatWest Markets Plc (the "**Arranger**" and together with any other Arranger(s) appointed from time to time in respect of Notes issued under the Programme, the "**Arrangers**"). Each Issuer may also issue unlisted Notes.

Each Series of Notes (or Tranches thereof) may be rated or reviewed by Moody's Investors Service Limited ("**Moody's**") and/or Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**"), and may be rated by such other rating agency or agencies as Lunar Funding

I Limited and/or Lunar Funding V PLC, the Arranger and the relevant Dealer may from time to time agree. Each of Lunar Funding I Limited and Lunar Funding V PLC may also issue unrated Series of Notes. Details of any such ratings will be specified in the Issue Memorandum relating to such Series or Tranche of Notes. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant agency. Moody's is established in the European Community and is a registered Credit Rating Agency (as defined in Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit ratings (the "**Regulation**")) pursuant to the Regulation. S&P is not established in the European Community and has not applied for registration pursuant to the Regulation.

Each Issuer may agree with the Arranger and the relevant Dealer that Notes may be issued by it in a form not contemplated by the terms and conditions of the Notes set out below (the "**Conditions**"), in which event the applicable Issue Memorandum will describe the effect of the agreement reached in relation to such Notes.

**MIFID II PRODUCT GOVERNANCE / TARGET MARKET** – The Issue Memorandum in respect of any Notes will include a legend entitled "**MiFID II Product Governance**" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID II Product Governance rules under EU Delegated Directive 2017/593 ("**MiFID II Product Governance**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of MIFID II Product Governance.

**IMPORTANT – EEA RETAIL INVESTORS** – If the Issue Memorandum in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of Directive 2002/92/EC on insurance mediation (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Amounts payable under the Notes may be calculated by reference to LIBOR or EURIBOR, which is provided by Intercontinental Exchange, Inc. (in the case of LIBOR) and the European Money Markets Institute (in the case of EURIBOR). As at the date of this Prospectus, Intercontinental Exchange, Inc. appears on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to article 36 of the Benchmark Regulation (Regulation (EU) 2016/1011) and the European Money Markets Institute does not.

**Prospective investors should be aware of the risk factors involved in investing in the Notes (see "Risk Factors" on page 29).**

*Arranger*

**NATWEST MARKETS PLC**

*Dealer*

**NATWEST MARKETS PLC**

**The date of this Programme Memorandum is 5 March 2019**

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), and may not at any time be offered or sold in or into the United States or to, or for the account or benefit of, US persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) or US persons (as defined in the final risk retention rules promulgated under Section 15G of the United States Securities Exchange Act of 1934, as amended (the "**Securities Exchange Act**")) or to any persons who are not Non-United States Persons (as defined in Rule 4.7 of the United States Commodity Futures Trading Commission) unless otherwise specified in the relevant Issue Memorandum. Notes in bearer form are subject to US tax law requirements. None of the Issuers will be registered under the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**"). Accordingly, no sale or other transfer of Notes shall be permitted which would require registration of the relevant Issuer under the Investment Company Act or registration of the Notes under the Securities Act or result in a violation of the securities laws or regulations of any jurisdiction of the United States. Offers to purchase, and subsequent transfers of, Notes will be subject to the foregoing restrictions. See "Subscription and Sale and Transfer Restrictions".

Notes of each Series to be issued in bearer form will initially be represented by interests in a temporary global Note (each a "**Temporary Global Note**") or a permanent global Note (each a "**Permanent Global Note**" and together with any Temporary Global Note, each a "**Global Note**"), in each case in bearer form without interest coupons, which may be deposited on the relevant issue date with a common depositary or (in respect of Lunar Funding V PLC) the Global Notes may be in new global note form ("**NGN**"), with a common service safekeeper, on behalf of Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"), or such other clearing system as is approved by the relevant Issuer, the Agent (as defined below), the Arranger and the Trustee. The provisions governing the exchange of interests in Temporary Global Notes and Permanent Global Notes for Permanent Global Notes (in the case of Temporary Global Notes) and for Notes in definitive form (in each case) are described in "Form of Notes–Exchange" below.

Unless otherwise provided in the applicable Issue Memorandum, Notes of each Series or Tranche to be issued in registered form which are sold in "offshore transactions" within the meaning of Regulation S under the Securities Act, will initially be represented by interests in a permanent global registered certificate (each a "**Global Certificate**"), without interest coupons. Global Certificates will on their Issue Date be deposited with, and registered in the name of, a common depositary, for Euroclear and Clearstream, Luxembourg, or deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"), as indicated in the applicable Issue Memorandum. Beneficial interests in Global Certificates will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg and DTC and their participants (see "Book-Entry Clearance Systems" below). The provisions governing the exchange of interests in Global Certificates for Certificates in definitive form are described in "Form of Notes–Exchange" below.

The Notes will be issued to one or more of the Dealers appointed under the Programme from time to time (each, a "**Dealer**" and, together, the "**Dealers**") which appointment may be for a specific issue of Notes or in respect of the Programme generally. References to the "**relevant Dealer**" are references to the Dealer or Dealers with whom the relevant Issuer has agreed or proposes to agree the terms of an issue of Notes under the Programme.

## **NOTICE TO HONG KONG RESIDENTS**

TO HONG KONG RESIDENTS: The contents of this document have not been reviewed by any regulatory authority in Hong Kong. If you are in doubt about any of the contents of this document you should obtain independent professional advice.

**This Programme Memorandum, with the exception of the information contained on pages 106 to 108 relating to Lunar Funding V PLC, comprises a base prospectus in relation to Lunar Funding I Limited.**

**This Programme Memorandum, with the exception of the information contained on pages 102 to 105 relating to Lunar Funding I Limited, comprises a base prospectus in relation to Lunar Funding V PLC.**

**Each of Lunar Funding I Limited (except in relation to information solely in respect of Lunar Funding V PLC) and Lunar Funding V PLC (except in relation to information solely in respect of Lunar Funding I Limited) accepts responsibility for the information contained in this document. To the best of the knowledge and belief of each of the Issuers (each of which has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. Any Additional Issuer acceding to the Programme and wishing to issue listed Notes will provide in an issuer disclosure annex all material information in the context of the Programme relating to such Additional Issuer and confirm that such information is accurate.**

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

Each Issuer has only made very limited enquiries with regards to the accuracy and completeness of the information under the section entitled "*Description of NatWest Markets Plc*" and the section entitled "*Book-entry Clearance System*" in this Programme Memorandum (the "**Third Party Information**"). This information has been accurately reproduced and as far as the Issuers are aware and are able to ascertain no facts have been omitted which would render the reproduced information inaccurate or misleading. Prospective investors in the Notes should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information.

This Programme Memorandum is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see "Documents deemed to be Incorporated by Reference").

No person is, has been or will be authorised to give any information or to make any representation not contained in or not consistent with this Programme Memorandum or any Issue Memorandum or any information supported by the Issuers in connection with the Programme or a Series or Tranche of Notes and, if given or made, such information or representation must not be relied upon as having been authorised by any of the Issuers, the Arranger, the Dealers, any Counterparty, any Related Agreement Guarantor, any Credit Support Provider, any Repurchase Counterparty or the Trustee.

Neither this Programme Memorandum nor any Issue Memorandum nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer of, or an invitation by or on behalf of, any of the Issuers, the Arranger or the Dealers to subscribe for, or purchase, any Notes.

Neither this Programme Memorandum, nor any Issue Memorandum nor any other information supplied in connection with the Programme in connection with any Notes is supplied with respect to any Permitted Loan and the terms and conditions and other information in connection with any Permitted Loans are not set out or contained in any way in the Programme Memorandum. Accordingly, no regard shall be had to this Programme Memorandum in connection with any Permitted Loan.

The distribution of this Programme Memorandum or any Issue Memorandum and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Programme Memorandum or any Issue Memorandum comes are required by the Issuers, the Arranger and the Dealers to inform themselves about and to observe any such restriction. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States. For a description of certain restrictions on offers and sales of Notes and on distribution of this Programme Memorandum, see "Subscription and Sale and Transfer Restrictions" below.

Purchasers of Notes should conduct such independent investigation and analysis regarding the Issuer of such Notes, the security arrangements relating thereto (including, without limitation, the issuer of the Underlying Assets and the terms of the Underlying Assets) and the Notes themselves as they deem appropriate to evaluate the merits and risks of an investment in the Notes. The Notes described in this Programme Memorandum and in each Issue Memorandum may not be suitable for all purchasers. Purchasers of Notes should have sufficient knowledge and experience in financial and business matters, and access to, and knowledge of, appropriate analytical resources, to evaluate the information contained in this Programme Memorandum and any Issue Memorandum and the merits and risks of investing in the Notes in the context of their financial position and circumstances. This Programme Memorandum and any Issue Memorandum does not describe all of the risks and investment considerations relating to any investment in Notes issued under the Programme and are provided as general information only. Each of the Issuers, the Arranger, the Dealers, each Counterparty, Related Agreement Guarantor, Credit Support Provider, Repurchase Counterparty and the Trustee disclaim any responsibility for advising purchasers of Notes of the risks and investment considerations associated with the purchase of Notes as they may exist at the date of this Programme Memorandum or any Issue Memorandum or as they may from time to time arise.

None of the Arranger, the Dealers, any Counterparty, Related Agreement Guarantor, Credit Support Provider, Repurchase Counterparty or the Trustee has or will have separately verified the information contained in or incorporated by reference in this Programme Memorandum or in any Supplement and accordingly none of the Arranger, the Dealers, any Counterparty, Related Agreement Guarantor, Credit Support Provider, Repurchase Counterparty or the Trustee makes or will make any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained in or incorporated by reference in this Programme Memorandum, any Issue Memorandum or any further information, notice or other document which may at any time be supplied in connection with the Notes or their distribution nor accepts any responsibility or liability therefore. None of the Arranger, the Dealers or any Counterparty, Related Agreement Guarantor, Credit Support Provider, Repurchase Counterparty or the Trustee undertakes to review the financial condition or affairs of any of the Issuers during the life of the arrangements contemplated by this Programme Memorandum nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Arranger, the Dealers, any Counterparty, Related Agreement Guarantor, Credit Support Provider, Repurchase Counterparty or the Trustee which is not included in this Programme Memorandum or any Issue Memorandum. The Arranger and Dealers disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of the Notes, the transaction documents or this Base Prospectus or any such statement.

The Notes have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission or other regulatory authority in the United States nor has the Securities and Exchange Commission or any United States federal or any state securities commission or other regulatory authority passed upon the accuracy or the adequacy of this Programme Memorandum. Any representation to the contrary is a criminal offence in the United States.

The Notes may not be offered, sold, delivered or transferred, whether directly or indirectly, other than to individuals or legal entities, whether situated in or outside the Cayman Islands (in the case of Notes issued by any Issuer incorporated in the Cayman Islands), who or which trade or invest in securities in the conduct of their profession or trade (which includes banks, securities firms, investment



institutions, insurance companies, pension funds, other institutional investors and commercial enterprises which regularly, as an ancillary activity, invest in securities).

The Issuers are not, and will not be, regulated by the Central Bank by virtue of issuing Notes. Any investment in the Notes does not have the status of a bank deposit and is not subject to the deposit protection scheme operated by the Central Bank.

This Programme Memorandum has been filed with and approved by the Central Bank as required by the Prospectus (Directive 2003/71/EC) Regulations 2005 (the "**Prospectus Regulations**"). Upon approval of this Programme Memorandum by the Central Bank, this Programme Memorandum will be filed with the Irish Companies Registration Office in accordance with Regulation 38(1)(b) of the Prospectus Regulations.

Where Lunar Funding V PLC or an Additional Issuer incorporated in Ireland wishes to issue Notes with a maturity of less than one year, it shall ensure that the Notes are issued in accordance with an exemption granted under section 8(2) of the Central Bank Act, 1971, as amended.

Notwithstanding any other express or implied agreement to the contrary, the relevant Issuer, the Arranger, the Dealers, the Trustee and the Agent and each recipient of this Programme Memorandum and each of their employees, representatives, and other agents may disclose, immediately upon commencement of discussions, to any and all persons, without limitation of any kind, the tax treatment and tax structure of any transaction arranged under this Programme and all materials of any kind (including, subject to any restrictions imposed therein, opinions or other tax analyses) that are provided to any of them relating to such tax treatment and tax structure, except where confidentiality is reasonably necessary to comply with U.S. federal or state securities laws. For purposes of this paragraph, the tax treatment of such a transaction is the purported or claimed U.S. federal income tax treatment of such transaction and the tax structure of such a transaction is any fact that may be relevant to understanding the purported or claimed U.S. federal income tax treatment of such transaction.

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

## **AVAILABLE INFORMATION**

In this Programme Memorandum, unless otherwise specified or the context otherwise requires, references to "**dollars**", "**US dollars**" and "**US\$**" are to the lawful currency for the time being of the United States of America, "**£**" and "**sterling**" are to the lawful currency of the United Kingdom and references to "**euro**" and "**EUR**" are to the currency introduced at the third stage of the European economic and monetary union pursuant to the Treaty.

**In connection with the issue and distribution of any Tranche of Notes, the Dealer (if any) disclosed as a stabilising agent (the "Stabilising Agent") in the Issue Memorandum relating to such Notes, or any person acting for him, may over-allot or effect transactions with a view to supporting the market price of the Notes of the Tranche of which such Notes form part at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Agent (or person(s) acting on behalf of any Stabilising Agent) in accordance with applicable**

**laws and rules. For a description of these activities, see "Subscription and Sale and Transfer Restrictions" below.**

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## OVERVIEW OF PROGRAMME

The following Overview is qualified in its entirety by the remainder of this document and, in relation to each Series or Tranche of Notes, the Issue Memorandum relating thereto. Capitalised terms not specifically defined in this Overview shall have the meaning given thereto in the initial paragraph under, or Condition 1 (*Definitions and Interpretation*) of, "Conditions of the Notes" below. Save as expressly referred to below, the provisions relating to any Permitted Loans shall be contained in the documents relating to such Permitted Loans and are not dealt with in this Overview of Programme or anywhere else in this Programme Memorandum.

Issuers:	<p>Lunar Funding I Limited incorporated under the laws of the Cayman Islands, Lunar Funding V PLC incorporated under the laws of Ireland and any other company which accedes to the Programme as an Issuer.</p> <p>Legal entity identifier for Lunar Funding I Limited: 549300QEI4K8R768W285</p> <p>Legal entity identifier for Lunar Funding V PLC: 213800BNPFXIGDAFQL81</p>
Description:	US\$10,000,000,000 Secured Asset-Backed Medium Term Programme.
Size:	In aggregate (for all Issuers together) up to US\$10,000,000,000 (or its equivalent in other currencies at the date of issue) nominal amount of Notes and principal amounts of Permitted Loans outstanding at any one time.
Arranger:	NatWest Markets Plc. Each Issuer may at any time appoint an additional arranger or arrangers in relation to the Programme (or Notes issued thereunder which are denominated in a specific currency).
Dealers:	<p>NatWest Markets Plc.</p> <p>Each Issuer may from time to time appoint additional dealers either in respect of one or more Series of Notes or in respect of the whole Programme or terminate the appointment of any dealer under the Programme. In this Programme Memorandum references to "<b>Permanent Dealers</b>" are to NatWest Markets Plc and to such additional persons that are appointed as dealers in respect of the whole Programme from time to time (and whose appointment has not been terminated) and references to "<b>Dealers</b>" are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Series of Notes from time to time. Notes issued to more than one Dealer on a syndicated basis will be issued pursuant to a subscription agreement (a "<b>Subscription Agreement</b>").</p>
Trustee:	Deutsche Trustee Company Limited (formerly known as Bankers Trustee Company Limited) (the " <b>Trustee</b> ").
Issuing and Principal Paying Agent:	Deutsche Bank AG, London Branch (the " <b>Agent</b> ").

Custodian:	Deutsche Bank AG, London Branch (the " <b>Custodian</b> ").
Registrar:	Deutsche Bank Luxembourg S.A. (the " <b>Registrar</b> ").
Distribution:	Notes may be distributed by way of private placement and, in each case, on a syndicated or non-syndicated basis.
Method of Issue:	<p>Notes will be issued in Series (which may or may not be serially numbered). Each Series of Notes may be divided into Tranches as follows:</p> <p><b>"Fungible Tranches"</b> being Tranches of Notes of the same Series which have one or more issue dates but are on terms otherwise identical other than in respect of the first payment of interest thereon and the date of issue and issue price thereof and which are intended to be interchangeable with all other Notes of that Series (or, in the case of a Series of Notes comprising Prioritised Tranches, all other Notes of the same Prioritised Tranche);</p> <p><b>"Prioritised Tranches"</b> being Tranches of Notes of the same Series which are issued on the same issue date, which provide that the claims of the holders of one Tranche of such Series of Notes (and, to the extent applicable, the holders of Coupons and Receipts relating thereto) may (subject to the approval from existing holders of Notes of the same Series) rank prior or be subordinated to the claims of the holders (and to the extent applicable, Couponholders) of another such Tranche or Tranches of Notes of the same Series prior to and/or following enforcement of the security over the Charged Property relating to such Series of Notes and which may be issued on terms which are different to the terms of other Tranches of Notes of the same Series; or</p> <p>such other Tranches as may be specified in the conditions and the applicable Issue Memorandum, or any combination thereof (together "<b>Tranches</b>" and each a "<b>Tranche</b>").</p> <p>The specific terms of each Series or Tranche of Notes will be set out in the applicable Issue Memorandum relating thereto. Further Fungible Tranches of Notes may only be issued as part of an existing Series subject to the Conditions of that Series.</p>
Issue Price:	Notes may be issued at their principal amount or at a discount or premium to their principal amount. Partly-paid Notes may be issued, the issue price of which will be payable in two or more instalments.

#### Form of Notes:

The Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**"). Unless otherwise specified in the applicable Issue Memorandum, each Series or Tranche of Bearer Notes will initially be represented by a Temporary Global Note if (a) Bearer Notes in definitive form are to be made available to Noteholders following the expiry of 40 days after completion of the distribution of an identifiable Tranche of such Notes or (b) such Notes are being issued in compliance with the D Rules (as defined in "Overview of Programme–Selling Restrictions" below). In all other cases, each Series or Tranche of Bearer Notes will be represented by a Permanent Global Note. The Temporary Global Note or Permanent Global Note (as the case may be) initially representing each Series or Tranche of Bearer Notes will : (i) (In respect of Lunar Funding V PLC only) if the Global Notes are intended to be issued in new global note ("**NGN**") form, as specified in the applicable Issue Memorandum, be deposited on the Issue Date thereof with a common safekeeper for Euroclear and Clearstream, Luxembourg; and (ii) if the Global Notes are not intended to be issued in NGN form, be deposited on the Issue Date thereof with a common depositary for Euroclear and Clearstream, Luxembourg (or, in the case of a Series or Tranche to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg, as agreed between the relevant Issuer, the Agent, the Arranger and the relevant Dealer).

Global Notes in NGN form are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Notes are intended upon issue to be deposited with one of the international central securities depositories as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

Definitive Bearer Notes will only be available in certain limited circumstances described in "Form of Notes–Exchange". As set forth in the Issue Memorandum, each Series or Tranche of Notes in registered form will either be represented by one or more Certificates in definitive form or by one or more Global Certificates without Coupons, deposited on the Issue Date (i) with a custodian for, and registered in the name of a nominee of, DTC and/or (ii) with, and registered in the name of a nominee for, a common depositary for Euroclear and Clearstream, Luxembourg (or, in the case of a Series or Tranche to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg, as agreed between the relevant Issuer, the Agent, the Arranger, the relevant Dealer and the Trustee). Individual definitive Certificates will only be issued in exchange for Global Certificates in the circumstances described in "Form of the Notes–Exchange" below.

Currencies:		Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in such currency or currencies as the relevant Issuer, the Arranger and the relevant Dealer agree. The issuance of Notes denominated in certain currencies, including without limitation, sterling, may be subject to certain limitations and restrictions, including, without limitation, restrictions relating to the maturity thereof.
Legal and Requirements:	Regulatory	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "Subscription and Sale and Transfer Restrictions" below).

Maturities:

Subject to compliance with all relevant laws, regulations and directives, any maturity between seven days and perpetuity, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer and/or the relevant currency.

It is not intended that Lunar Funding V PLC will issue Notes with a maturity of less than one year. Where Lunar Funding V PLC wishes to issue Notes with a maturity of less than one year, it shall ensure that it is in full compliance with the conditions set out in Notice BSDC 01/02 dated 12 November 2002 (as amended from time to time) issued by the Central Bank pursuant to Section 8(2) of the Central Bank Act, 1971 (as amended) of Ireland, including that the Notes comply with, inter alia, the following criteria:

- (i) at the time of issue, the Notes must be backed by assets to at least 100 per cent. of the value of the Notes issued;
- (ii) at the time of issue, the Notes must be rated at least investment grade by one or more recognised rating agencies;
- (iii) the Notes must be issued and transferable in minimum denominations of €300,000 or the foreign currency equivalent;
- (iv) the Notes carry the title "Commercial Paper" (unless constituted under the laws of a country other than Ireland and, under those laws, the commercial paper carries a different title in which case it must carry such title) and must identify the issuer by name;
- (v) it must be stated explicitly on the face of the Notes and, where applicable, in the contract between the Issuer and the initial investor in the Notes that they are issued in accordance with an exemption granted by the Central Bank under Section 8(2) of the Central Bank Act, 1971, inserted by Section 31 of the Central Bank Act, 1989, as amended by Section 70(d) of the Central Bank Act, 1997 each amended by the Central Bank and Financial Services Authority of Ireland Act, 2004;



- (vi) it must be stated explicitly on the face of the Notes and, where applicable, in the contract between the Issuer and the initial investor in the Notes that the investment does not have the status of a bank deposit, is not within the scope of the Deposit Protection Scheme operated by the Central Bank and that the Issuer is not regulated by the Central Bank arising from the issue of the Notes; and
- (vii) any issue of Notes which is guaranteed must carry a statement to the effect that it is guaranteed and identify the guarantor by name.

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

Denomination:

Notes in definitive form and interests in Global Certificates will be in such denominations as may be specified in the applicable Issue Memorandum save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant currency (see "Maturities" above).

Status of Notes:

The Notes of each Series will constitute secured, limited recourse obligations of the relevant Issuer, ranking *pari passu* without any preference (except in the case of Prioritised Tranches of Notes) with other Notes of the same Series and secured in the manner described under "Security" below. Notes of each Tranche will rank *pari passu* without any preference among themselves.

The Issue Memorandum applicable to each Series of Notes may specify the order in which payments are to be made to holders of the Notes, Receipts and Coupons (if any) relating to such Series of Notes and to the other creditors of the relevant Issuer specified in such Issue Memorandum as Transaction Creditors prior to enforcement of the security over the Charged Property (the "**Pre-enforcement Waterfall**") on each Interest Payment Date (or such other date as may be specified) out of amounts received by such Issuer in respect of the Underlying Assets on which such Notes are secured and otherwise.

Security:

Each Series of Notes issued under the Programme will be secured by (a) a first fixed charge over the Underlying Assets relating to that Series of Notes, (b) an assignment by way of security of the relevant Issuer's rights under any Related Agreement and/or Repurchase Agreement entered into in connection with the Notes, as specified in the applicable Issue Memorandum, (c) a first fixed charge over, or assignment by way of security of, all moneys standing to the credit of any Accounts established in connection

with the Notes, (d) an assignment by way of security of the relevant Issuer's rights under the Custody Agreement (if any) entered into in connection with the Notes, (e) a first fixed charge over all sums held by the Agent to meet payments due in respect of the relevant Notes, (f) an assignment by way of security of the relevant Issuer's rights under the Agency Agreement insofar as they relate to such Notes, (g) an assignment by way of security of the relevant Issuer's rights under the Asset Management Agreement (if any) insofar as they relate to such Notes, (h) a first fixed charge over all the relevant Issuer's rights as against the Custodian in respect of any sums or other assets standing to the credit of the Repurchase Accounts, (i) a first fixed charge over the proceeds receivable by or on behalf of the Issuer upon the sale, termination or liquidation of any of the Charged Property and (j) such additional or alternative security (if any) as may be described in the Issue Memorandum and the Supplemental Trust Deed relating to such Notes (together the "**Charged Property**").

The security over the Charged Property relating to each Series of Notes will be granted in favour of the Trustee for the benefit of the Trustee itself, the applicable Noteholders and Couponholders and the other Secured Parties, who shall include the Trustee, each Counterparty, each Credit Support Provider, the Agents, the Custodian and each other entity specified as a Secured Party in the applicable Issue Memorandum, in respect of amounts payable to such Secured Parties in connection with the Notes (or agreements relating thereto). The claims (together the "**Secured Obligations**") of the Secured Parties in respect of the applicable Charged Property will rank in accordance with the Order of Priority (as defined below) indicated in the applicable Issue Memorandum.

The security over the Charged Property relating to each Series of Notes will be constituted by a Supplemental Trust Deed which (together with the Principal Trust Deed) will govern the respective rights of the applicable Secured Parties.

In addition to the above, pursuant to the Principal Trust Deed, the relevant Issuer has granted to the Trustee, for the benefit of the creditors to whom it owes Administrative Expenses from time to time and the Lender, a first fixed charge over the Expense Reserve Account as security for the obligations of such Issuer to each of such entities. The Expense Reserve Account shall not constitute security for any Series of Notes.

#### Limited Recourse:

Claims against the relevant Issuer by holders of Notes, Receipts and Coupons of each Series of Notes issued by it will be limited to the Charged Property relating to such Series. The net proceeds of realisation of the security over the Charged Property relating to each Series of Notes will be applied in accordance with the Order of Priority specified in the applicable Issue Memorandum. The obligations of the relevant Issuer in respect of the amounts payable in accordance with such Order of Priority (including amounts payable in respect of the Notes) will be limited to such net proceeds. In the event that such net proceeds are less than the aggregate amount payable in accordance with the applicable Order

of Priority (such negative amount being referred to as a "**shortfall**"), the other assets of the relevant Issuer will not be available for payment of such shortfall (all claims in respect of which shall be extinguished) and which shall be borne by the creditors of the relevant Issuer specified in accordance with such Order of Priority (applied in reverse order).

Non Petition:

In addition, at any time whilst the Notes are outstanding and in any event until the date falling one year and one day, or in the case of Notes issued by Lunar Funding V PLC, the date falling two years and one day, after the date on which any Note and/or a Permitted Loan issued by any of the Issuers under the Programme is scheduled to mature, none of the Noteholders, Couponholders, the Trustee or the other Transaction Creditors (nor any other person acting on behalf of any of them) shall be entitled to institute against the relevant Issuer, or join in any institution against the relevant Issuer of, any bankruptcy, reorganisation, arrangement, examination, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations relating to the Notes, the Coupons, the Receipts, the Trust Deed or the other Transaction Documents, save for lodging a claim in the liquidation of an Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the relevant Issuer nor shall any of them have any claim arising in respect of the share capital of the relevant Issuer or the Charged Property for any other Series of Notes or any Permitted Loan (other than pursuant to the terms and conditions of such Notes or any agreement entered into in respect thereof).

Underlying Assets:

The Underlying Assets on which each Series of Notes are secured may comprise bonds, notes, shares or other securities of any form, denomination, type and issuer, the benefit of loans and other contractual rights (including, without limitation, with respect to sub-participations or swap, option, exchange and hedging arrangements, repurchase agreements and other derivative instruments) and/or other assets (and may include guarantees of such bonds, notes, rights or other assets) all as more particularly specified in the applicable Issue Memorandum.

The Underlying Assets may be deposited with, or held by, the custodian (the "**Custodian**") indicated in the applicable Issue Memorandum on behalf of the Trustee pursuant to a custody agreement entered into by the relevant Issuer, the Trustee and the Custodian.

Substitution of Underlying Assets:

The applicable Issue Memorandum in respect of each Series or Tranche of Notes will state whether and in what circumstances the Underlying Assets may be substituted.

Related Agreement(s):

In connection with any Series or Tranche of Notes, the relevant Issuer may enter into a swap, cap, floor, collar, option, forward or other hedging agreement(s) or derivative contract(s) or any combination thereof in order to provide some or all of the cash flows for the payment of interest and principal on such Notes in

circumstances where payments under the Underlying Assets do not reflect the currency and/or amount of interest and/or principal of the Notes and/or in such other circumstances and on such terms as are specified in the applicable Issue Memorandum.

**Repurchase Agreement:**

In connection with any Series or Tranche of Notes, the relevant Issuer may enter into a repurchase agreement (a "**Repurchase Agreement**") with a repurchase counterparty (the "**Repurchase Counterparty**") under which the Repurchase Counterparty may require the transfer to it of any amount of the Underlying Assets (the "**Purchased Collateral**") to it against payment to such Issuer of a purchase price (which may be satisfied in whole or in part by the delivery of certain bonds, notes or securities), and on terms that the Repurchase Counterparty shall be obliged to deliver the Purchased Collateral or an amount of debt or equity securities equivalent to such Purchased Collateral ("**Fungible Collateral**") (or, if so specified in the relevant Issue Memorandum, cash or other assets equal to the then current market value of such Purchased Collateral) to the relevant Issuer on a specified date against payment of a repurchase price (which may be satisfied in whole or in part by the delivery of the bonds, notes or securities which comprised (in whole or part) the purchase price). Unless otherwise specified in the relevant Issue Memorandum, until such delivery, all payments of principal and interest in respect of the Purchased Collateral will be made to the Repurchase Counterparty. The principal terms of such Repurchase Agreement will be set out in the relevant Issue Memorandum. A summary of such Repurchase Agreement, together with a description of the Repurchase Counterparty will be set out in any applicable Issue Memorandum produced in respect of the Notes.

The relevant Issuer's rights under any Repurchase Agreement will be assigned to the Trustee as security for the applicable Secured Obligations pursuant to the applicable Supplemental Trust Deed.

**Collection of Payments:**

Payments of interest and principal and any other amounts in respect of the Underlying Assets together with any amounts payable to the relevant Issuer under a Related Agreement relating to any Series of Notes will be credited to the account of the relevant Issuer specified in the applicable Issue Memorandum. The Supplemental Trust Deed shall, to the extent applicable or appropriate, specify where other amounts payable to the relevant Issuer in respect of the Charged Property shall be paid. All amounts received by the Custodian, the Account Bank (if any) or such other person as may be specified in respect of the Charged Property shall be applied as set out in the applicable Supplemental Trust Deed.

**Credit Support Document(s):**

Certain Series or Tranches of Notes may be issued with the benefit of letters of credit, guarantees or other credit enhancement arrangements provided by a Credit Support Provider, the principal terms of which will be set out in the applicable Issue Memorandum.

Asset Manager:	<p>An asset manager (each an "<b>Asset Manager</b>") may be appointed to manage the Underlying Assets on which a Series of Notes is secured on behalf of the relevant Issuer thereof. The functions and duties of any Asset Manager appointed in respect of any issue of Notes (which functions may include the sale and/or purchase of Underlying Assets and/or entry into Related Agreements) will be set out in an asset management agreement (each an "<b>Asset Management Agreement</b>") between (amongst others) the relevant Issuer, the Trustee and such Asset Manager. The principal terms of such Asset Management Agreement (insofar as they may have any effect on the Notes) will be set out in the applicable Issue Memorandum. A summary of such Asset Management Agreement, together with a description of the Asset Manager, will be set out in any applicable Issue Memorandum produced in respect of such Notes.</p> <p>The relevant Issuer's rights under any Asset Management Agreement will be assigned to the Trustee as security for the applicable Secured Obligations pursuant to the applicable Supplemental Trust Deed.</p>
Accounts:	<p>The Account Bank appointed pursuant to the Agency Agreement shall be NatWest Markets Plc. All amounts received by the relevant Issuer in respect of the Underlying Assets and/or any Related Agreement relating to any Series of Notes shall be paid to the applicable Account Bank and recorded by NatWest Markets Plc in a separate ledger (each an "<b>Account</b>") details of which shall be specified in the applicable Issue Memorandum. A first fixed charge over each such Account will be granted in favour of the Trustee as security for the applicable Secured Obligations pursuant to the applicable Supplemental Trust Deed.</p>
Fixed Rate Notes:	<p>Fixed interest will be payable in arrear on the date or dates in each year specified in the applicable Issue Memorandum.</p>
Floating Rate Notes:	<p>Floating Rate Notes will bear interest set separately for each Tranche or Series by reference to LIBOR or EURIBOR (or other such Benchmark as may be specified in the applicable Issue Memorandum) as adjusted for any applicable Margin. Interest Periods will be specified in the applicable Issue Memorandum.</p>
Zero Coupon Notes:	<p>Zero Coupon Notes will not bear interest and may be issued at a discount to their principal amount.</p>
Interest Rates and Interest Periods:	<p>The length of the interest periods for Notes issued under the Programme and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Tranche or Series. Notes may have a minimum interest rate, a maximum interest rate, or both. The use of Interest Accrual Periods permits Notes to bear interest at different rates in the same Interest Period. All such information will be set out in the applicable Issue Memorandum.</p>
Variable Redemption Amount and Variable Coupon Amount	<p>The Issue Memorandum issued in respect of each issue of Variable Redemption Amount Notes and Variable Coupon Amount Notes</p>

Notes:	will specify the basis for calculating the redemption amounts and amounts of interest, respectively, payable in respect thereof, which may be by reference to an index or formula or as otherwise provided in the applicable Issue Memorandum. Notes issued on terms that they must be redeemed before their first anniversary may be subject to restrictions on their denomination and distribution (see "Maturities" above).
Terms of Other Notes:	Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, Dual Currency Notes, optional and reverse Dual Currency Notes, Partly-Paid Notes and any other type of Note that the relevant Issuer, the Arranger and any Dealer or Dealers may agree to issue under the Programme will be set out in the applicable Issue Memorandum.
Redemption by Instalments:	The Issue Memorandum issued in respect of each Series or Tranche of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Mandatory Redemption:	<p>The Issue Memorandum issued in respect of each Series or Tranche of Notes will state whether such Notes shall be subject to mandatory redemption in certain circumstances (in whole or in part) including, without limitation, in the event that:</p> <ul style="list-style-type: none"> <li>(a) the Underlying Assets on which such Notes are secured become repayable prior to their stated maturity;</li> <li>(b) a payment default occurs in respect of any such Underlying Assets (without, unless otherwise specified in the applicable Issue Memorandum, regard to any grace period);</li> <li>(c) any Related Agreement is terminated in whole in certain circumstances;</li> <li>(d) any Repurchase Agreement is terminated in whole in certain circumstances;</li> <li>(e) a Credit Event (as defined in the applicable Issue Memorandum) occurs; or</li> <li>(f) the relevant Issuer would suffer tax in respect of its income in respect of the Underlying Assets or payments made to it under a Related Agreement, or would receive net of any tax any payments in respect of the Underlying Assets or payments made to it under a Related Agreement, so that it would be unable to make payment of any amount due under the Notes.</li> </ul>
Redemption following an Administrator/Benchmark Event:	The Issue Memorandum issued in respect of each Series or Tranche of Notes will state whether such Notes shall be subject to a redemption (in whole but not in part) in certain circumstances following an Administrator/Benchmark Event in respect of the

## Notes or the Underlying Assets.

Modifications upon a Regulatory Requirement Event or Sanctions Event:

In respect of each Series or Tranche of Notes, the Issuer must (if certain criteria are satisfied) implement certain Regulatory Modifications to the Conditions or a Transaction Document, a Related Agreement, a Repurchase Agreement or Credit Support Document, without the consent of the Trustee or Noteholders, if, broadly, such modifications are required for the Issuer, an Appointed Agent, the Custodian, a Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider, or the Notes or any of the abovementioned document to comply or to continue to comply with certain regulatory or sanctions-related requirements.

Optional Redemption:

The Issue Memorandum issued in respect of each Series or Tranche of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the relevant Issuer or the Noteholders (either in whole or in part), and if so the terms applicable to such redemption, including, in the circumstances described under "Withholding Tax" below.

Exchange Options:

The Issue Memorandum relating to each Series or Tranche of Notes will state whether:

- (a) the holders of such Notes will have a right to call for delivery of the Underlying Assets on which such Notes are secured in certain circumstances in exchange for the delivery and surrender of such Notes; and/or
- (b) the holders of an existing Series of Notes (the "**Existing Series**") may elect to exchange the Existing Series for a new Series of Notes (the "**New Series**") to be issued by the relevant Issuer.

The detailed terms and conditions applicable to any such exchange option will be set out in full in the applicable Issue Memorandum.

Substitution of Issuers:

The Trustee and the relevant Issuer are permitted to agree to the substitution of another company, subject to the fulfilment of certain conditions, as more fully set out in Condition 14 (*Meetings of Noteholders, Modifications, Waiver and Substitution*) of the Notes and the Trust Deed.

Restrictions on the Issuers:

So long as any of the Notes remains outstanding, none of the Issuers will, without the consent of the Trustee, amongst other things, incur any other indebtedness for borrowed moneys (except as described below) or engage in any business, declare any dividends or have any subsidiaries (other than as described elsewhere in this Programme Memorandum). Any Issuer may borrow monies evidenced by a loan agreement (and/or equivalent documents) and incur other forms of indebtedness ("**Permitted Loans**") upon terms that such Permitted Loans are not secured on the Charged Property for any existing outstanding Series of Notes or other Permitted Loan or the relevant Issuer's share capital, and that recourse is limited to any additional assets secured in respect

of such Permitted Loans.

Cross Default:

None.

Rating:

The Programme is not rated but individual Series of Notes or Tranches issued hereunder by an Issuer may be rated. Each Series of Notes (or Tranches thereof) issued by Lunar Funding I Limited may be rated or reviewed by Moody's and S&P, and may be rated by such other rating agency or agencies as Lunar Funding I Limited, the Arranger and the relevant Dealer may from time to time agree. Each Series of Notes (or Tranches thereof) issued by Lunar Funding V PLC may be rated or reviewed by the Lunar V First Issue Rating Agency (and may be rated by such other rating agency or agencies as Lunar Funding V PLC, the Arranger and the relevant Dealer may from time to time agree). Each of Lunar Funding I Limited and Lunar Funding V PLC may also issue unrated Series of Notes. Details of such ratings (if any) will be specified in the applicable Issue Memorandum. Each of Lunar Funding I Limited and Lunar Funding V PLC has given certain covenants in respect of the provision of information to Moody's regarding Series of Notes rated by, and not rated by, Moody's, as set out in the Principal Trust Deed. A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant agency.

Withholding Tax:

All payments of principal and interest by the relevant Issuer in respect of the Notes and the Receipts and Coupons relating thereto shall be made free and clear of, and without any withholding or deduction for, or on account of, any taxation unless such withholding or deduction is required by law.

In the event of the imposition of any such taxes under Cayman Islands law or Irish law as applicable, the relevant Issuer shall not be required to gross up any payments in respect of the Notes but shall, however, use all reasonable endeavours (subject to the consent of the Trustee and any Instructing Creditor and the fulfilment of certain other Conditions) to eliminate the imposition of such tax, including by arranging for the substitution of its obligations by a company incorporated in another jurisdiction or by changing its residence for taxation purposes to another jurisdiction, failing which all (and not some only) of the Notes may be subject to redemption at the option of the Noteholders (acting by Extraordinary Resolution), to the extent so provided in the applicable Issue Memorandum.

Governing Law:

The Notes, the Principal Trust Deed and each Supplemental Trust Deed and any non-contractual obligations arising from the foregoing will be governed by English law.

Listing:

Notes of a particular Series may be listed on Euronext Dublin or on such other or additional stock exchanges as may be specified in the applicable Issue Memorandum. The applicable Issue Memorandum will state whether or not the relevant Notes are to be listed, and if so, on which stock exchange(s). Unlisted Notes may



also be issued.

Listing Agent:

A&L Listing Limited

Selling Restrictions:

There are restrictions on the sale of Notes and the distribution of offering materials in various jurisdictions. See "Subscription and Sale and Transfer Restrictions".

Bearer Notes will be issued in compliance with US Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**D Rules**") unless (a) the applicable Issue Memorandum states that Notes are issued in compliance with US Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**C Rules**") or (b) the Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute "registration required obligations" under the United States Tax Equity and Fiscal Responsibility Act of 1982 ("**TEFRA**"), which circumstances will be referred to in the applicable Issue Memorandum as a transaction to which TEFRA is not applicable.

Transfer Restrictions:

Notes are transferable only in accordance with the transfer restrictions set out under "Subscription and Sale and Transfer Restrictions" below.

Costs of the Programme:

***Establishment Costs in respect of the Cayman Issuer***

On the date of establishment of the Programme, National Westminster Bank Plc made a loan (each, a "**Loan**") to the Cayman Issuer pursuant to a loan agreement dated 9th November, 1999, as amended by a supplemental loan agreement dated 20<sup>th</sup> June, 2000, between Lunar Funding I Limited and National Westminster Bank Plc (as amended, supplemented or novated, the "**Cayman Issuer Loan Agreement**"). The Loan was novated to NatWest Markets Plc (the "**Lender**" which expression shall include its permitted successors and assigns) pursuant to a novation agreement between the Cayman Issuer, the Lender and National Westminster Bank Plc dated 14<sup>th</sup> October, 2002. Interest accrues on such Loan during, and is payable at the end of, interest periods of three months, save that to the extent that there are insufficient amounts standing to the credit of the Cayman Issuer's ledger in the Expense Reserve Account (LUN1) (as referred to below) from time to time to pay such amounts (together with all Administration Expenses which the Cayman Issuer anticipates will be payable in the next calendar year) such interest ceases to be payable to the extent of such shortfall. The Cayman Issuer applied amounts drawn down under the Cayman Issuer Loan Agreement in payment of:

- (a) all fees and expenses payable in connection with its incorporation and the establishment of the Programme, including, without limitation, all legal fees and expenses (including any value added tax payable thereon) incurred in connection therewith; and
- (b) amounts drawn down remaining following payment of

amounts referred to in paragraph (a) above to the Account Bank to be credited to a separate ledger maintained by the Account Bank on behalf of the Cayman Issuer (as part of the Expense Reserve Account under the identification number LUN1).

Pursuant to the terms of the Cayman Issuer Loan Agreement, amounts outstanding thereunder will become repayable (inter alia) on the date on which there are no further Notes or Permitted Loans issued by the Cayman Issuer outstanding under the Programme or such later date as may be agreed between the Cayman Issuer and the Lender or immediately following the occurrence of an event of default under such Cayman Issuer Loan Agreement. In respect of any claim under the Cayman Issuer Loan Agreement, the Lender shall have recourse only to the Expense Reserve Account and not in any circumstances to the assets of the Cayman Issuer secured in favour of the Secured Parties in respect of any Series of Notes or Permitted Loans. In the event that amounts standing to the credit of the Expense Reserve Account and/or the proceeds of enforcement of the security over such account applied in the order of priority specified in the Principal Trust Deed are insufficient to meet any such claims of the Lender, the Cayman Issuer will not be obliged to pay such shortfall and all claims of the Lender in respect of such shortfall shall be extinguished.

#### ***Costs in respect of Lunar Funding V PLC***

Pursuant to a loan agreement dated 2<sup>nd</sup> June, 2004 between Lunar Funding V PLC and the Lender (as amended, supplemented or novated, the "**Lunar V Loan Agreement**") the Lender has granted to Lunar Funding V PLC a revolving credit facility under which advances may be made in a maximum aggregate amount of £250,000. Interest accrues on the amount borrowed under the Lunar V Loan Agreement (the "**Lunar V Loan**") during, and is payable at the end of, interest periods of three months (or of such other length as may be agreed between Lunar Funding V PLC and the Lender), save that to the extent that there are insufficient amounts standing to the credit of Lunar Funding V PLC's ledger in the Expense Reserve Account (LUN5) (as referred to below) from time to time to pay such amounts (together with all Administration Expenses which Lunar Funding V PLC anticipates will be payable in the next calendar year) such interest ceases to be payable to the extent of such shortfall. Lunar Funding V PLC will apply amounts drawn down under the Lunar V Loan Agreement in payment of:

- (a) all fees and expenses payable by it in connection with the Programme and the issuance of Notes and Permitted Loans by it thereunder, including, without limitation, all legal fees and expenses (including any value added tax payable thereon) incurred in connection therewith; and
- (b) amounts drawn down remaining following payment of amounts referred to in paragraph (a) above to the Account Bank to be credited to a separate ledger maintained by the Account Bank on behalf of Lunar Funding V PLC (as part

of the Expense Reserve Account under the identification number LUN5).

Pursuant to the terms of the Lunar V Loan Agreement, amounts outstanding thereunder will become repayable (inter alia) on the date on which there are no further Notes and Permitted Loans issued by Lunar Funding V PLC outstanding under the Programme or such later date as may be agreed between Lunar Funding V PLC and the Lender, immediately following the occurrence of an event of default under the Lunar V Loan Agreement or at any time upon demand of the Lender. In respect of any claim under the Lunar V Loan Agreement, the Lender shall have recourse only to the Expense Reserve Account and not in any circumstances to the assets of Lunar Funding V PLC secured in favour of the Secured Parties in respect of any Series of Notes or Permitted Loans. In the event that amounts standing to the credit of the Expense Reserve Account and/or the proceeds of enforcement of the security over such account applied in the order of priority specified in the Principal Trust Deed are insufficient to meet any such claims of the Lender, Lunar Funding V PLC will not be obliged to pay such shortfall and all claims of the Lender in respect of such shortfall shall be extinguished.

#### ***Issuers' Ongoing Expenses***

In addition to amounts drawn down under the Cayman Issuer Loan Agreement by the Cayman Issuer and under the Lunar V Loan Agreement by Lunar Funding V PLC as referred to above, each Issuer shall procure that a percentage (determined at its discretion) of the proceeds of issue of each Series of Notes and, in certain circumstances, a percentage of amounts receivable by each Issuer in respect of the Charged Property relating to such Series, shall be paid to the Account Bank and credited to the relevant ledger in the Expense Reserve Account on the date of issue, in an amount sufficient, when aggregated with the other amounts standing to the credit of the Expense Reserve Account, to meet the ongoing fees and expenses of the relevant Issuer and to build a reserve to meet any extraordinary expenses which might arise. Each Issuer has, pursuant to its respective Management Agreement (as defined in the Conditions), authorised the Jersey Manager or the Irish Manager (in the case of Lunar Funding V PLC) to pay Administrative Expenses on its behalf which are payable other than on the Issue Date of any Series of Notes upon presentation of invoices therefor.

#### ***Upfront Issue Expenses***

All fees and expenses payable in connection with any Series of Notes on or prior to the Issue Date thereof, including, without limitation, fees and expenses payable by the Issuers to the Trustee pursuant to the Trust Deed, the Agents pursuant to the Agency Agreement, the Custodian pursuant to the Custody Agreement, independent legal advisers of the Issuers and such other fees and expenses as may be payable shall be paid out of the proceeds of

issue of such Notes.

Certain of such upfront issue expenses may be repayable to the relevant Issuer in the event of the early redemption of the Notes of the relevant Series. The proceeds of such repayment shall be credited to the Expense Reserve Account.

## **RISK FACTORS**

The following is a summary of certain aspects of the issue of Notes about which prospective Noteholders should be aware but is not intended to be exhaustive and potential Noteholders should read the detailed information set out elsewhere in this document.

The Notes will be solely obligations of the relevant Issuer. The Notes will not be obligations or responsibilities of the Arranger, the Dealers, the Agent, the Paying Agent, the Registrar, the Transfer Agent, the Calculation Agent, the Determination Agent, the Trustee, the Asset Manager (if any), the Share Trustees or the Custodian (or any affiliate of any such company).

### **1. Suitability**

Prospective purchasers of the Notes should ensure that they understand the nature of such Notes and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Notes and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition.

### **2. Credit Risk**

Investment in the Notes involves a degree of risk, including risks arising from fluctuations in the amount and timing of receipt of amounts payable in respect of the Underlying Assets by or on behalf of the relevant Issuer and the amounts of the claims of creditors of the relevant Issuer ranking in priority to the Noteholders. In particular, prospective purchasers of the Notes should be aware that the amount and timing of payment of the amounts payable in respect of the Underlying Assets will depend upon the detailed terms of the documentation relating to each issue of securities and on whether or not the issuer of any Underlying Assets defaults in its obligations thereunder.

### **3. Limited Recourse**

The Notes are limited recourse obligations of the relevant Issuer. Payments due in respect of the Notes prior to redemption or acceleration thereof will be made solely out of amounts received by or on behalf of the relevant Issuer in respect of the Charged Property. In addition, payments on the Notes both prior to and following enforcement of the security over the Charged Property may be subordinated to or rank *pari passu* with the prior payment of certain other amounts in accordance with the Pre-Enforcement Waterfall and/or Order of Priority specified in the applicable Issue Memorandum. The net proceeds of liquidation of the Charged Property (in the case of redemption of the Notes) or the realisation of the security thereover (in the case of enforcement thereof following an Event of Default) will depend on various factors including the market price of the Underlying Assets at the time of sale thereof and may be insufficient to pay all amounts due to the Noteholders after making payments to other creditors of the relevant Issuer ranking prior to, or *pari passu* with, the relevant Noteholders.

If the net proceeds of realisation of the security over the Charged Property constituted by the Trust Deed upon enforcement thereof are less than the aggregate amount payable in such circumstances by the relevant Issuer in respect of the Notes and to the other Transaction Creditors (such negative amount being referred to herein as a "**shortfall**"), the obligations of the relevant Issuer in respect of the Notes and its obligations to the other Transaction Creditors in such circumstances will be limited to such net proceeds which shall be applied in accordance with the Order of Priority. In such circumstances the other assets (if any) of the relevant Issuer will not be available for payment of such shortfall which shall be borne by the

Transaction Creditors in accordance with such order of priority (applied in reverse order), the rights of the Transaction Creditors to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders or the other Transaction Creditors may take any further action to recover such amounts.

In addition, none of the Noteholders, the Trustee or other Transaction Creditors (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the relevant Issuer, or join in any institution against the relevant Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the relevant Issuer relating to the Notes of any Series, the applicable Trust Deed or otherwise owed to the Transaction Creditors, save for lodging a claim in the liquidation of the relevant Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the relevant Issuer.

#### **4. Taxation**

- (a) There is no obligation on any of the Issuers to gross up for amounts withheld or deducted from any payments made to Noteholders on account of tax where such withholding or deduction is required by law or any relevant taxing authority. Any such withholding or deduction shall not constitute an Event of Default under Condition 12(a) (*Events of Default*) of the Notes.
- (b) Amounts paid to the relevant Issuer in respect of interest on the Underlying Assets may be paid after deduction or withholding on account of taxation subject to any applicable grossing up provisions in the terms and conditions of such Underlying Assets.

#### **5. Security**

- (a) Save to the extent specified otherwise in the applicable Issue Memorandum, the Underlying Assets will be held by the Custodian. The Custodian may hold Underlying Assets (i) through its accounts with Clearstream, Luxembourg, Euroclear and/or DTC or (ii) through its sub-custodians who will in turn hold such Underlying Assets both directly and through any appropriate clearing system. Those Underlying Assets held in clearing systems will not be held in segregated, special purpose accounts and will be fungible with other securities from the same issue held in the same accounts on behalf of other customers of the Custodian or its sub-custodian, as the case may be. Security in respect of the Underlying Assets is taken at the custodian level by an assignment of the relevant Issuer's contractual rights against the Custodian under the Custody Agreement. Similarly cash held in Accounts of each of the Issuers at the Account Bank will be fungible with other cash held by the relevant Issuer in the applicable Account Bank. The security over such Accounts taken pursuant to the Trust Deed relating to each Series of Notes will take effect as an assignment by way of security of the relevant Issuer's rights to call for delivery of amounts which are recorded by the applicable Account Bank as standing to the credit of such Account.
- (b) Although the security over the Charged Property held from time to time, including the security over the Underlying Assets and the Accounts is expressed to take effect as a fixed charge, it may in certain circumstances take effect as a floating charge which, in particular, would rank after a subsequently created fixed charge. However each Issuer has covenanted not to create any such subsequent charges in relation to the relevant Charged Property without the consent of the Trustee.

#### **6. Third Party Information**

The Noteholder acknowledges and agrees that the Issuers have only made very limited enquiries with regards to the accuracy and completeness of the Third Party Information and the Noteholder is not relying upon, and has made its own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information.

## **7. The proposed financial transactions tax (“FTT”)**

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

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

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## **8. European Market Infrastructure Regulation and Markets in Financial Instruments Directive**

Regulation (EU) No 648/2012 of the European Parliament and Council on OTC derivatives, central counterparties and trade repositories dated 4 July 2012 (“**EMIR**”) came into force on 16 August 2012. EMIR and the regulations made under it imposes certain obligations on parties to OTC derivative contracts according to whether they are “financial counterparties”, such as European investment firms, alternative investment funds, credit institutions and insurance companies, or other entities which are “non-financial counterparties” or third country entities equivalent to “financial counterparties” or “non-financial counterparties”. EMIR establishes certain requirements for OTC derivatives contracts including mandatory clearing obligations, bilateral risk-management requirements and reporting requirements. These requirements are subject to phased implementation. Investors should be aware that certain currently applicable requirements of EMIR impose obligations on the relevant Issuer, to the extent it enters into derivative transactions, and future requirements of EMIR are likely to impose further obligations on the relevant Issuer.

Financial counterparties will be subject to a general obligation, to clear through a duly authorised or recognised central counterparty all “eligible” OTC derivative contracts entered into with other counterparties subject to the clearing obligation. They must also undertake certain risk-mitigation techniques in respect of OTC derivative contracts which are not cleared by a central counterparty such as timely confirmation of terms, portfolio reconciliation and compression and the implementation of dispute resolution procedures. Non-cleared OTC derivatives entered into by financial counterparties must also be marked to

market and collateral must be exchanged. Non-financial counterparties are exempted from the clearing obligation and certain of the additional risk mitigation obligations (such as posting of collateral) provided the gross notional value of all derivative contracts entered into by the non-financial counterparty and other non-financial counterparties within its “group”, excluding eligible hedging transactions, do not exceed certain thresholds (set per asset class of OTC derivatives).

Investors should, in particular, be aware that should any future obligation of EMIR require the relevant Issuer to modify the economic terms of any derivative transaction into which it enters, there is a risk that this may materially increase the costs associated with such derivative transaction or replacement derivative transaction. This is a particular risk should any derivative transaction into which the relevant Issuer enters become subject to (i) the requirement to exchange segregated collateral with the Counterparty to such transaction, which forms a part of the risk-management requirements, or (ii) to mandatory clearing. It is not currently possible to conclude with any certainty whether the relevant Issuer will be or become subject to such requirements or obligations as there remains legislative uncertainty with respect to the scope of such requirements and obligations, which are not yet in effect. However, irrespective of becoming subject to such requirements or obligations, and irrespective of it becoming necessary to amend or replace derivative transactions into which the relevant Issuer enters, the relevant Issuer may in any event have to bear certain costs or fees arising out of steps it is required to take to comply with the requirements of EMIR. Investors should therefore be aware of the risk that the requirements of EMIR may require amendment to derivative transactions and/or materially increase the costs of entering into derivative transactions which may in certain circumstances result in a redemption event with respect to the Notes (if such increase in costs is specified as an Additional Redemption Event in the applicable Issue Memorandum). The Cayman Issuer has entered into an "EMIR Portfolio Reconciliation and Dispute Resolution Deed" dated 3 March 2015 with NatWest Markets Plc (formerly known as The Royal Bank of Scotland plc) in order to facilitate compliance with EMIR. The Irish Issuer has entered into an "EMIR Portfolio Reconciliation and Dispute Resolution Deed" dated 28 May 2014 with NatWest Markets Plc in order to facilitate compliance with EMIR.

Finally, investors should be aware that the relevant Issuer may be required to disclose the details of any derivative transaction into which it enters to a ‘trade repository’ and/or to regulatory authorities as a consequence of the requirements of the trade reporting obligation under EMIR. The Irish Issuer has entered into an "EMIR Delegated Transaction Reporting Agreement" with NatWest Markets Plc dated 12 May 2014 to facilitate compliance with this disclosure requirement.

## **9. Alternative Investment Fund Managers Directive**

EU Directive 2011/61/EU on Alternative Investment Fund Managers (“AIFMD”) came into force on 21 July 2011 and the requirements thereunder were broadly implemented into the national laws of the Member States of the European Union by 22 July 2013.

AIFMD provides, amongst other things, that all alternative investment funds must have a designated alternative investment fund manager with responsibility for portfolio and risk management. If AIFMD were to apply to the relevant Issuer, the relevant Issuer would need to be appropriately regulated.

Investors should therefore be aware of the risk that the requirements of AIFMD may result in a redemption event with respect to the Notes (if any of the requirements of AIFMD are specified as an Additional Redemption Event in the applicable Issue Memorandum).



Given the material and presently unknown extent of the risks which may affect the Notes as a consequence of the application of AIFMD, potential investors in the Notes should take independent advice and make an independent assessment about such risks in the context of any potential investment decision with respect to the Notes.

#### **10. Risks relating to bank recovery and resolution regimes**

One consequence of the global financial crisis has been the regulatory focus on recovery and resolution regimes for financial institutions, the purpose of which is to allow supervisory authorities to take action to manage financial institutions in the event they are unable to perform their principal economic functions.

To this end the European Union has published framework legislation for bank recovery and resolution under Directive 2014/59/EEC, as amended ("**BRRD**"). The BRRD provides supervisory authorities with certain powers to manage financial institutions in an orderly manner. Such powers include:

- the introduction of a bail-in power, which gives the resolution authorities the power to write down certain liabilities and to convert certain liabilities into ordinary shares or other instruments of the surviving entity (if any);
- powers to suspend enforcement or termination rights that might be invoked as a result of the exercise of the resolution powers; and
- powers to effect a close-out of derivative transactions and determine the value of such transactions.

The taking of any actions by the relevant resolution authorities under any regime in respect of a Counterparty and a Related Agreement may adversely affect Noteholders. If a Counterparty is within the scope of any implementing legislation by reason of the relevant Related Agreement being a liability of the type which may fall within the implementing legislation, then:

- (a) any applicable bail-in power might be exercised in respect of the Related Agreement to write down or convert any claim of the Issuer as against such person;
- (b) any applicable suspension power might prevent the Issuer from exercising any termination rights under the Related Agreement; or
- (c) any applicable close-out power might be exercised to enforce a termination of the Related Agreement and to value the transactions in respect of such agreements.

For example, if any Related Agreement is in-the-money for the Issuer at a time when a resolution regime applies to the relevant Counterparty, then any claims the Issuer has against the Counterparty for the close-out amount thereof may be adversely affected by being postponed, converted into other assets or even written down to zero.

Accordingly, following an exercise of any powers by a resolution authority, the Issuer may have insufficient assets or sums to meet its obligations under the Notes or any Transaction Document for that Series of Notes, the Notes may be the subject of an early redemption and any payment of redemption proceeds to Noteholders may be delayed.

In addition to a resolution regime affecting a Counterparty, Noteholders should be aware that the BRRD may also apply to the obligor of any Underlying Assets in respect of a Series of Notes and that in such case similar considerations to those set out above may apply.

Furthermore, other resolution and recovery regimes, including those in specific EU member states, the United States and elsewhere, may also apply.

## **11. Risks of the UK leaving the European Union**

On 23 June 2016, the UK held a referendum to decide on the UK's membership of the European Union. The UK vote was to leave the European Union and the UK Government invoked article 50 of the Lisbon Treaty relating to withdrawal on 29 March 2017. Under article 50, the Treaty on the European Union and the Treaty on the Functioning of the European Union cease to apply in the relevant state from the date of entry into force of a withdrawal agreement, or, failing that, two years after the notification of intention to withdraw, although this period may be extended in certain circumstances. There are a number of uncertainties in connection with the future of the UK and its relationship with the European Union. The negotiation of the UK's exit terms is likely to take a number of years. The terms and timing of the UK's exit from the European Union are still unclear and it is not possible to determine with certainty the impact that the referendum, the UK's departure from the European Union and/or any related matters may have on the business of the Issuer or any Counterparty under a Related Agreement. As such, no assurance can be given that such matters would not adversely affect the business, financial condition and results of operations of the relevant Issuer or such Counterparty.

## **12. Risks related to Regulation and reform of benchmarks, including LIBOR, EURIBOR and other interest rate, equity, commodity, foreign exchange rate and other types of benchmarks**

The London Interbank Offered Rate (“**LIBOR**”), the Euro Interbank Offered Rate (“**EURIBOR**”) and other interest rate, equity, commodity, foreign exchange rate and other types of rates and indices which are deemed to be “benchmarks” (“**Benchmarks**”) are the subject of ongoing national and international regulatory reform. Following any such reforms, benchmarks may perform differently than in the past or disappear entirely, or there could be other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to such a benchmark.

Key regulatory proposals and initiatives in this area include (amongst others) IOSCO's Principles for Financial Market Benchmarks, published in July 2013 (the “**IOSCO Benchmark Principles**”) and the EU Regulation on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the “**Benchmark Regulation**”).

The IOSCO Benchmark Principles aim to create an overarching framework of principles for benchmarks to be used in financial markets, specifically covering governance and accountability as well as the quality and transparency of benchmark design and methodologies. Subsequent implementation reviews have found that widespread efforts are being made to implement the IOSCO Benchmark Principles by the majority of administrators surveyed. However, the reviews also note that, as the “benchmarks industry” is in a state of flux, IOSCO may need to take further steps in the future – although it is not yet clear what these steps might be.

The Benchmark Regulation entered into force in June 2016 and became fully applicable in the EU on 1 January 2018 (save that certain provisions, including those related to “critical benchmarks”, took effect as at 30 June 2016), subject to certain transitional provisions. The Benchmark Regulation applies to “contributors” to, “administrators” of, and “users” of benchmarks in the EU. Among other things, the Benchmark Regulation: (a) requires EU

benchmark administrators to be authorised or registered and to comply with requirements relating to the administration of benchmarks, (b) prohibits the use in the EU of benchmarks provided by EU administrators which are not authorised or registered in accordance with the Benchmark Regulation, and (c) prohibits the use in the EU of benchmarks provided by non-EU administrators which are not (i) authorised or registered and subject to supervision in a jurisdiction in respect of which an “equivalence” decision has been adopted in accordance with the Benchmark Regulation, or (ii) where such equivalence decision is pending, “recognised” by the competent authorities of the applicable EU Member State(s). An exception to this is that a benchmark provided by a non-EU administrator can itself be endorsed for use in the EU by an EU authorised or registered administrator or an EU-based supervised entity, following authorisation of the endorsement by the relevant competent authority.

The scope of the Benchmark Regulation is wide and, in addition to so-called “critical benchmark” indices such as EURIBOR, applies to many other interest rate indices, as well as equity, commodity and foreign exchange rate indices and other indices. This includes “proprietary” indices or strategies where these are used to (i) determine the amount payable under, or the value of, certain financial instruments (including securities or OTC derivatives listed on an EU regulated market, EU multilateral trading facility (MTF), EU organised trading facility (OTF) or traded via a systematic internaliser), (ii) determine the amount payable under certain financial contracts, or (iii) measure the performance of an investment fund. The requirements of the Benchmark Regulation vary depending on the category of benchmark in question. In particular, a lighter touch regime applies to benchmarks which are not interest rate or commodity benchmarks where the total average value of financial instruments, financial contracts or investment funds referencing the benchmark over a period of six months is less than €50bn (subject to further conditions).

The Benchmark Regulation could have a material impact on Notes linked to a benchmark rate or index. For example:

- (a) a rate or index which is a benchmark could be prohibited from being used in the EU if (subject to applicable transitional provisions) its administrator is (i) based in the EU and does not obtain authorisation or registration, or (ii) based in a non-EU jurisdiction which does not satisfy the “equivalence” conditions and is not “recognised” pending an equivalence decision. In such event, depending on the particular benchmark and the applicable terms of the Notes, the Notes could be de-listed, adjusted, redeemed prior to maturity or otherwise impacted; and
- (b) the methodology or other terms of the benchmark could be changed in order to comply with the terms of the Benchmark Regulation, and such changes could reduce or increase the rate or level or affect the volatility of the published rate or level, and could lead to adjustments to the terms of the Notes including the Determination Agent’s determination of the rate or level in its discretion.

Ongoing international and/or national reform initiatives and the increased regulatory scrutiny of benchmarks generally could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any applicable regulations or requirements. Such factors may discourage market participants from continuing to administer or contribute to benchmarks, trigger changes in the rules or methodologies used in respect of benchmarks, and/or lead to the disappearance of benchmarks. This could result in (i) adjustments to the terms and conditions and/or early redemption provisions and/or provisions relating to discretionary valuation by the Determination Agent, (ii) delisting, and/or (iii) other consequences for Notes linked to any such benchmarks. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

### **13. Benchmarks and the risk of an Administrator/Benchmark Event**

#### *Determining the occurrence of an Administrator/Benchmark Event*

If a Series or any Underlying Assets, and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents in respect of a particular Series references a Benchmark, there is a risk that an Administrator/Benchmark Event may occur in respect of such Benchmark. An Administrator/Benchmark Event is expected to occur if the Benchmark ceases or if the administrator of the Benchmark ceases to have the necessary authorisations. There is no certainty as to when an Administrator/Benchmark Event may occur. Whether an Administrator/Benchmark Event has occurred will be determined by the Determination Agent.

Investors should be aware that a change (whether material or not) to the definition, methodology or formula for a Benchmark, or other means of calculating such Benchmark will not, unless otherwise specified in the applicable Conditions, constitute an Administrator/Benchmark Event. Each Noteholder will bear the risks arising from any such change and will not be entitled to any form of compensation as a result of any such change.

#### *Consequences of the occurrence of an Administrator/Benchmark Event*

If the Determination Agent determines that an Administrator/Benchmark Event has occurred in respect of a Benchmark which the Notes reference, the Determination Agent will (in its discretion) attempt to identify an alternative Benchmark which would have the effect of substantially preserving the economic effect to the Noteholders, any Counterparty and any Repurchase Counterparty. In making such a determination, the Determination Agent may face a conflict of interest between the interests of the Noteholders and the interests of any Counterparty and/or Repurchase Counterparty. In such circumstances, it shall not be obliged to act solely in the interests of the Noteholders.

Investors should be aware that (i) the application of any alternative Benchmark could result in a lower amount being payable to Noteholders than would otherwise have been the case and (ii) the application of any alternative Benchmark shall be effected without requiring the consent of the Noteholders.

In certain circumstances, the Determination Agent may be unable or unwilling to determine an alternative Benchmark. If this occurs, the Notes will be the subject of an early redemption and shall redeem at their Early Redemption Amount and no other amount (including any suspended amounts or any interest thereon) shall be payable or deliverable in respect of the Notes. There is no assurance that an alternative Benchmark will be determined by the Determination Agent.

If the Determination Agent determines that an Administrator/Benchmark Event has occurred in respect of a Benchmark which the Underlying Assets, and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents references, the Notes will be the subject of an early redemption and shall redeem at their Early Redemption Amount and no other amount (including any suspended amounts or any interest thereon) shall be payable or deliverable in respect of the Notes.

### **14. Modifications upon a Regulatory Requirement Event or Sanctions Event**

The Issuer must implement certain modifications (“**Regulatory Modifications**”) to the Conditions or a Transaction Document, a Related Agreement, a Repurchase Agreement or Credit Support Document, without the requirement for the consent of the Trustee or Noteholders, if, broadly, such modifications are required for the Issuer or an Appointed

Agent, the Custodian, a Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider, or the Notes or one or more of the abovementioned documents to comply or to continue to comply with certain regulatory or sanctions-related requirements in respect of the Notes, any of the abovementioned documents or the continuing business of the Issuer or of any of the abovementioned parties. Such Regulatory Modifications may only be made without the consent of the Trustee or Noteholders if certain criteria set out in the Conditions are satisfied, including that such Regulatory Modifications will not materially alter the economic substance of the scheduled payments under the transaction constituted by the Conditions or any of the document abovementioned when considered as a whole, and will not result in the Issuer incurring any material liability or expense (whether by way of tax or otherwise). However, Regulatory Modifications need not be beneficial to the Issuer or Noteholders and could put the Issuer (and, indirectly, the Noteholders) in a position that is less advantageous than the position it had immediately prior to effecting such Regulatory Modifications.

## IRISH RISK FACTORS

**The Irish Issuer is subject to risks, including the location of its centre of main interest, the appointment of examiners, claims of preferred creditors and floating charges**

### 1. Centre of main interest

The Irish Issuer has its registered office in Ireland. Under Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the “**Recast EU Insolvency Regulation**”), the Irish Issuer’s centre of main interest (“**COMI**”) is presumed to be the place of its registered office (i.e. Ireland) in the absence of proof to the contrary and provided that the Irish Issuer did not move its registered office within the 3 months prior to a request to open insolvency proceedings.

As the Irish Issuer’s COMI is presumed to be Ireland, any main insolvency proceedings in respect of the Irish Issuer would fall within the jurisdiction of the courts of Ireland. As to what might constitute “proof to the contrary” regarding the location of a company’s COMI, the key decision is that in **Re Eurofood IFSC Ltd** ([2004] 4 IR 370 (Irish High Court); [2006] IESC 41 (Irish Supreme Court); [2006] Ch 508; ECJ Case C-341/04 (European Court of Justice)), given in respect of the equivalent provision in the previous EU Insolvency Regulation (Regulation (EC) No. 1346/2000). In that case, on a reference from the Irish Supreme Court, the European Court of Justice concluded that “factors which are both objective and ascertainable by third parties” would be needed to demonstrate that a company’s actual situation is different from that which the location of its registered office is deemed to reflect. For instance, if a company with its registered office in Ireland does not carry on any business in Ireland, that could rebut the presumption that the company’s COMI is in Ireland.

As the Irish Issuer has its registered office in Ireland, its directors are tax resident in Ireland, it is registered for tax in Ireland and it has retained an Irish corporate services provider the Irish Issuer does not believe that factors exist that would rebut the presumption that its COMI is located in Ireland, although this would ultimately be a matter for the relevant court to decide based on the circumstances existing at the time when it was asked to make that decision. If the Irish Issuer’s COMI was found to be in another EU jurisdiction and not in Ireland, main insolvency proceedings would be opened in that jurisdiction instead.

### 2. Examinership

Examinership is a court moratorium/protection procedure which is available under Irish company law to facilitate the survival of Irish companies in financial difficulties. Where a company, which has its COMI in Ireland is, or is likely to be, unable to pay its debts an examiner may be appointed on a petition to the relevant Irish court under Section 509 of the Companies Act 2014.

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

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

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

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

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

### **3. Preferred Creditors**

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

- (i) under the terms of the Principal Trust Deed and the relevant Supplemental Trust Deed, the Notes will be secured in favour of the Trustee for the benefit of itself and the other Secured Parties and creditors by security over the relevant Charged Property. Under Irish law, the claims of creditors holding fixed charges may rank behind other creditors (namely fees, costs and expenses of any examiner appointed and certain capital gains tax liabilities) and, in the case of fixed charges over book debts, may rank behind claims of the Irish Revenue Commissioners for PAYE, VAT and Local Property Tax;
- (ii) under Irish law, for a charge to be characterised as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets including any bank account into which such proceeds are paid. There is a risk therefore that even a charge which purports to be taken as a fixed charge may take effect as a floating charge if a court deems that the requisite level of control was not exercised; and
- (iii) in an insolvency of the Irish Issuer, the claims of certain other creditors (including the Irish Revenue Commissioners for certain unpaid taxes), as well as those of creditors mentioned above, will rank in priority to claims of unsecured creditors and claims of creditors holding floating charges.

#### 4. EU Anti-Tax Avoidance Directive and EU Anti-Tax Avoidance Directive 2

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of the BEPS conclusions across the EU, the EU Council adopted Council Directive (EU) 2016/1164 (the “**Anti-Tax Avoidance Directive**”) on 12 July 2016.

The EU Council adopted Council Directive (EU) 2017/952 (the “**Anti-Tax Avoidance Directive 2**”) on 29 May 2017, amending the Anti-Tax Avoidance Directive, to provide for minimum standards for counteracting hybrid mismatches involving EU member states and third countries.

EU member states had until 31 December 2018 to implement the Anti-Tax Avoidance Directive (subject to derogations for EU member states which have equivalent measures in their domestic law) and until 31 December 2019 to implement the Anti-Tax Avoidance Directive 2 (except for measures relating to reverse hybrid mismatches, which must be implemented by 31 December 2021).

The Directives contain various measures that could, depending on their implementation in Ireland, potentially result in certain payments made by the Irish Issuer ceasing to be fully deductible. This could increase the Irish Issuer’s liability to tax.

There are two measures of particular relevance.

Firstly, the Anti-Tax Avoidance Directive provides for an “interest limitation rule” which restricts the deductible interest of an entity to 30% of its earnings before interest, tax, depreciation and amortisation. However, the interest limitation only applies to the net borrowing costs of an entity (being the amount by which its borrowing costs exceed its taxable interest revenues and other economically equivalent taxable revenues).

Secondly, the Anti-Tax Avoidance Directive (as amended by the Anti-Tax Avoidance Directive 2) provides for hybrid mismatch rules. These rules are designed to neutralise arrangements where amounts are deductible from the income of one entity but are not taxable for another, or the same amounts are deductible for two entities. These rules could potentially apply to the Irish Issuer where: (i) the interest that it pays under the Notes, and claims deductions, from its taxable income for, is not brought into account as taxable income by the relevant Noteholder, either because of the characterisation of the Notes, or the payments made under them, or because of the nature of the Noteholder itself; and (ii) the mismatch arises between associated enterprises, between the Irish Issuer and an associated enterprise or under a structured arrangement.

The exact scope of these two measures, and impact on the Irish Issuer’s tax position, will depend on the implementation of the measures in Ireland.



## **DOCUMENTS DEEMED TO BE INCORPORATED BY REFERENCE**

The financial statements of Lunar Funding V PLC for the period ending 31<sup>st</sup> December, 2016 and the period ending 31<sup>st</sup> December, 2017 are incorporated in and taken to form part of this Programme Memorandum.

The financial statements of Lunar Funding V PLC for the period ending 31<sup>st</sup> December, 2016 are available at the following website:

<http://www.ise.ie/app/announcementDetails.aspx?ID=13209444>

The financial statements of Lunar Funding V PLC for the period ending 31<sup>st</sup> December, 2017 are available at the following website:

<https://www.ise.ie/app/announcementDetails.aspx?ID=13622428>

The unaudited financial statements of Lunar Funding V PLC for the half year ending 30<sup>th</sup> June, 2018 are available at the following website:

<https://www.ise.ie/app/announcementDetails.aspx?ID=13809635>

Each Issuer will, in connection with the listing of Notes issued by it on Euronext Dublin, so long as any Notes remain outstanding and listed on such exchange, in the event of any material change in the condition of any of the Issuers which is not reflected in this Programme Memorandum, prepare a supplement to this Programme Memorandum or publish a new Programme Memorandum for use in connection with any subsequent issue of Notes by it to be listed on Euronext Dublin.

If the terms of the Programme are modified or amended in a manner which would make this Programme Memorandum, as modified or amended, inaccurate or misleading, a new Programme Memorandum will be prepared.

## CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, subject to completion and amendment and as supplemented, modified or varied in accordance with the provisions of the Issue Memorandum relating to a particular Series or Tranche of Notes, will be applicable to the Notes of such Series or Tranche and which, subject in certain cases to simplification by the deletion of non-applicable provisions, will be attached to or endorsed on such Notes in definitive form (or, in the case of Registered Notes, on the Certificates relating to such Registered Notes). References in the Conditions to "Notes" are to the Notes of one Series (or in the case of a Series of Notes comprising separate Tranches, one Tranche of Notes) only, not to all Notes which may be issued under the Programme from time to time.*

The Notes are constituted and secured by a principal trust deed dated 5 March 2019 between Lunar Funding I Limited (the "**Cayman Issuer**"), Lunar Funding V PLC (the "**Irish Issuer**" and together with the Cayman Issuer the "**Issuers**", and each an "**Issuer**") and Deutsche Trustee Company Limited (formerly known as Bankers Trustee Company Limited) (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees for any Series under the Trust Deed (as defined below)), as trustee for the holders of the Notes and the other persons specified therein (the "**Principal Trust Deed**", which expression shall include amendments, supplements or restatements by trust deeds supplemental thereto other than any supplemental trust deed relating to a particular Tranche or Series of Notes) as supplemented by a supplemental trust deed relating to the Notes dated the Issue Date (the "**Supplemental Trust Deed**", which expression shall include each Security Document (as defined below) (if any)) made between the Issuer of the Notes and the Trustee and the other parties named therein. The Principal Trust Deed and the Supplemental Trust Deed, together with each Security Document are herein referred to together as the "**Trust Deed**". These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed. Copies of the Trust Deed and of the agency agreement dated 5 March 2019 between the Issuers, the Trustee, Deutsche Bank AG, London Branch as issuing and paying agent (the "**Agent**"), Deutsche Bank Luxembourg S.A. as registrar (the "**Registrar**"), NatWest Markets Plc as account bank (the "**Account Bank**") and as determination agent (the "**Determination Agent**"), the paying agents named therein (the "**Paying Agents**", which expression shall include the Agent and any substitute or additional paying agents appointed in accordance with the Agency Agreement), and the transfer agents named therein (the "**Transfer Agents**", which expression shall include the Registrar and any substitute or additional transfer agents appointed in accordance with the Agency Agreement) (the "**Agency Agreement**", which expression shall include any amendments or supplements thereto) are available for inspection during normal business hours at the principal office of the Trustee, being at the date hereof at Winchester House, 1 Great Winchester Street, London EC2N 2DB, the registered office of the Irish Issuer being, at the date hereof, Block A, Georges Quay Plaza, Georges Quay, Dublin 2, Ireland and at the specified office of each of the Paying Agents. In the case of a Series or Tranche of Notes for which the Issue Memorandum (as defined below) relating thereto states that (a) a calculation agent (the "**Calculation Agent**") and/or (b) a custodian (the "**Custodian**") is required and unless otherwise requested by the relevant Dealer, and provided in the Issue Memorandum, Deutsche Bank AG, London Branch shall act as Calculation Agent pursuant to the terms of the Agency Agreement, and Deutsche Bank AG, London Branch shall act as Custodian pursuant to the terms of the custody agreement dated 5 March 2019 between the Issuers, the Trustee and Deutsche Bank AG, London Branch (the "**Custody Agreement**", which expression shall include any amendments or supplements thereto). The relevant Dealer may, subject to the consent of the Arranger (as defined below), nominate an alternative party to act as Calculation Agent or Custodian in respect of the Notes whose identity shall be specified in the Issue Memorandum. Each such alternative Calculation Agent shall accede to the Agency Agreement and each such alternative Custodian shall enter into a custody agreement substantially in the form of the Custody Agreement, as further supplemented, amended and restated.

The Noteholders (as defined below), the holders (the "**Couponholders**", which term shall, where applicable, include holders of Receipts and holders of Talons (each as defined below)) of the interest

coupons (the "**Coupons**") appertaining to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") and the holders of the instalment receipts (the "**Receipts**") appertaining to the payment of principal by instalments on Instalment Notes (as defined below) are deemed to have notice of, and shall be bound by all of the provisions of, the Trust Deed, the Issue Memorandum and, to the extent applicable to them, the Agency Agreement, insofar as they relate to the Notes. In these Conditions references to the "**Appointed Agents**" shall mean the Agent, the Paying Agents, the Registrar, the Transfer Agents, the Calculation Agent and the Account Bank or any of them and shall include such further or other Agent or Agents as may be appointed from time to time with the prior written approval of the Trustee under the Agency Agreement.

The terms and conditions of the Notes set out below shall be supplemented by the Issue Memorandum relating thereto (the "**Issue Memorandum**") which may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these terms and conditions, replace and/or modify these terms and conditions for the purposes of this Note. References herein to the "**Conditions**" of the Notes are to these terms and conditions as so supplemented, replaced and/or modified by the Issue Memorandum applicable to or attached to or endorsed on this Note.

## 1. DEFINITIONS AND INTERPRETATION

### (a) Definitions

Save as otherwise specified herein, the following capitalised terms shall have the meanings set out below when used in these Conditions.

"**Account**" means each ledger maintained by the Account Bank which is specified in the Issue Memorandum and which records amounts paid to the Account Bank by or on behalf of each Issuer in accordance with the Issue Memorandum, but excluding the Expense Reserve Account.

"**Account Bank**" means NatWest Markets Plc appointed pursuant to the Agency Agreement or such other bank or financial institution as may be substituted for any such Account Bank at any time with the consent of the Trustee and each Instructing Creditor.

"**Administration Agreement**" means an administration agreement dated 14<sup>th</sup> October, 1999 between Lunar Funding I Limited and the Cayman Administrator.

"**Administrator/Benchmark Event**" means, in respect of a Relevant Benchmark, the occurrence or existence, as determined by the Determination Agent, of any of the following events in respect of such Relevant Benchmark:

(a) a "**Non-Approval Event**", being any of the following:

- (i) any authorisation, registration, recognition, endorsement, equivalence decision or approval in respect of the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark is not obtained;
- (ii) the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark is not included in an official register; or
- (iii) the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark does not fulfil any other legal or regulatory requirement applicable to the Relevant Benchmark,

in each case, if required in order for either the relevant Issuer, a Counterparty, a Repurchase Counterparty or the Calculation Agent to perform its or their respective obligations in respect of the Notes, the Underlying Assets and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents (as the case may be) in compliance with the Benchmark Regulation. For the avoidance of doubt, a Non-Approval Event shall not occur if the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark is not included in an official register because its authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended if, at the time of such suspension, the continued provision and use of the Relevant Benchmark is permitted in respect of the Notes, the Underlying Assets and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents (as the case may be) under the Benchmark Regulation during the period of such suspension; or

- (b) a “**Rejection Event**”, being the relevant competent authority or other relevant official body rejects or refuses any application for authorisation, registration, recognition, endorsement, an equivalence decision, approval or inclusion in any official register which, in each case, is required in relation to the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark for the Issuer, any Counterparty, any Repurchase Counterparty or the Calculation Agent to perform its or their respective obligations in respect of the Notes, the Underlying Assets and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents (as the case may be) in compliance with the Benchmark Regulation; or
- (c) a “**Suspension/Withdrawal Event**”, being any of the following:
  - (i) the relevant competent authority or other relevant official body suspends or withdraws any authorisation, registration, recognition, endorsement, equivalence decision or approval in relation to the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark which is required in order for the Issuer, any Counterparty, any Repurchase Counterparty or the Calculation Agent to perform its or their respective obligations in respect of the Notes, the Underlying Assets and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents (as the case may be) in compliance with the Benchmark Regulation; or
  - (ii) the Relevant Benchmark or the administrator or sponsor of the Relevant Benchmark is removed from any official register where inclusion in such register is required in order for the Issuer, any Counterparty, any Repurchase Counterparty or the Calculation Agent to perform its or their respective obligations in respect of the Notes, the Underlying Assets and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents (as the case may be) in compliance with the Benchmark Regulation.

For the avoidance of doubt, a Suspension/Withdrawal Event shall not occur if such authorisation, registration, recognition, endorsement, equivalence decision or approval is suspended or where inclusion in any official register is withdrawn if, at the time of such suspension or withdrawal, the continued provision and use of the Relevant Benchmark is permitted in respect of the Notes, the Underlying Assets and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents (as the case may be) under the Benchmark Regulation during the period of such suspension or withdrawal; or

- (d) a “**Benchmark Cessation Event**”, being the occurrence, with respect to a Relevant Benchmark, of any of the following:

- (i) a public statement or publication of information by or on behalf of the administrator of the Relevant Benchmark announcing that it has ceased or will cease to provide the Relevant Benchmark permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Relevant Benchmark;
- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Relevant Benchmark, the central bank for the currency of the Relevant Benchmark, an insolvency official with jurisdiction over the administrator for the Relevant Benchmark, a resolution authority with jurisdiction over the administrator for the Relevant Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Relevant Benchmark, which states that the administrator of the Relevant Benchmark has ceased or will cease to provide the Relevant Benchmark permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the Relevant Benchmark; or

any event which otherwise constitutes an “index cessation event” (regardless of how it is actually defined or described in the definition of the Relevant Benchmark) in relation to which a Priority Fallback is specified.

**"Administrative Expenses"** means amounts due and payable to:

- (a) the Trustee pursuant to the Trust Deed to the extent not paid out of amounts standing to the credit of the Expense Reserve Account;
- (b) the independent accountants (if any), agents and counsel of the Issuers, including amounts payable to the Agents pursuant to the Agency Agreement and the Custodian pursuant to the Custody Agreement to the extent not paid out of amounts standing to the credit of the Expense Reserve Account;
- (c) any Rating Agency, to the extent not paid out of amounts standing to the credit of the Expense Reserve Account;
- (d) the Cayman Administrator pursuant to the Administration Agreement;
- (e) the Jersey Manager pursuant to the Management Agreement;
- (f) the Irish Manager in respect of the obligations of Lunar Funding V PLC under the Management Agreement;
- (g) any other person in respect of any governmental fee or charge; and
- (h) any other person in respect of any other fees and expenses permitted under these Conditions and the documents delivered pursuant to or in connection with the Notes.

**"Amortisation Yield"** has the meaning set out in the Issue Memorandum or, if no such meaning is specified, the meaning given thereto in Condition 8(j)(iii)(B) (*Early Redemption Amounts*).

**"Amortised Face Amount"** means, in respect of any Zero Coupon Note issued at a discount, the Early Redemption Amount payable upon redemption of such Note, as calculated in accordance with Condition 8(j) (*Early Redemption Amounts*).

**"Arranger"** means NatWest Markets Plc.

**"Asset Management Agreement"** means the Asset Management Agreement (if any) specified in the Issue Memorandum.

**"Asset Manager"** means the Asset Manager (if any) specified in the Issue Memorandum.

**"Bearer Notes"** means Notes in bearer form.

**"Benchmark"** means, in respect of each Floating Rate, the interest rate by reference to which such Floating Rate is determined, as specified in the Issue Memorandum.

**"Business Day"** means a day on which banks and foreign exchange markets are open for business in London and (save as regards the definition of "Interest Determination Date" below) any other location specified in the Conditions and/or the Issue Memorandum.

**"Business Day Convention"** means the convention specified in the Issue Memorandum, being one of the Floating Rate Convention, Following Business Day Convention, Modified Following Business Day Convention and Preceding Business Day Convention, each as defined in Condition 7(c)(ii) (*Business Day Convention*).

**"Cayman Administrator"** means MaplesFS Limited as administrator under the Administration Agreement or any successor administrator of the Cayman Issuer.

**"Cayman Issuer Loan Agreement"** means, in the case of Lunar Funding I Limited, a loan agreement dated 9th November, 1999, as amended by a supplemental loan agreement dated 20th June, 2000, between Lunar Funding I Limited and National Westminster Bank Plc, as novated to the Lender pursuant to a novation agreement dated 14<sup>th</sup> October, 2002 between the Cayman Issuer, the Lender and National Westminster Bank Plc, in each case, as the same may be supplemented, amended or novated from time to time.

**"Cayman Share Trustee"** in respect of the Cayman Issuer means MaplesFS Limited.

**"Certificate"** means a registered certificate representing Registered Notes.

**"Charged Property"** has the meaning set out in Condition 5(a) (*Security*).

**"Counterparty"** means, in respect of each Related Agreement, the entity set opposite such Related Agreement under the heading "Counterparty" in the Issue Memorandum.

**"Credit Event"** has the meaning (if any) given thereto in the Issue Memorandum.

**"Credit Support Document"** means each letter of credit and/or guarantee and/or other document (if any) specified as such in the Issue Memorandum executed or provided by one or more Credit Support Providers in connection with the Notes.

**"Credit Support Provider"** means, in respect of each Credit Support Document, the entity set opposite such Credit Support Document under the heading "Credit Support Provider" in the Issue Memorandum.

**"Custodian"** means Deutsche Bank AG, London Branch or such other entity as may be specified as such in the Issue Memorandum and shall include any additional or substitute Custodian appointed in accordance with the Conditions and the relevant Custody Agreement.

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

- (a) where the Interest Rate in respect of a Note is specified hereon as Floating Rate:
  - (i) if **"Actual/365"** or **"Actual/Actual"** is specified in the Issue Memorandum, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (x) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (y) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
  - (ii) if **"Actual/365 (Fixed)"** is specified in the Issue Memorandum, the actual number of days in the Calculation Period divided by 365; and
  - (iii) if **"Actual/360"** is specified in the Issue Memorandum, the actual number of days in the Calculation Period divided by 360;
- (b) where the Interest Rate in respect of a Note is specified hereon as being a fixed rate:
  - (i) if **"Actual/Actual (ISMA)"** is specified in the Issue Memorandum, the actual number of days in the Calculation Period divided by (x) in the case of the Notes where interest is scheduled to be paid only by means of regular annual payments, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date or (y) in the case of Notes where interest is scheduled to be paid other than only by means of regular annual payments, the product of the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the next scheduled Interest Payment Date and the number of Interest Payment Dates that would occur in one calendar year assuming interest was to be calculated in respect of the whole of that year; and
  - (ii) if **"30/360"** is specified in the Issue Memorandum, the number of days in the Calculation Period or Compounding Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

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

Where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Calculation Period or Compounding Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period or Compounding Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Calculation Period or Compounding Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period or Compounding Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Calculation Period or Compounding Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day including the Calculation Period or Compounding Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.

**"Denomination"** means the amount(s) specified as such in the Issue Memorandum.

**"Determination Business Day"** means:

- (a) in the case of one or more specified financial centres and/or a specified currency other than euro, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in each of the financial centres so specified and/or the Principal Financial Centre for that currency; and/or
- (b) in the case of euro, a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) system is open for the settlement of payments in Euro; and/or
- (c) in the case of a specified currency and/or one or more specified financial centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the specified currency, or, if none is specified, generally in each of the financial centres so specified.

**"Dual Currency Note"** means a Note denominated in one currency with a coupon and/or repayment of principal in, or calculated by reference to, another currency and specified as such in the Issue Memorandum.

**"Early Redemption Amount"** means the amount at which each Note will be redeemed prior to the Maturity Date, calculated in accordance with Condition 8(j) (*Early Redemption Amounts*) or as otherwise specified in the Issue Memorandum.

**"Effective Date"** means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the Issue Memorandum or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates.

**"euro"** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to Article 109(4) of the Treaty.

**"Euronext Dublin"** means the Irish Stock Exchange plc trading as Euronext Dublin.

**"Expense Reserve Account"** means the ledger maintained by the Account Bank on behalf of the Issuers, identification number LUN1 (in the case of Lunar Funding I Limited) and LUN5 (in the case of Lunar Funding V PLC), or such other identification number as is ascribed in



the case of any Additional Issuer, which records amounts standing to the credit of the account of each of the Issuers with the Account Bank out of which Administrative Expenses will be payable from time to time.

**"Final Broken Amount"** means the amount (if any) specified as such in the Issue Memorandum which shall be the Interest Amount payable in respect of the last Interest Period applicable to any Fixed Rate Note.

**"Final Redemption Amount"** means the amount at which each Note will be redeemed on the Maturity Date as specified in the Issue Memorandum.

**"Fixed Coupon Amount"** means in relation to any Fixed Rate Note, the amount specified as such in the Issue Memorandum.

**"Fixed Rate Note"** means a Note bearing a fixed rate of interest, which is specified as such in the Issue Memorandum.

**"Floating Rate"** means a rate of interest calculated by reference to a Benchmark.

**"Floating Rate Note"** means a Note bearing interest at a Floating Rate, which is specified as such in the Issue Memorandum.

**"Fungible Tranches"** means Tranches of Notes of the same Series which have one or more issue dates but are on terms otherwise identical (other than in respect of the first payment of interest thereon and the date of issue and issue price thereof) and which are intended to be interchangeable with all other Notes of that Series (or, in the case of a Series of Notes comprising Prioritised Tranches, all other Notes of the same Prioritised Tranche).

**"Holder"** (in relation to a Note, Receipt, Coupon or Talon) means the bearer of any Bearer Note, Receipt, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be).

**"Initial Broken Amount"** means the amount (if any) specified as such in the Issue Memorandum which shall be the Interest Amount payable in respect of the first Interest Period applicable to any Fixed Rate Note.

**"Instalment Amount"** means each amount (if any) specified as such opposite each Instalment Date in the Issue Memorandum.

**"Instalment Date"** means each date (if any) specified as such opposite each Instalment Amount in the Issue Memorandum.

**"Instalment Note"** means a Note the principal of which is repayable in instalments, which is specified as such in the Issue Memorandum.

**"Instructing Creditor"** means, in respect of each Condition in which reference is made to "Instructing Creditor", the entity or entities specified as such for the purposes of each such Condition in the Issue Memorandum and/or Trust Deed and, where the Noteholders are specified as the Instructing Creditor, shall mean (i) the holders of at least one fifth in principal amount of the Notes outstanding acting by written request or (ii) the Noteholders acting by Extraordinary Resolution.

**"Interest Accrual Period"** means, save as otherwise specified in the Issue Memorandum, each Interest Period.

**"Interest Amount"** means the amount of interest payable in respect of any Note for any period, determined in accordance with Condition 7(f) (*Calculation of Interest*) and shall, in the case of Fixed Rate Notes, include any Initial Broken Amount or Final Broken Amount specified in the Issue Memorandum.

**"Interest Commencement Date"** means the Issue Date or such other date as may be specified as such in the Issue Memorandum.

**"Interest Determination Date"** means, with respect to an Interest Rate and Interest Accrual Period, the date specified as such in the Issue Memorandum or, if none is so specified, the first day of such Interest Accrual Period if the Relevant Currency is sterling or the day falling two Business Days in London prior to the first day of such Interest Accrual Period if the Relevant Currency is not sterling.

**"Interest Payment Dates"** means the interest payment dates in each year specified in the Issue Memorandum or, in the case of a Floating Rate Note, if no express Interest Payment Date(s) is/are specified in the Issue Memorandum, each date which falls the number of months or other period specified as the Specified Period in the Issue Memorandum after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

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

**"Interest Rate"** means the rate of interest payable from time to time in respect of this Note which is either specified in, or calculated in accordance with, the Conditions.

**"Irish Manager"** means Vistra Alternative Investments (Ireland) Limited or any successor manager of Lunar Funding V PLC in Ireland.

**"Irish Share Trustee"** means Vistra Capital Markets (Ireland) Limited (formerly Deutsche International Finance (Ireland) Limited).

**"Issue Date"** means, in respect of any Note, the date specified as such in the Issue Memorandum or such other date as may be agreed between the relevant Issuer, the relevant Dealer and the Arranger, being the date of the issue and purchase of such Note pursuant to Section 2 (*Agreements to Issue and Purchase Notes*) of the Dealer Agreement.

**"Issue Price"** means the price (generally expressed as a percentage of the principal amount of the Notes) at which the Notes are issued, as specified in the Issue Memorandum.

**"Jersey Manager"** means Deutsche Bank International Limited as manager under the relevant Management Agreements or any successor manager of any of the Issuers in Jersey.

**"Lender"** means NatWest Markets Plc as lender under the Cayman Issuer Loan Agreement and the Lunar V Loan Agreement together with its permitted successors and assigns.

**"Liquidation Proceeds"** means, unless otherwise specified in the Issue Memorandum, the equivalent in the currency in which the Notes are denominated of the net proceeds received or realised by or on behalf of the Trustee or the relevant Issuer following any enforcement of the security over the Charged Property in accordance with Condition 13 (*Enforcement*) or liquidation of the Charged Property upon any redemption of the Notes in whole or in part in accordance with Condition 8(i) (*Realisation of Charged Property upon Redemption*), less any costs, expenses, taxes or other amounts incurred in connection with such enforcement or liquidation.

**"Listed Notes"** means those Notes listed on any Stock Exchange(s) specified in the Issue Memorandum.

**"London Stock Exchange"** means the London Stock Exchange plc.

**"Lunar V Loan Agreement"** means the loan agreement dated 2nd June, 2004 between Lunar Funding V PLC and the Lender, as the same may be supplemented, amended and novated from time to time.

**"Management Agreement"** means, in the case of Lunar Funding I Limited, a management agreement dated 16th May, 2002 between Lunar Funding I Limited, the Trustee and the Jersey Manager and in the case of Lunar Funding V PLC, a management agreement dated 12th October, 2004 between Lunar Funding V PLC, the Trustee and Deutsche International Corporate Services (Ireland) Limited as supplemented by a manager resignation and appointment agreement entered into between Lunar Funding V PLC, Deutsche International Corporate Services (Ireland) Limited and the Irish Manager dated 30th September, 2018 in each case, as the same may be supplemented or amended from time to time.

**"Margin"** means the margin specified in the Issue Memorandum.

**"Maturity Date"** means the date specified as such in the Issue Memorandum.

**"Maximum Interest Rate"** means the rate (if any) specified as such in the Issue Memorandum.

**"Minimum Interest Rate"** means the rate (if any) specified as such in the Issue Memorandum.

**"NGN"** means a Global Note where the applicable Issue Memorandum specifies the Notes as being in new global note form.

**"Noteholder"** means the bearer of any Bearer Note and the Receipts relating to it or the person in whose name a Registered Note is registered (as the case may be).

**"Option Notice"** means a notice substantially in the form set out in the Procedures Memorandum (in the form obtainable from the office of each Paying Agent and Transfer Agent).

**"Order of Priority"** means the Order of Priority specified as such in the Issue Memorandum, being the order of priority in which the net proceeds of enforcement of the security over the Charged Property are to be applied pursuant to the Supplemental Trust Deed.

**"Page"** means such page, section, caption, column or other part of a particular information service (including, but not limited to, the Reuters Monitor Money Rates Service ("**Reuters**") and the Bridge Telerate Service ("**Telerate**")) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate.

**"Partly-Paid Notes"** means Notes which are partly paid and specified as such in the Issue Memorandum.

**"Pre-enforcement Waterfall"** means the order or orders of payment (if any) specified as such in the Issue Memorandum.

**"Pre-Payment Date"** means the date specified as such in the Issue Memorandum, which shall be the latest date by which the Agent or Registrar, as the case may be, requires that it shall

have received amounts payable by it (on behalf of the relevant Issuer) in respect of the Notes, including, but without limitation, upon any Interest Payment Date or upon redemption thereof at maturity or otherwise.

**"Presentation Business Day"** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as **"Business Day Jurisdictions"** in the Issue Memorandum; and

- (a) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the Relevant Currency, on which foreign exchange transactions may be carried on in the Relevant Currency in the applicable Principal Financial Centre; or
- (b) (in the case of a payment in euro) where payment is to be made by transfer to an euro account, on which banks are open for business and carrying out transactions in euro in the jurisdiction in which the euro account specified by the payee is located.

**"Primary Source"** means the source by reference to which any Floating Rate is to be determined, specified as such in the Issue Memorandum.

**"Principal Financial Centre"** means, in respect of any Relevant Currency, the principal financial centre of the country of such Relevant Currency (which, in the case of Australian dollars, shall be Sydney and, in the case of New Zealand dollars, shall be Wellington and Auckland) or, in the case of euro, the Principal Financial Centre specified in the Issue Memorandum, in each case, as selected by the Calculation Agent.

**"Prioritised Tranches"** means one or more Tranches of Notes of the same Series which are issued on the same Issue Date, which provide that the claims of the holders of such Tranche of Notes (and, to the extent applicable, Couponholders) rank prior (subject to the approval from existing holders of Notes of the same Series), or are subordinated, to the claims of the holders (and to the extent applicable, Couponholders relating thereto) of another Tranche or Tranches of Notes of the same Series prior to and/or following enforcement of the security over the Charged Property pursuant to Condition 13 (*Enforcement*) and which may be issued on terms which are otherwise the same as or vary from the terms of other Tranches of Notes of the same Series.

**"Priority Fallback"** means, if the definition or description of the Relevant Benchmark includes a reference to a concept defined or otherwise described as an "index cessation event" (regardless of the contents of that definition or description), any fallback specified in that definition or description to apply following such an event.

**"Procedures Memorandum"** means the document dated 5 March 2019 setting out the administrative procedures and guidelines relating to the settlement of issues of Notes as amended or varied from time to time by agreement between the parties thereto with, in each case, the written approval of the Issuers, the Agent, the Arranger and the Trustee.

**"Rate Multiplier"** means the rate multiplier (if any) specified in the Issue Memorandum.

**"Rating Agency"** means any of Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**") and Moody's Investors Service Limited ("**Moody's**") (in the case of Lunar Funding I Limited) and/or such rating agency which rates the first rated Series of Notes issued by Lunar Funding V PLC (in the case of Lunar Funding V PLC) and/or in each such case such other rating agencies (if any) as are specified in the Issue Memorandum.

**"Record Date"** has the meaning set out in Condition 9(b) (*Registered Notes*).

**"Redemption Amount"** means each Final Redemption Amount and Early Redemption Amount.

**"Reference Banks"** means the institutions specified as such in the Issue Memorandum or, if none, four major banks selected by the Calculation Agent in the inter-bank market (or, if appropriate, money market) which is most closely connected with the Benchmark.

**"Registered Notes"** means Notes in registered form.

**"Related Agreement"** means each interest rate and/or currency exchange and/or cap, floor, collar, forward, option or other hedging agreement(s) or derivative contract(s), entered into by the relevant Issuer with a Counterparty in respect of the Notes, specified as such in the Issue Memorandum.

**"Related Agreement Guarantee"** means, in respect of each Related Agreement and Related Agreement Guarantor, the guarantee specified in the Issue Memorandum under the heading "Related Agreement Guarantor".

**"Related Agreement Guarantor"** means, in respect of each Related Agreement, the entity set opposite a Related Agreement under the heading "Related Agreement Guarantor" in the Issue Memorandum.

A **"Regulatory Requirement Event"** shall occur if, in the determination by the Determination Agent, as a result of (i) any enactment of, or supplement or amendment to, or a change in, a Relevant Regulatory Law, or the official interpretation of a Relevant Regulatory Law, or (ii) the implementation or application of any rule, technical guidelines, regulatory technical standards or further relevant regulations related to a Relevant Regulatory Law or (iii) any official communication, interpretation, guidance or official rules of procedures or determination made by any relevant regulatory authority with respect related to a Relevant Regulatory Law, the Issuer, an Appointed Agent, the Custodian, a Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider is no longer able to perform its obligations under or in connection with the Notes, a Transaction Document, any Related Agreement, a Repurchase Agreement or Credit Support Document or is no longer able to enter into new business (as issuer of notes or as a transaction counterparty to the Issuer).

**"Relevant Benchmark"** means any index, benchmark or price source by reference to which any amount payable under the Notes, the Underlying Assets and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents (as the case may be) is determined.

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

**"Relevant Date"** means, in respect of any Note, Receipt or Coupon, the date on which payment in respect thereof 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 (if earlier) the date on which notice is duly given to the Noteholders in accordance with Condition 17 (*Notices*) that, upon further presentation of the Note (or relative Certificate), Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation.

**"Relevant Financial Centre"** means, with respect to any Floating Rate to be determined on an Interest Determination Date, the financial centre specified as such in the Issue Memorandum or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected or, if none is so connected, London.

**"Relevant Rate"** means the Benchmark for a Representative Amount of the Relevant Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Period commencing on the Effective Date.

**"Relevant Regulatory Law"** means any relevant law applicable to the Issuer, an Appointed Agent, the Custodian, a Counterparty, any Repurchase Counterparty, any Credit Support Provider and/or any affiliate thereof from time to time, including without limitation (i) Dodd-Frank, the Bank Holding Company Act, the Federal Reserve Act and the Consumer Protection Act, (ii) EU Financial Regulation and (iii) any other similar legislation applicable in other jurisdictions, in each case as may be in force as at the Issue Date of the relevant Series, or that comes into force or is due to come into force at any time after such Issue Date.

**"Relevant Time"** means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the Issue Memorandum or, if none is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Relevant Currency in the inter-bank market in the Relevant Financial Centre.

**"Replacement Benchmark"** means, in respect of a Relevant Benchmark, an index, benchmark or other price source that the Determination Agent determines to be a reasonable alternative for such Relevant Benchmark which would have the effect of substantially preserving the economic effect to the Noteholders (in respect of their holding of the Notes) and any Counterparty or Repurchase Counterparty (in respect of its position under any Related Agreement and/or Repurchase Agreement and/or Credit Support Agreement).

**"Representative Amount"** means, with respect to any Floating Rate to be determined on an Interest Determination Date, the amount specified in the Issue Memorandum or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time.

**"Repurchase Agreement"** means the Repurchase Agreement (if any) specified in the Issue Memorandum.

**"Repurchase Counterparty"** means the Repurchase Counterparty (if any) specified in the Issue Memorandum.

**"Sanctions"** means any sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, any other government agency of the United States, the United Nations, the European Union, Her Majesty's Treasury or any other relevant authority, provided that this definition shall not include any sanctions which, if the Issuer or any Transaction Party were to take any action in respect thereof, the Issuer or Transaction Party (as applicable) would breach (i) the Council Regulation (EC) No 2271/96 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union or the United Kingdom); or (ii) any UK legislation protecting against the effects of extra-territorial legislation.

A **"Sanctions Event"** shall occur if, in the determination of the Determination Agent (i) on any day, any Note, Noteholder, the Issuer, the Underlying Assets, the issuer or obligor of the Underlying Assets, an Appointed Agent, the Custodian, a Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider and/or any entity referenced under a swap agreement (including a reference entity under any credit default swap), has become subject to Sanctions, and (ii) as a result of such Sanctions, it becomes unlawful or otherwise prohibited for the Issuer or an Appointed Agent, the Custodian, a Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider to perform any of its obligations under the Notes or any Transaction Document, any Related Agreements, any Repurchase Agreement

and/or any Credit Support Documents or such performance may result in the Issuer or any Transaction Party or any affiliate of a Transaction Party becoming subject to Sanctions.

**"Secured Obligations"** means, in respect of each Secured Party, the obligations owed by the Issuers to such Secured Party referred to under the definition of "Secured Party".

**"Secured Party"** means each of:

- (a) the Trustee, in respect of the obligations of the Issuers under the Trust Deed and the Agency Agreement insofar as they relate to the Notes;
- (b) the Noteholders, and Couponholders in respect of the obligations of the Issuers under the Notes and Coupons and under the Trust Deed;
- (c) the Custodian, in respect of the obligations of the Issuers under the Trust Deed and the Custody Agreement, insofar as they relate to the Notes or the Charged Property;
- (d) the Agents, in respect of the obligations of the Issuers under the Agency Agreement, insofar as they relate to the Notes;
- (e) any Counterparty, in respect of the obligations of the Issuers under the Trust Deed and the Related Agreement, insofar as they relate to such Related Agreement;
- (f) any Credit Support Provider, in respect of the obligations of the Issuers arising under or in respect of any Credit Support Document and the Trust Deed, insofar as such obligations relate to such Credit Support Document;
- (g) any Repurchase Counterparty, in respect of the obligations of the Issuers arising under or in respect of any Repurchase Agreement and the Trust Deed, insofar as such obligations relate to such Repurchase Agreement; and
- (h) such other entity as is specified as such in the Issue Memorandum in respect of the obligations specified therein.

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

**"Security Document"** means each of the Principal Trust Deed, the Supplemental Trust Deed and each other document specified as such in the Issue Memorandum which is executed in connection with the taking and/or perfection of security over the Charged Property.

**"Series"** means each original issue of Notes (issued on the same Issue Date) which is specified as a numbered series and which may be divided into one or more Tranches and shall include further Tranches of such Series (issued after the original Issue Date thereof) which are Fungible Tranches and shall, if in bearer form, be deemed to include the Global Notes and Definitive Bearer Notes of such Series; the expressions "Notes of the relevant Series" and "holders of Notes of the relevant Series" and related expressions shall be construed accordingly; references to a "Series of Notes" shall, where the context admits, be deemed to include Tranches of Notes of that Series.

**"Share Trustees"** means the Cayman Share Trustee and the Irish Share Trustee.

**"Specified Period"** means, with respect to any Floating Rate to be determined on an Interest Determination Date, the duration specified in the Issue Memorandum or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 7(b)(ii) (*Business Day Convention*).

**"Stock Exchange"** means Euronext Dublin, the London Stock Exchange, the Luxembourg Stock Exchange or such other or further stock exchanges (if any) as may be agreed between the relevant Issuer, the relevant Dealer and the Arranger and specified in the Issue Memorandum.

**"sub-unit"** means 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.

**"Tranche"** means a Fungible Tranche, a Prioritised Tranche or any other Tranche of Notes specified in the Conditions or the Issue Memorandum, or any of them.

**"Transaction Creditors"** means each of the Secured Parties and each of:

- (a) if applicable, the Cayman Administrator in respect of the obligations of the Cayman Issuer under the Administration Agreement;
- (b) if applicable, the Irish Manager in respect of the obligations of Lunar Funding V PLC under the relevant Management Agreement;
- (c) if applicable, the Jersey Manager in respect of the obligations of the relevant Issuer under the relevant Management Agreement;
- (d) the Lender in respect of the obligations of (i) the Cayman Issuer under the Cayman Issuer Loan Agreement, or (ii) Lunar Funding V PLC under the Lunar V Loan Agreement, as applicable; and
- (e) each additional person to whom the relevant Issuer owes any Administrative Expenses or other amounts from time to time.

**"Transaction Documents"** means the Notes, the Trust Deed, each Related Agreement (if any), the Repurchase Agreement (if any), each Credit Support Document (if any), the Asset Management Agreement (if any), the Custody Agreement (if any), the Agency Agreement, the Dealer Agreement, the Administration Agreement (if any), the Management Agreements, the Corporate Administration Agreement (if any) and each other document specified as such in the Issue Memorandum.

**"Treaty"** means the Treaty establishing the European Community, as amended.

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

**"UK Listing Authority"** means the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000.

**"Underlying Assets"** means those bonds, notes, shares, securities, loans, contractual rights, derivative instruments and/or other assets described in the Issue Memorandum.

**"Underlying Assets Purchase Agreement"** means the agreement or agreements (if any) specified in the Issue Memorandum pursuant to which the relevant Issuer purchased some or all of the Underlying Assets.



**"Variable Coupon Amount Note"** means a Note specified as such in the Issue Memorandum, the calculation of interest payable in respect of which is made by reference to an index and/or formula or as otherwise provided in the Issue Memorandum.

**"Variable Redemption Amount Note"** means a Note specified as such in the Issue Memorandum, the calculation of the Final Redemption Amount of which is by reference to an index and/or formula or as otherwise provided in the Issue Memorandum.

**"Zero Coupon Note"** means a Note specified as such in the Issue Memorandum which does not bear interest and may be issued at a discount.

(b) **Interpretation**

- (i) Where no reference is made in the Issue Memorandum to any document, agreement, entity or other matter, references in these Conditions to any such document or agreement, entity or other matter shall not be applicable.
- (ii) Capitalised terms not defined in these Conditions shall have the meanings given thereto in the Issue Memorandum and the Trust Deed.
- (iii) References in these Conditions to (A) **"principal"** shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 8 (*Redemption, Purchase and Options*) or any amendment or supplement to it and (B) **"interest"** shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 7 (Interest and Other Calculations) or any amendment or supplement to it.

**2. FORM, DENOMINATION AND TITLE**

(a) **Form**

The Notes may be Bearer Notes or Registered Notes, as specified in the Issue Memorandum. Bearer Notes will be serially numbered and (in respect of Lunar Funding V PLC) may, if specified in the Issue Memorandum be issued as an NGN.

Bearer Notes are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Notes which do not bear interest in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Any Bearer Note, the principal amount of which is redeemed in instalments, is issued with one or more Receipts attached.

Registered Notes are evidenced by Certificates, each Certificate evidencing a holding of one or more Registered Notes by the same holder.

(b) **Denomination**

The Notes are issued in the Denomination(s) specified in the Issue Memorandum. Bearer Notes of one Denomination may not be exchanged for Bearer Notes of another Denomination. Bearer Notes may not be exchanged for Registered Notes and vice versa.

(c) **Title**

Title to the Bearer Notes and the Receipts, Coupons and Talons passes by delivery. Title to the Registered Notes passes by registration in the Register which the relevant Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency

Agreement. Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Note, Receipt, Coupon or Talon shall be deemed to be and may be treated as the absolute owner of such Note, Receipt, Coupon or Talon, as the case may be, for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Note, Receipt, Coupon or Talon shall be overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon made by anyone.

### **3. TRANSFER AND EXCHANGE**

#### **(a) Transfer of Registered Notes**

One or more Registered Notes may be transferred upon the surrender, at the specified office of the Registrar or any Transfer Agent, of the Certificate representing such Registered Notes to be transferred, with the form of transfer endorsed on such Certificate duly completed and executed, together with such other evidence as the Registrar or Transfer Agent may reasonably require and subject to such reasonable regulations as the relevant Issuer and the Registrar may prescribe. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate will be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred will be issued to the transferor.

#### **(b) Exercise of Options or Partial Redemption in Respect of Registered Notes**

In the case of an exercise of the relevant Issuer's option to redeem the Notes in respect of, or a partial redemption or purchase of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the Holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed or purchased. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent.

#### **(c) Delivery of New Certificates**

Each new Certificate to be issued pursuant to Conditions 3(a) (*Transfer of Registered Notes*) or 3(b) (*Exercise of Options or Partial Redemption in Respect of Registered Notes*) will be available for delivery within three Business Days at the specified office of the relevant Transfer Agent in receipt of such request for exchange, form of transfer or Option Notice or surrender of the Certificate for exchange, as the case may be (subject to the timing requirements of any option). Delivery of new Certificate(s) shall be made at the specified office of the relevant Transfer Agent, to whom delivery or surrender of such request, form of transfer, Option Notice or Certificate shall have been made or, at the option of the Holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Option Notice or otherwise in writing, shall be mailed at the risk of the Holder entitled to the new Certificate to such address as may be so specified.

#### **(d) Exchange Free of Charge**

Exchange and transfer of Notes or Certificates on registration or transfer will be effected without charge by or on behalf of the relevant Issuer, the Registrar or the Transfer Agents, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(e) **Closed Periods**

No Noteholder may require the transfer of a Registered Note to be registered:

- (i) during the period of 15 calendar days ending on the due date for redemption of that Note; or
- (ii) during the period of 15 calendar days prior to any date on which Notes may be redeemed by the relevant Issuer at its option pursuant to the Conditions; or
- (iii) after any such Note has been drawn for redemption in whole or in part; or
- (iv) during the period of seven calendar days ending on (and including) any Record Date.

**4. STATUS OF THE NOTES**

The Notes are secured, limited recourse obligations of the relevant Issuer, ranking *pari passu* without any preference among themselves, which are secured in the manner described in Condition 5 (*Security*) and recourse in respect of which is limited in the manner described in Condition 5(e) (*Limited Recourse and Non Petition*) and Condition 13 (*Enforcement*). If specified in the Issue Memorandum, the Notes are issued with the benefit of one or more Credit Support Documents made by the Credit Support Provider(s) specified therein. The terms of each Credit Support Document (if any) are summarised in the Issue Memorandum.

In the case of Prioritised Tranches of Notes, details of such Notes' relationship with other Tranches of Notes of the same Series will be set out in full in the Issue Memorandum.

If so specified in the Issue Memorandum, prior to the security granted pursuant to the Trust Deed becoming enforceable as described in Condition 13 (*Enforcement*) certain amounts received by the relevant Issuer in connection with the Underlying Assets and/or under any Related Agreement and/or Credit Support Document or otherwise, will be applied in accordance with the Pre-enforcement Waterfall (if any) specified in the Issue Memorandum.

**5. SECURITY**

(a) **Security**

Unless otherwise specified in the Issue Memorandum and the Supplemental Trust Deed, the obligations of each Issuer to the Trustee, the Noteholders and Couponholders under the Trust Deed and the Notes and to the other Secured Parties in respect of the relative Secured Obligations are secured, pursuant to the Trust Deed, by:

- (i) a first fixed charge in favour of the Trustee over the Underlying Assets and all sums derived therefrom;
- (ii) an assignment by way of security in favour of the Trustee of the relevant Issuer's rights under any Related Agreement and any Related Agreement Guarantee;
- (iii) an assignment by way of security in favour of the Trustee of the relevant Issuer's rights under any Repurchase Agreement;
- (iv) a first fixed charge over the Accounts (if any) (excluding, for the avoidance of doubt, the Expense Reserve Account) and an assignment by way of

security in favour of the Trustee of the relevant Issuer's rights against the Account Bank in respect of such Accounts;

- (v) an assignment by way of security in favour of the Trustee of the relevant Issuer's rights under the Custody Agreement insofar as such rights relate to the Notes and/or the Underlying Assets;
- (vi) a first fixed charge in favour of the Trustee over all sums held by the Agent to meet payments due in respect of the Notes;
- (vii) an assignment by way of security in favour of the Trustee of the relevant Issuer's rights under the Agency Agreement insofar as such rights relate to the Notes;
- (viii) a first fixed charge in favour of the Trustee over all of the relevant Issuer's rights as against the Custodian in respect of any sums or other assets standing to the credit of the Repurchase Accounts (as defined in Condition 5(j));
- (ix) a first fixed charge over the proceeds received or receivable by or on behalf of the relevant Issuer upon the sale, termination, liquidation or enforcement of any of the Charged Property in accordance with Condition 8(i) (*Realisation of Charged Property upon Redemption*); and
- (x) such additional or alternative security (if any) as may be described in the Issue Memorandum and the Supplemental Trust Deed.

References in these Conditions to the "**Charged Property**" are references to the property, assets, rights and benefits described above which are subject to the security constituted by the Trust Deed. The security over the Charged Property is granted to the Trustee as trustee for the Secured Parties pursuant to the Trust Deed.

*To the extent that an obligor under the Underlying Assets fails to make payments to the relevant Issuer on the due date thereof, such relevant Issuer may be unable to meet its obligations (a) under any Related Agreement and/or (b) in respect of the Notes, the Coupons or the Receipts (if any) as and when they fall due. In addition the relevant Issuer may be unable to meet such obligations if a Related Agreement or a Repurchase Agreement is terminated (prior to the scheduled termination date thereof) for any reason or if a Counterparty or Repurchase Counterparty thereunder defaults.*

Pursuant to the Principal Trust Deed, the Cayman Issuer's obligations under its respective Cayman Issuer Loan Agreement together with its obligations to pay Administrative Expenses are secured by a first fixed charge over the relevant ledger in the Expense Reserve Account (LUN1) and an assignment by way of security of the Cayman Issuer's rights against the Account Bank in respect thereof. The security over the relevant ledger in the Expense Reserve Account (LUN1) shall not become enforceable until the date on which amounts outstanding under the Cayman Issuer Loan Agreement become due and repayable.

Pursuant to the Principal Trust Deed, Lunar Funding V PLC's obligations under the Lunar V Loan Agreement together with its obligations to pay Administrative Expenses are secured by a first fixed charge over the relevant ledger in the Expense Reserve Account (LUN5) and an assignment by way of security of Lunar Funding V PLC's rights against the Account Bank in respect thereof. The security over Lunar Funding V PLC's ledger in the Expense Reserve Account (LUN5) shall not become enforceable until the date on which amounts outstanding under the Lunar V Loan Agreement become due and repayable.

Pursuant to the Principal Trust Deed, each Issuer's obligations to the Trustee under the Principal Trust Deed and each Supplemental Trust Deed are secured by a first floating charge granted by each Issuer in favour of the Trustee over all its undertaking and assets whatsoever and wheresoever, both present and future, not otherwise effectively charged by way of fixed charge pursuant to any Trust Deed relating to a Series of Notes, save for the proceeds of issue of each Issuer's share capital and any fees and Administrative Expenses paid to the relevant Issuer in connection with the establishment of the Programme or the issue of any Series of Notes or other indebtedness. Unless otherwise specified in the Issue Memorandum, all deeds, documents, assignments or instruments, bonds, notes, negotiable instruments, papers and any other instrument comprising, evidencing, representing and/or transferring the Underlying Assets and any Purchase Price Securities (as defined in Condition 5(j)) will be deposited with or held by the Custodian subject to the security referred to above. If specified in the Issue Memorandum, the relevant Issuer may be required to use reasonable endeavours to procure that a replacement Custodian is appointed in the circumstances and subject to the conditions set out therein (including, without limitation, the downgrading of the Custodian's credit rating), which appointment shall be subject to the consent of the Trustee, the Arranger and any Instructing Creditor.

Under a declaration of trust dated 14th October, 1999 between the Cayman Issuer and the Cayman Share Trustee (the "**Declaration of Trust**"), the Cayman Share Trustee holds all the issued shares of the Cayman Issuer on trust ultimately for a specified charity or charities but, while any Notes issued by the Cayman Issuer are outstanding, shall not dispose of or otherwise deal with any of such shares except to a person previously approved in writing by the Trustee, shall not propose or pass any resolution to wind up the Cayman Issuer, unless it is directed in writing to do so by the Trustee (the Cayman Share Trustee having first been indemnified by the Trustee or Noteholders to its satisfaction in respect of all liabilities which it may incur in so doing), may act generally in relation to such shares and the affairs of the Cayman Issuer as it may be requested in writing from time to time by the Trustee (having first been indemnified as above) and shall refrain from exercising the voting rights in respect of such shares other than in such manner as it shall consider most effective for the protection of the interests of the Noteholders and the Trustee.

Under a declaration of trust dated 2nd June, 2004 between Lunar Funding V PLC and the Irish Share Trustee, the Irish Share Trustee beneficially holds all of the issued shares of Lunar Funding V PLC on trust for charitable purposes but the Irish Share Trustee shall not dispose of or otherwise deal with any of such shares while any borrowings by Lunar Funding V PLC are outstanding other than to any new or additional Share Trustee appointed, or create or suffer the creation of any security interest on or over the same.

The Trustee is exempted from any liability in respect of any loss or theft of the Charged Property, from any obligation to insure the Charged Property and from any claim arising from the fact that the Charged Property is held in a clearing system or in safe custody by a bank or other custodian. The Trust Deed also provides that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as each Issuer may have in and to any of the Charged Property and is not bound to make any investigation into the same or into the Charged Property in any respect.

(b) **Application of Proceeds**

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 of the security constituted thereby in accordance with the Order of Priority specified in the Issue Memorandum and the Supplemental Trust Deed.

(c) **Credit Support Documents**

The Notes shall have the benefit of each Credit Support Document (if any) specified in the Issue Memorandum, the principal terms of which shall be summarised therein.

(d) **Related Agreement(s)**

If specified in the Issue Memorandum, the relevant Issuer has entered into one or more Related Agreements with the Counterparties (if any) specified in the Issue Memorandum. The obligations of each Counterparty under a Related Agreement are guaranteed by a Related Agreement Guarantor if and to the extent specified in the Issue Memorandum. A Related Agreement may contain provisions requiring the relevant Issuer to make certain payments to the Counterparty thereto out of sums receivable by the relevant Issuer in respect of the Underlying Assets and requiring such Counterparty to make payments towards or equal to the obligations of the relevant Issuer in respect of all or part of the amounts due on the Notes. Each Related Agreement will terminate on the date specified in the Issue Memorandum, unless terminated earlier in accordance with its terms.

The principal terms of each Related Agreement (if any) are set out in the Issue Memorandum.

(e) **Limited Recourse and Non Petition**

The obligations of the Issuer to pay any amounts due and payable in respect of the relevant Notes, Assignable Loans, Trust Deed, Transaction Documents or otherwise shall be limited to the proceeds available at such time to make such payments in accordance with the Order of Priority specified in the applicable Supplemental Trust Deed relating to a Series of Notes or Assignable Loan Series. If the Liquidation Proceeds realised upon enforcement of the security constituted by the Trust Deed in accordance with Condition 8(i) (*Realisation of Charged Property upon Redemption*) or Condition 13 (*Enforcement*) and the provisions of the Trust Deed or liquidation of the Charged Property upon any redemption or purchase of the Notes in whole or in part in accordance with Condition 8(i) (*Realisation of Charged Property upon Redemption of Notes*) or Condition 8(p) (*Purchases*) are less than the aggregate amount payable in such circumstances by the relevant Issuer in respect of the Notes after taking into account any amounts payable to other Transaction Creditors of the relevant Issuer in priority thereto in accordance with the Order of Priority (such negative amount being referred to herein as a "**shortfall**"), the obligations of the relevant Issuer in respect of the Notes and its obligations to the other Transaction Creditors in such circumstances will be limited to such Liquidation Proceeds which shall be applied in accordance with the Order of Priority. In such circumstances the relevant Issuer will not be obliged to pay, and the other assets (if any) of the relevant Issuer (including, for the avoidance of doubt, the Charged Property in respect of any other Instruments and the relevant Issuer's share capital) will not be available for payment of such shortfall, which shall be borne by the Transaction Creditors in accordance with the Order of Priority (applied in reverse order) and the rights of the Transaction Creditors to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders, Couponholders or other Transaction Creditors may take any further action to recover such amounts. Failure to make any payment in respect of any such shortfall shall in no circumstances constitute an Event of Default under Condition 12 (*Events of Default*). At any time whilst the Notes are outstanding and in any event until the date falling one year and one day, or in the case of Notes issued by Lunar Funding V PLC, the date falling two years and one day, after the date on which any Instrument issued by the relevant Issuer under the Programme is scheduled to mature, none of the Noteholders, Couponholders, Trustee or other Transaction Creditors (nor any other person acting on behalf of any of them) shall be entitled to institute against the relevant Issuer or the directors, officers or agents thereof, or join in any institution against the relevant Issuer or the directors, officers or agents thereof of, any bankruptcy, désastre, reorganisation, arrangement, examination, insolvency or liquidation

proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations relating to the Instruments, the Coupons, the Receipts, the Trust Deed or the other Transaction Documents, save for lodging a claim in the liquidation of the relevant Issuer which is initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the relevant Issuer or the directors, officers or agents thereof nor shall any of them have any claim arising in respect of the share capital of the relevant Issuer or the Charged Property for any other Series of Instruments (other than pursuant to the terms and conditions of such Instruments or any agreement entered into in respect thereof).

In addition, neither the Trustee, the Noteholders nor any other Secured Party shall have any recourse against any director, shareholder, or officer of the relevant Issuer in respect of any obligations, covenant or agreement entered into or made by the relevant Issuer pursuant to the terms of the Trust Deed or the other Transaction Documents to which it is a party or any notice or documents which it is requested to deliver hereunder or thereunder.

**(f) Substitution of Underlying Assets**

The Issue Memorandum shall specify whether, and the terms on and circumstances in which, the Underlying Assets may or shall be sold and (if required) replaced with substitute assets subject to the written consent of the Trustee and any Instructing Creditor specified in the Issue Memorandum. The Issuer shall notify the applicable Rating Agencies of any such substitution prior to the date of such substitution. Upon substitution thereof any such substitute assets shall become the Underlying Assets on which the Notes are secured and shall become subject to the security interests granted in favour of the Trustee which are contemplated by the Security Documents executed in respect of the Notes. The relevant Issuer shall ensure that all requirements of any relevant Stock Exchange are complied with, which, in the case of Notes listed on Euronext Dublin, shall include notification of such substitution to Euronext Dublin and publication of a supplement describing the substituted security, such supplement to be available at the specified office of the Paying Agent.

**(g) Exercise of Rights in Respect of Charged Property**

Save as provided in the immediately following paragraph, the relevant Issuer will not exercise any rights in its capacity as a holder of, or person beneficially entitled to, the Charged Property except in accordance with these Conditions unless directed to do so by (a) the Trustee acting either (i) in its own discretion, (ii) upon the directions of the Asset Manager (if any) in accordance with the Asset Management Agreement, or (b) by any applicable Instructing Creditor and, if such direction is given by the Trustee, the relevant Issuer will act only in accordance with such directions.

Notwithstanding the foregoing paragraph, the relevant Issuer will not (i) attend or vote at any meeting of Holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the Charged Property, (ii) give any consent, waiver, indulgence, time or notification nor make any declaration in relation to the Charged Property (iii) give any indemnity to any person in relation to the Charged Property or assume obligations not otherwise assumed by them under the Charged Property or (iv) agree any composition, compounding or other similar arrangement with respect to the Charged Property (or any part thereof), unless, in each case, such action shall have been so requested by the Trustee acting on the directions of the Asset Manager (if any) and any applicable Instructing Creditor.

**(h) Instructing Creditor**

The Issue Memorandum may specify certain provisions of the Conditions in respect of which the consent or instructions of the Instructing Creditor so specified therein may be required.

(i) **Accounts**

The Issue Memorandum shall specify the Accounts established with the Account Bank. Save to the extent otherwise specified in the Issue Memorandum, all amounts receivable by each of the Issuers in respect of the Underlying Assets or under any Related Agreement shall be paid into such Accounts.

(j) **Repurchase Agreement**

If the Issue Memorandum specifies that the relevant Issuer has entered into a Repurchase Agreement, the Repurchase Counterparty may, subject to the provisions thereof, at any time and from time to time prior to the Maturity Date (and provided that the Notes have not fallen due and repayable prior to the Maturity Date) in its absolute discretion at its option (the "**Purchase Option**"), by giving not less than one Business Day's prior notice to the relevant Issuer, the Trustee and the Custodian (a "**Purchase Notice**"), require the transfer to it of any amount of the Underlying Assets (the "**Purchased Collateral**") (unless it is specified in the Issue Memorandum that the Purchase Option may be exercised on the Issue Date, in which case the Purchase Option may in addition be exercised on the Issue Date subject to the delivery on that date of the Purchase Notice to the relevant Issuer, the Trustee and the Custodian) on terms that full legal and beneficial ownership of such Purchased Collateral shall vest in the Repurchase Counterparty free and clear of all charges, liens and encumbrances created by the Supplemental Trust Deed with respect thereto or otherwise by the relevant Issuer and together with the benefit of all such Issuer's rights and entitlements thereto and therein subsisting at the time the Purchase Option is exercised against payment to such Issuer of the purchase price (the "**Purchase Price**") (if any) specified in, or determined in accordance with the provisions of, the Issue Memorandum and on terms that the Repurchase Counterparty shall be obliged to deliver (subject to the proviso below) the Purchased Collateral or Fungible Collateral to the relevant Issuer on the date specified in the relevant Purchase Notice or, if no date is so specified, on the date specified at any time prior to the Maturity Date in the absolute discretion of the Repurchase Counterparty (each, a "**Redelivery Date**") against payment of the repurchase price (the "**Repurchase Price**") (if any) specified in, or determined in accordance with the provisions of, the Issue Memorandum and that until the Purchased Collateral or Fungible Collateral is so delivered, (unless otherwise specified in the Issue Memorandum) all Income Payments (as defined below) in respect of the Purchased Collateral will be made to the Repurchase Counterparty (each, a "**Purchase Transaction**"); provided that, on any Redelivery Date, the Repurchase Counterparty may, at its option and if so specified in the Issue Memorandum, deliver, in full and final satisfaction of its obligation to deliver the Purchased Collateral or Fungible Collateral, either (i) a cash amount equal to the then current market value of the Purchased Collateral or (ii) such other assets as are selected by the Repurchase Counterparty in its absolute discretion which have a then current market value equal to the then current market value of the Purchased Collateral, and in the case of (i) and (ii) above, the then current market value of the Purchased Collateral and, as the case may be, of any other assets which may be so delivered in place of the Purchased Collateral, shall be determined in good faith and in a reasonably commercial manner by the Repurchase Counterparty. The Repurchase Counterparty may, upon not less than one Business Day's prior notice to the relevant Issuer, the Trustee and the Custodian, defer any Redelivery Date to any subsequent date not later than the Maturity Date.

Any obligation of the Repurchase Counterparty to make payment to the relevant Issuer of the Purchase Price may be satisfied (in whole or part) by the delivery to such Issuer (or to the Custodian on behalf of such Issuer) of certain bonds, notes or securities (the "**Purchase Price**")



**Securities**") specified in the Issue Memorandum. Where the Purchase Price comprises (in whole or part) Purchase Price Securities, any obligation of such Issuer to pay the Repurchase Price to the Repurchase Counterparty may be satisfied (in whole or part) by the redelivery to the Repurchase Counterparty of the Purchase Price Securities or Fungible Purchase Price Securities together with (unless otherwise specified in the Issue Memorandum) a payment equal to the total amount of principal, interest, dividends or other distributions made by the obligor(s) of the Purchase Price Securities and received by the Custodian on behalf of such Issuer during the period from and including the date of the delivery of the Purchase Price Securities to and including the Redelivery Date.

**"Fungible Purchase Price Securities"** means an amount of debt securities equivalent to the Purchase Price Securities comprising the Purchase Price (in whole or part) (provided that, if and to the extent that such Purchase Price Securities have been redeemed, such expression shall mean a sum of money equivalent to (and in the same currency as) the proceeds of such redemption) and debt securities are "equivalent to" Purchase Price Securities if they (i) have the same issuer or obligor, (ii) are part of the same issue, series or class, (iii) are of an identical type, nominal value and description and amount as the Purchase Price Securities and (iv) have the same terms and conditions and rank in all respects *pari passu* and equally with the Purchase Price Securities.

Unless otherwise provided in the Issue Memorandum, the Repurchase Price may not exceed the amount for the time being standing to the credit of the Repurchase Cash Account (as defined below) together with delivery of any securities standing to the credit of the Repurchase Securities Account (as defined below).

**"Fungible Collateral"** means an amount of debt or equity securities equivalent to the Purchased Collateral the subject of the relevant Purchase Transaction (provided that, if and to the extent that such Purchased Collateral has been redeemed, such expression shall mean a sum of money equivalent to (and in the same currency as) the proceeds of such redemption) and debt or equity securities are "equivalent to" Purchased Collateral if they (i) have the same issuer or obligor, (ii) are part of the same issue, series or class, (iii) are of an identical type, nominal value and description and amount as the Purchased Collateral and (iv) have the same terms and conditions and rank in all respects *pari passu* and equally with the Purchased Collateral.

Unless otherwise specified in the Issue Memorandum, under the Repurchase Agreement, the Repurchase Counterparty in respect of a Purchase Transaction will be required to make payments to the relevant Issuer equal to each payment of principal, interest, dividends or other distributions (each an **"Income Payment"**) made by an obligor of the relevant Purchased Collateral and received by it on the date on which such payments under such Purchased Collateral are received by the Repurchase Counterparty.

Unless otherwise specified in the Issue Memorandum, if the Repurchase Counterparty exercises its Purchase Option under the Repurchase Agreement, the relevant Issuer will be deemed to be authorised by the Trustee (and the Trustee shall be deemed to be authorised for the purposes of the Trust Deed) to release from the security created by or pursuant to the Supplemental Trust Deed the Underlying Assets which are the subject of the Purchase Transaction. Unless otherwise specified in the Issue Memorandum, if any Purchased Collateral or Fungible Collateral is redelivered to the relevant Issuer pursuant to the Repurchase Agreement, the right of such Issuer to receive payments from the Repurchase Counterparty equal to the Income Payments received by the Repurchase Counterparty which are made on or in respect of such Purchased Collateral or Fungible Collateral shall terminate and, upon redelivery of such Purchased Collateral or Fungible Collateral, such Purchased Collateral or Fungible Collateral shall be subject to the security constituted by or created pursuant to the Supplemental Trust Deed.

Any amount of Purchase Price paid by the Repurchase Counterparty to the relevant Issuer pursuant to the Repurchase Agreement shall be credited to an interest bearing account in the name of the relevant Issuer (the "**Repurchase Cash Account**") with the Custodian specified in the Supplemental Trust Deed on terms that the funds standing to the credit of the Repurchase Cash Account shall earn the rate or rates of interest (which may be a floating rate) specified in the Supplemental Trust Deed. Any amount of Purchase Price satisfied by the delivery of Purchase Price Securities by the Repurchase Counterparty to the relevant Issuer shall be credited to a securities account (the "**Repurchase Securities Account**", and together with the Repurchase Cash Account, the "**Repurchase Accounts**") in the name of such Issuer with the Custodian. Unless otherwise specified in the Issue Memorandum, all Income Payments made by an obligor of any Purchase Price Securities and received by the Custodian on behalf of the relevant Issuer during the period from and including the date of delivery of the Purchase Price Securities to and including the Redelivery Date shall be credited to the Repurchase Cash Account. Unless otherwise specified in the Issue Memorandum, funds credited to the Repurchase Cash Account from time to time (including capitalised interest) shall be debited from the Repurchase Cash Account on each Redelivery Date to be applied together with the delivery of any securities standing to the credit of the Repurchase Securities Account in payment of the Repurchase Price and any other amounts then due to the Repurchase Counterparty pursuant to the Repurchase Agreement or as otherwise provided in the Supplemental Trust Deed.

Upon the occurrence of an event in respect of the Purchased Collateral which constitutes (i) an Underlying Asset Payment Default (as defined in Condition 8(c)) (if so specified in the relevant Issue Memorandum), or (ii) an Underlying Asset Acceleration (as defined in Condition 8(c)) (if so specified in the relevant Issue Memorandum), then the Repurchase Agreement shall terminate, and all Purchased Collateral and/or Fungible Collateral and/or (as provided in this Condition 5(j)) cash or other assets will be redelivered or delivered, as the case may be, to the relevant Issuer; the date of such redelivery or delivery shall be deemed to be a Redelivery Date; the Issuer will pay the Repurchase Price to the Repurchase Counterparty; and all payments of principal, interest or other sums in respect of any such redelivered Purchased Collateral or Fungible Collateral shall thereafter be made to such Issuer.

Unless otherwise specified in the Issue Memorandum, upon the occurrence of either (i) an Underlying Asset Payment Default in respect of any Purchase Price Securities, or (ii) an Underlying Asset Acceleration in respect of any Purchase Price Securities (the Purchase Price Securities so affected, in each case, the "**Affected Purchase Price Securities**"), the Repurchase Counterparty shall replace the Affected Purchase Price Securities with either a cash amount equal to the aggregate principal amount of the Affected Purchase Price Securities or certain bonds, notes or securities as specified in the Issue Memorandum (provided that such bonds, notes or securities would not constitute Affected Purchase Price Securities immediately upon such replacement), the then current market value of such bonds, notes or securities being equal to the aggregate principal amount of the Affected Purchase Price Securities.

The principal terms of the Repurchase Agreement (if any) are set out in the Issue Memorandum.

*To the extent that the Repurchase Counterparty fails to make payments due to the relevant Issuer under the Repurchase Agreement, or to deliver Purchased Collateral or Fungible Collateral to the relevant Issuer when required under the Repurchase Agreement, such Issuer will be unable to meet its obligations in respect of the Notes, the Coupons or the Receipts. In such event, the Repurchase Agreement will be terminated and, assuming that "Repurchase Agreement Termination" is specified in the Issue Memorandum as a "Mandatory Redemption Event", the Notes will become repayable in accordance with Condition 8(c).*

*The Repurchase Agreement will provide that if at any time all the Notes fall due and payable in full prior to their Maturity Date for any reason (including, without limitation, pursuant to Condition 8(c), Condition 8(d) or Condition 12) or if the relevant Issuer announces an intention to purchase all of the Notes pursuant to the Conditions, all Purchased Collateral and/or Fungible Collateral and/or (as provided in Condition 5(j)) cash or other assets will be redelivered or delivered, as the case may be, to such Issuer, the date of such redelivery or delivery shall be deemed to be a Redelivery Date in respect of the relevant Purchase Transaction, the Issuer will pay the Repurchase Price to the Repurchase Counterparty, and, unless otherwise specified in the Repurchase Agreement, all payments of principal, interest or other sums in respect of any such redelivered Purchased Collateral or Fungible Collateral shall thereafter be made to such Issuer.*

## **6. COVENANTS AND RESTRICTIONS**

### **(a) Covenants of each Issuer**

As more fully described in the Trust Deed (and subject as provided in Condition 5(g)) for so long as any of the Notes remains outstanding, each Issuer will:

- (i) take such steps as are reasonable to enforce all its rights:
  - (A) under the Trust Deed;
  - (B) in respect of the Charged Property;
  - (C) under each Related Agreement;
  - (D) under each Credit Support Document; and
  - (E) under each other Transaction Document;
- (ii) comply with its obligations under the Notes, the Trust Deed, each Related Agreement, each Credit Support Document and each other Transaction Document;
- (iii) keep proper books of account;
- (iv) at all times maintain its tax residence outside the United Kingdom and the United States of America and will not establish a branch, agency or place of business or register as a company in England and Wales;
- (v) pay its debts generally as they fall due;
- (vi) do all such things as are necessary to maintain its corporate existence;
- (vii) in the case of Listed Notes, use its best endeavours to obtain and maintain admission of such Notes to the applicable Stock Exchange for as long as any of the Notes are outstanding. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listing is unduly onerous, each Issuer will instead use all reasonable endeavours promptly to obtain and thereafter to maintain a listing for such Notes on such other stock exchange(s) as it may (with the approval of the Trustee, each Instructing Creditor and the Arranger) decide or failing such decision as the Trustee shall determine;
- (viii) comply with such additional covenants as may be set out in the Issue Memorandum and the Supplemental Trust Deed; and

- (ix) at all times use best efforts to procure that the Charged Property relating to any Series of Notes and the proceeds thereof are at all times distinguishable from the Charged Property relating to each other Series of Notes and from the other assets of the relevant Issuer.

**(b) Restrictions on each Issuer**

As more fully described in the Trust Deed for so long as any of the Notes remains outstanding, the relevant Issuer will not without the consent of the Trustee and any Instructing Creditor:

- (i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its rights, titles or interests in or to the Charged Property nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Charged Property, save as contemplated in the Trust Deed and the Conditions of the Notes and the Conditions of the Assignable Loans;
- (ii) engage in any business other than:
  - (A) acquiring and holding the Charged Property in relation to each Assignable Loan Series or Series of Notes (which shall include, without limitation, the entry into Related Agreements or other derivative instruments);
  - (B) issuing and performing its obligations under each Assignable Loan Series and Series of Notes issued by it;
  - (C) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Trust Deed, each Related Agreement, each Credit Support Document and each other Transaction Document for each Assignable Loan Series and Series of Notes issued by it;
  - (D) issuing further Assignable Loan Series or Series of Notes or borrowing monies evidenced by a loan agreement upon terms that such borrowed monies shall not be secured on the Charged Property for any outstanding Assignable Loan Series or Series of Notes or the relevant Issuer's share capital, and that recourse is limited to any additional assets secured in respect of such borrowed monies on terms in substantially the form contained in Condition 5(e) (*Limited Recourse and Non Petition*) and, in each case, entering into related transactions in accordance with, but subject to the provisions of paragraph (c) (*Further Issues and Additional Indebtedness*);
  - (E) performing any act incidental to the above; and
  - (F) conducting business solely in its own name;
- (iii) purchase any Notes or Assignable Loans, save in accordance with Condition 8(p) (*Purchases*) of the Conditions of the Notes or Condition 8(o) (*Purchases*) of the Conditions of the Assignable Loans, or repay any part of borrowed monies evidenced by a loan agreement, save in accordance with the provisions of such loan agreement;
- (iv) incur any indebtedness for borrowed money other than in respect of the Assignable Loans or Series of Notes or as evidenced by a loan agreement as contemplated under paragraph (b)(ii)(D) above or under any Related Agreement, Credit Support Document or other Transaction Document and save to the extent permitted in accordance with paragraph (c) (*Further Issues and Additional Indebtedness*);

- (v) declare or pay any dividends or make any other distribution to its shareholders or amend its constitutional documents;
- (vi) have any subsidiaries;
- (vii) have any employees;
- (viii) enter into any reconstruction, amalgamation, merger or consolidation;
- (ix) issue any shares (other than such shares as are in issue as at the date of execution of the Principal Trust Deed) nor redeem or purchase any of its issued share capital;
- (x) release the Custodian from the Custody Agreement (if any), release the Asset Manager from the Asset Management Agreement (if any), release any Credit Support Provider from any Credit Support Document, release any Counterparty or Related Agreement Guarantor from any Related Agreement or Related Agreement Guarantee, as the case may be (including in each case any transactions entered into thereunder) or, in each case, from any executory obligation thereunder nor agree to any amendment to or waiver of the provisions of any such agreement;
- (xi) enter into any lease in respect of, or own, real property including premises;
- (xii) contravene such other restrictions as may be set out in the Issue Memorandum and the Supplemental Trust Deed; and
- (xiii) voluntarily enter into a dissolution or liquidation except if the Issuer or its directors are so required by law.

(c) **Further Issues and Additional Indebtedness**

Any Issuer may from time to time (A) (without the consent of the Noteholders but provided that the Trustee is satisfied that the restrictions of this Condition will be complied with) issue further notes (which may form a single Series with the Notes), or (B) borrow further monies evidenced by an existing loan agreement and, in each case, any Issuer may create or incur further obligations relating to such notes or borrowed monies provided that such further notes, borrowed monies or obligations:

- (i) are secured (save in the case of such further notes forming a single Series with the Notes and in the case of further borrowed monies evidenced by an existing loan agreement) on assets of the relevant Issuer other than the Charged Property or, as the case may be, such assets that form the security in respect of such borrowed monies and, in each case, the relevant Issuer's ordinary share capital;
- (ii) are issued or incurred on terms in substantially the form contained in Condition 5(e) (*Limited Recourse and Non Petition*) which provide for the limitation of all claims in respect of such further notes, borrowed monies and obligations after application of the proceeds of the assets on which such further notes, borrowed monies and obligations are secured and, in the case of further notes and further obligations relating to notes, as confirmed by legal opinions (in respect of the law relating to the Cayman Islands or as the case may be, Ireland and England) in such form and with such content as may be satisfactory to the Trustee; and
- (iii) are, (A) in the case of such further notes forming a single Series with the Notes, secured *pari passu* with the Notes of such Series (or a Tranche thereof) upon the Charged Property and such further assets of the relevant Issuer upon which such

further notes are secured, in accordance with Condition 16 (*Further Issues*) and, if not issued or incurred on the Issue Date of such Series of Notes, are contemplated in the Conditions of such Notes or approved by the holders of all of the Notes of that Series, or (B), in the case of further borrowed monies evidenced by an existing loan agreement, secured on the assets that form the security in respect of such borrowed monies and such further assets of the relevant Issuer upon which such further borrowed monies are secured, and are incurred on the date of such loan agreement or are otherwise contemplated in the provisions of such existing loan agreement or approved by the creditors in respect of such existing loan agreement.

## **7. INTEREST AND OTHER CALCULATIONS**

### **(a) Interest Rate and Accrual**

Each Note bears interest on its outstanding principal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Interest Rate payable in arrear on the Interest Payment Date(s) in each year and on the Maturity Date if that does not fall on an Interest Payment Date.

Interest will cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment) at the Interest Rate in the manner provided in this Condition 7 (*Interest and Other Calculations*) to the Relevant Date.

### **(b) Interest on Fixed Rate Notes**

If the Note is specified in the Issue Memorandum as being a Fixed Rate Note (save to the extent otherwise provided in the applicable Issue Memorandum), the amount of interest payable on each Interest Payment Date in respect of the Interest Period ended on such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Issue Memorandum, amount to the Initial Broken Amount or Final Broken Amount so specified.

If interest is required to be calculated for a period ending other than on an Interest Payment Date, such interest shall be calculated by applying the Interest Rate to each Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

### **(c) Interest on Floating Rate Notes**

#### **(i) Interest Rate on Floating Rate Notes**

If the Note is specified in the Issue Memorandum as being a Floating Rate Note, the Interest Rate for each Interest Accrual Period will be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

(A) if the Primary Source for the Floating Rate is a Page, subject as provided below, the Interest Rate shall be:

(1) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity); or

- (2) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date;

- (B) if the Primary Source for the Floating Rate is Reference Banks or if Condition 7(c)(i)(A)(1) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if Condition 7(c)(i)(A)(2) above applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Interest Rate shall be the arithmetic mean of the Relevant Rates which each of the Reference Banks is quoting (or such of them, being at least two, as are quoting) to major banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent;
- (C) if Condition 7(c)(i)(B) applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Interest Rate shall be the arithmetic mean of the rates per annum (expressed as a percentage) which the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Relevant Currency which at least two out of five leading banks selected by the Calculation Agent in the Principal Financial Centre of the Relevant Currency are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date equal to the Specified Period to leading banks carrying on business in Europe, or, if the Calculation Agent determines that fewer than two of such banks are so quoting, in the Principal Financial Centre, the Interest Rate shall be the Interest Rate determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Interest Rate applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period);

(ii) Business Day Convention

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

- (A) the "**Floating Rate Convention**", such date shall be postponed to the next day which is a Determination Business Day unless it would thereby fall into the next calendar month, in which event (1) such date shall be brought forward to the immediately preceding Determination Business Day and (2) each subsequent such date shall be the last Determination Business Day of the month in which such date would have fallen had it not been subject to adjustment;
- (B) the "**Following Business Day Convention**", such date shall be postponed to the next day which is a Determination Business Day;
- (C) the "**Modified Following Business Day Convention**", such date shall be postponed to the next day which is a Determination Business Day unless it would thereby fall into the next calendar month, in which event such date

shall be brought forward to the immediately preceding Determination Business Day; or

- (D) the "**Preceding Business Day Convention**", such date shall be brought forward to the immediately preceding Determination Business Day.

(d) **Interest Rate on Zero Coupon Notes**

As from the Maturity Date, the Interest Rate for any overdue principal in respect of a Zero Coupon Note shall be, in the case of a Zero Coupon Note which is issued at a discount, a rate per annum (expressed as a percentage) equal to the Amortisation Yield and otherwise, the rate specified in the Issue Memorandum.

(e) **Margin, Maximum/Minimum Interest Rates, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding**

- (i) If any Margin or Rate Multiplier is specified in the Issue Memorandum (either (A) generally, or (B) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Interest Rates, in the case of (A), or the Interest Rates for the specified Interest Accrual Periods, in the case of (B), calculated in accordance with Condition 7(c)(i) (*Interest Rate on Floating Rate Notes*) above by adding (if a positive number) or subtracting (if a negative number) the absolute value of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.
- (ii) If any Maximum or Minimum Interest Rate, Instalment Amount or Redemption Amount is specified in the Issue Memorandum, then any Interest Rate, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be.
- (iii) Subject to the requirements of applicable law, for the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (A) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (B) all figures will be rounded to seven significant figures (with halves being rounded up) and (C) all currency amounts which fall due and payable will be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes, "unit" means, with respect to any currency other than euro, the lowest amount of such currency which is available as legal tender in the country of such currency and, with respect to euro, means 0.01 euro.

(f) **Calculation of Interest**

The Interest Amount payable in respect of any Note for any period shall be calculated by multiplying the product of the Interest Rate and the outstanding principal amount of such Note by the Day Count Fraction, unless a specific Fixed Interest Amount (or a formula for its calculation) is specified in the Issue Memorandum in respect of such period, in which case the amount of interest payable in respect of such Note for such period will equal such Fixed Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period will be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.

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



As soon as practicable after the Relevant Time on each Interest Determination Date or such other time on such date as the Calculation Agent may be required to calculate any Redemption Amount or Instalment Amount, obtain any quotation or make any determination or calculation, the Calculation Agent will, in the case of Floating Rate Notes, determine the Interest Rate and calculate the Interest Amount payable in respect of each Denomination of the Notes for the relevant Interest Accrual Period, calculate the Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Interest Rate and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Redemption Amount or any Instalment Amount to be notified to the relevant Issuer, the Trustee, the Agent, each of the Paying Agents, the Noteholders, the relevant Dealer (if such Dealer is not the Calculation Agent), any other Calculation Agent appointed in respect of the Notes which is to make a further calculation upon receipt of such information, any Instructing Creditor and, for so long as the Notes are listed on a Stock Exchange and the rules of such Stock Exchange require, such Stock Exchange, as soon as possible after their calculation or determination but in no event later than (i) (except in the case of notices to the Noteholders) the commencement of the relevant Interest Period, if determined prior to such time, in the case of an Interest Rate and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. The Interest Amounts and the Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 12 (*Events of Default*), the accrued interest and the Interest Rate payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition but no notification of the Interest Rate or the Interest Amount so calculated need be made unless the Trustee otherwise requires. The determination of each Interest Rate, Interest Amount, Redemption Amount and Instalment Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error or error which is, in the opinion of the Trustee, proven) be final and binding upon all parties.

(h) **Determination or Calculation by Trustee**

If the Calculation Agent fails at any time for any reason in the case of Floating Rate Notes to establish the Interest Rate for an Interest Accrual Period or the Interest Amount or to make any other determination or calculation required pursuant to these Conditions, the Trustee shall do so and such determination or calculation shall be deemed to have been made by the Calculation Agent. In doing so, the Trustee shall apply the foregoing provisions of this Condition, with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances.

(i) **Calculation Agent and Reference Banks**

The Issuers shall procure that there shall at all times be four Reference Banks with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the Conditions applicable to the Notes and for so long as any Notes are outstanding. If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the relevant Issuer will appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Interest Rate for any Interest Period or to calculate the Interest Amounts or any other requirements, the relevant Issuer shall (with the prior approval of the Trustee) appoint the London office of a leading bank engaged in the

London interbank market to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

## **8. REDEMPTION, PURCHASE AND OPTIONS**

### **(a) Final Redemption**

Unless previously redeemed, purchased and cancelled as provided below and unless its maturity is extended pursuant to the relevant Issuer's or any Noteholders' option in accordance with Condition 8(k) (*Options in Respect of the Notes*), each Note will be redeemed at its Final Redemption Amount (which, unless otherwise provided, is its outstanding principal amount) on the Maturity Date specified on each Note. Notes with no final maturity date will only be redeemable or repayable in accordance with the following provisions of this Condition 8 (*Redemption, Purchase and Options*) or Condition 12 (*Events of Default*).

### **(b) Redemption by Instalments**

Unless previously redeemed, purchased and cancelled as provided in this Condition 8 (*Redemption, Purchase and Options*) and unless the relevant Instalment Date is extended pursuant to the relevant Issuer's or any Noteholders' option in accordance with Condition 8(k) (*Options in Respect of the Notes*), each Instalment Note will be partially redeemed on each Instalment Date at the specified Instalment Amount, whereupon the outstanding principal amount of such Instalment Note shall be reduced for all purposes by the Instalment Amount.

### **(c) Mandatory Redemption Events**

The Issue Memorandum shall specify whether the following events shall constitute a "**Mandatory Redemption Event**" for the purpose of the Notes:

#### **(i) Underlying Asset Payment Default**

failure by the obligor of any Underlying Asset to pay on the due date therefor any amount payable in respect of or under any Underlying Asset (after, unless otherwise specified in the Issue Memorandum, expiry of any grace period applicable to such Underlying Asset);

#### **(ii) Underlying Asset Acceleration**

(A) redemption of any of the Underlying Assets prior to their stated maturity, or (B) if any of the Underlying Assets becomes repayable or becomes capable of being declared due and repayable prior to its stated date of maturity for whatever reason;

#### **(iii) Related Agreement Termination**

termination in whole of any Related Agreement unless provision for the replacement thereof is contemplated in the Issue Memorandum;

#### **(iv) Repurchase Agreement Termination**

termination in whole of any Repurchase Agreement unless provision for the replacement thereof is contemplated in the Issue Memorandum;

#### **(v) Credit Event**

the occurrence of a Credit Event;

(vi) **Tax Event**

the relevant Issuer would suffer tax in respect of its income in respect of the Underlying Assets or payments made to it under a Related Agreement, or would receive net of any tax any payments in respect of the Underlying Assets or payments made to it under a Related Agreement, so that it would be unable to make payment of any amount due under the Notes; and

(vii) **Additional Mandatory Redemption Events**

such other events (if any) as may be specified as such in the Issue Memorandum.

Promptly upon the relevant Issuer first becoming aware of the occurrence of any Mandatory Redemption Event it shall notify the Trustee, the Custodian, the Noteholders (in accordance with Condition 17 (*Notices*)) and each Counterparty and Credit Support Provider of such event, the Underlying Assets shall be liquidated in accordance with Condition 8(i) (*Realisation of Charged Property upon Redemption*) and the Notes shall be redeemed in whole but not (unless otherwise indicated in the Issue Memorandum) in part at the applicable Early Redemption Amount together with interest accrued thereon or payable in respect thereof to the date of redemption, unless otherwise specified in the Issue Memorandum, on the date of the occurrence of such event or as soon as is practicable thereafter taking into account the timing of liquidation of the Charged Property (the "**Early Redemption Date**"). The relevant Issuer shall notify the Noteholders (in accordance with Condition 17 (*Notices*)) as soon as is practicable following the determination of any Early Redemption Date applicable to the Notes in accordance with this Condition. Failure to make any payment due in respect of a mandatory redemption under this Condition 8(c) of part of the principal amount of the Notes or interest thereon as a result of any shortfall in the proceeds of liquidation or realisation of the Charged Property shall not constitute an Event of Default.

(d) **Optional Redemption for Taxation Reasons**

In the event that the relevant Issuer is unable to arrange its substitution as principal obligor under the Notes or to change its residence for taxation purposes if and when required to use all reasonable endeavours to do so pursuant to Condition 10 (*Taxation*) within 20 days of the relevant circumstance occurring, the relevant Issuer shall give notice of such fact to the Noteholders in accordance with Condition 17 (*Notices*) and the Noteholders may, within a period of 60 days from the date of such notice, by Extraordinary Resolution, as defined in the Trust Deed, require the relevant Issuer to, and the relevant Issuer shall, redeem all, but not some only, of the Notes, on the date specified in such Extraordinary Resolution or on the next occurring Interest Payment Date (in the case of Floating Rate Notes and Variable Coupon Amount Notes only) (in each case, the "**Early Redemption Date**") at their Early Redemption Amount together with interest accrued thereon to the date of redemption.

(e) **Redemption following an Administrator/Benchmark Event in respect of Notes**

If the Determination Agent (acting in good faith and in a commercially reasonable manner) determines on any day that an Administrator/Benchmark Event has occurred in respect of a Relevant Benchmark by reference to which amounts payable under the Notes are calculated (such Relevant Benchmark, the "**Affected Relevant Benchmark**" and such day, the "**Administrator/Benchmark Event Notes Determination Date**") and:

- (i) it (x) is or would be unlawful under any applicable law or regulation or (y) would contravene any applicable licensing requirements, for the Determination Agent to determine a Replacement Benchmark for the Affected Relevant Benchmark (or it

would be unlawful or would contravene those licensing requirements were a determination to be made at such time); or

- (ii) the Determination Agent determines that the Replacement Benchmark which would otherwise be selected by the Determination Agent to replace the Affected Relevant Benchmark is or would be a benchmark, index or other price source whose production, publication, methodology or governance would subject the Calculation Agent to material additional regulatory obligations which it is unwilling to undertake; or
- (iii) the Determination Agent determines (in its absolute discretion) that there is no Replacement Benchmark that would be a reasonable alternative to the Affected Relevant Benchmark and which would have the effect of substantially preserving the economic effect to the Noteholders and the Counterparty,

then, (I) the Determination Agent shall notify the relevant Issuer that an Administrator/Benchmark Event has occurred and the Issuer shall, on the advice of the Determination Agent, designate a day no less than seven and no more than 30 calendar days following the Administrator/Benchmark Event Notes Determination Date as the Early Redemption Date (as defined below) (for the avoidance of doubt, such Early Redemption Date may fall after the Maturity Date in circumstances where the Administrator/Benchmark Event Notes Determination Date occurs within 30 calendar days of the Maturity Date); and (II) as soon as reasonably practicable, the Issuer shall (provided that no Early Redemption Date has occurred pursuant to any other Condition) notify the Noteholders (in accordance with Condition 17 (*Notices*)), the Trustee, the Custodian, each Counterparty, any Repurchase Counterparty, Credit Support Provider and each other Appointed Agent of the occurrence of the Administrator/Benchmark Event, the Underlying Assets shall be liquidated in accordance with Condition 8(i) (*Realisation of Charged Property upon Redemption*) and the Notes shall be redeemed in whole but not in part at the applicable Early Redemption Amount (calculated in accordance with Condition 8(j) (*Early Redemption Amounts*)) (which shall be the only amount payable with no separate payment of unpaid accrued interest thereon) on the date designated as the Early Redemption Date pursuant to Condition 8(e)(I) above (the "**Early Redemption Date**") and of the designation of the Early Redemption Date and each Note shall become due and payable on the related Early Redemption Date at its Early Redemption Amount).

(f) **Redemption following an Administrator/Benchmark Event in respect of the Underlying Assets**

If the Determination Agent (acting in good faith and in a commercially reasonable manner) determines at any time that an Administrator/Benchmark Event has occurred in respect of a Relevant Benchmark by reference to which amounts payable pursuant to any Underlying Assets, and/or Related Agreements, any Repurchase Agreement or any Credit Support Documents are calculated (such time, the "**Administrator/Benchmark Event Underlying Assets Determination Date**"):

- (i) the Determination Agent shall notify the relevant Issuer that an Administrator/Benchmark Event has occurred and the Issuer shall, on the advice of the Calculation Agent designate a day no less than seven and no more than 30 calendar days following the Administrator/Benchmark Event Underlying Assets Determination Date as the Early Redemption Date (for the avoidance of doubt, such Early Redemption Date may fall after the Maturity Date in circumstances where the

Administrator/Benchmark Event Underlying Assets Determination Date occurs within 30 calendar days of the Maturity Date); and

- (ii) the Issuer shall (provided that no Early Redemption Date has occurred pursuant to any other Condition) notify the Noteholders (in accordance with Condition 17 (Notices)), the Trustee, the Custodian, each Counterparty, any Repurchase Counterparty, Credit Support Provider and each other Appointed Agent of the occurrence of the Administrator/Benchmark Event, the Underlying Assets and/or Related Agreements, any Repurchase Agreement, any Credit Support Documents shall be liquidated in accordance with Condition 8(i) (*Realisation of Charged Property upon Redemption*) and the Notes shall be redeemed in whole but not in part at the applicable Early Redemption Amount (calculated in accordance with Condition 8(j) (*Early Redemption Amounts*)) (which shall be the only amount payable with no separate payment of unpaid accrued interest thereon) on the date designated as the Early Redemption Date pursuant to Condition 8(f)(i) above (the "**Early Redemption Date**").

(g) **Administrator/Benchmark Event in respect of the Notes**

If at any time after the Issue Date the Determination Agent determines that an Administrator/Benchmark Event has occurred with respect to an Affected Relevant Benchmark then the Determination Agent shall use reasonable endeavours to determine a Replacement Benchmark for such Affected Relevant Benchmark provided however that if:

- (i) it (x) is or would be unlawful under any applicable law or regulation or (y) would contravene any applicable licensing requirements, for the Determination Agent to determine such Replacement Benchmark (or it would be unlawful or would contravene those licensing requirements were a determination to be made at such time); or
- (ii) the Replacement Benchmark which would otherwise be selected by the Determination Agent to replace the Affected Relevant Benchmark is or would be a benchmark, index or other price source whose production, publication, methodology or governance would in the Calculations Agent's opinion (acting in a commercially reasonable manner) subject the Calculation Agent to additional obligations which it is unwilling or unable to undertake; or
- (iii) the Determination Agent determines (in its absolute discretion) that there is no Replacement Benchmark which would be a reasonable alternative to the Affected Relevant Benchmark and which would have the effect of substantially preserving the economic effect to the Noteholders, any Counterparty or Repurchase Counterparty,

then the Determination Agent shall notify the Issuer of the existence of any of the circumstances described in (i), (ii) or (iii) above and the provisions of Condition 8(e) shall apply.

If the Determination Agent determines a Replacement Benchmark for the Affected Relevant Benchmark then (x) the Determination Agent shall notify the Issuer and the Trustee of such determination and (y) such Replacement Benchmark shall replace the Affected Relevant Benchmark with effect from such date as is determined by the Determination Agent. The Determination Agent may propose to the Issuer and the Trustee such adjustments (which adjustments shall be deemed to be of a formal, minor or technical nature) that it determines to be appropriate, if any, to any one or more of the Conditions of the Notes, including without limitation, any Condition relevant to the settlement or payment under the Notes, as the Determination Agent determines appropriate to account for such replacement and the Issuer

and the Trustee shall use all reasonable endeavours to effect such adjustments promptly. For the avoidance of doubt, in determining a Replacement Benchmark, the Determination Agent shall not be obliged to act solely in the interests of the Noteholders.

Where Trustee consent is required under this Condition 8(g), the Determination Agent shall (I) certify to the Trustee that, in its opinion, the relevant Administrator/Benchmark Event has occurred; and (II) set out any adjustments which it determines appropriate to account for such replacement. In providing its consent, the Trustee may rely on such certificate, without the need for further investigations.

(h) **Modifications upon a Regulatory Requirement Event or Sanctions Event**

Notwithstanding any provisions of this Condition 8 to the contrary, the Determination Agent may, following the occurrence of a Regulatory Requirement Event or a Sanctions Event, notify the Issuer, the Trustee and the other Appointed Agents, the Custodian, each Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider of any modifications that are required to be made to the Conditions, any Transaction Document, Related Agreements, Repurchase Agreement and/or Credit Support Documents (each a “**Regulatory Modification**”) in order to cause (i) the transactions contemplated by the Conditions, any of the Transaction Documents, Related Agreements, Repurchase Agreement and/or Credit Support Documents (as the case may be) to be compliant with all Relevant Regulatory Laws and any laws relating to Sanctions, (ii) the Issuer and the Appointed Agents, the Custodian, each Counterparty, any Repurchase Counterparty, and/or Credit Support Provider to be compliant with all Relevant Regulatory Laws and any laws relating to Sanctions, (iii) the Issuer, the Appointed Agents, the Custodian, each Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider to be able to continue to transact future business in compliance with all Relevant Regulatory Laws and any laws relating to Sanctions, and (iv) in the case of a Sanctions Event, the Issuer and each Transaction Document, any Related Agreements, any Repurchase Agreement and/or any Credit Support Documents to be in compliance with any industry wide initiative (including any protocol published by ISDA) established to address such Sanctions Event. Notwithstanding Condition 14, the Issuer will, without the need for the consent of either Trustee or Noteholders (unless such Regulatory Modification imposes more onerous obligations and liabilities upon or materially limits the existing rights of either the Trustee, any Appointed Agent, the Custodian, each Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider, pursuant to the Conditions, any Transaction Document, any Related Agreements, any Repurchase Agreement and/or any Credit Support Documents, in which case the consent of the affected Trustee or other party (as applicable) shall be required), agree to the Regulatory Modifications, if:

- (i) no Early Redemption Date has occurred pursuant to any other Condition as a result of such Regulatory Requirement Event or Sanctions Event; and
- (ii) such Regulatory Modification will not, in the determination of the Determination Agent, (A) materially alter the economic substance of the scheduled payments under the transaction constituted by the Conditions or the Transaction Documents, any Related Agreements, any Repurchase Agreement and/or any Credit Support Documents when considered as a whole, or (B) result in the Issuer incurring any material liability or expense (whether by way of tax or otherwise), (C) result in the occurrence of a termination event or an event of default (howsoever defined) in respect of the Notes or any Transaction Document, any Related Agreements, any Repurchase Agreement and/or any Credit Support Documents, or (D) affect the operation of Condition 5(e) (*Limited Recourse and Non Petition*) or similar provisions

in any Transaction Document, any Related Agreements, any Repurchase Agreement and/or any Credit Support Documents,

and following the proposal of such Regulatory Modification by the Determination Agent, the Issuer and the other Appointed Agents, the Custodian, each Counterparty, any Repurchase Counterparty, and/or any Credit Support Provider shall use their reasonable endeavours to take such action and execute all documentation as the Determination Agent may reasonably require, to effect such Regulatory Modification.

Where Trustee consent is required under this Condition 8, the Determination Agent shall (I) certify to the Trustee that, in its opinion, the Regulatory Modifications are necessary; and (II) provide any documents supporting such opinion as reasonably required by the Trustee. In providing its consent, the Trustee may rely on such certificate, without the need for further investigations.

Any modification to the Conditions which is a Regulatory Modification shall be binding on the Noteholders and will be notified to them by the Issuer, if the Trustee so requires.

**(i) Realisation of Charged Property upon Redemption**

Save as otherwise provided in the Issue Memorandum, in the event of any redemption of the Notes in whole or in part pursuant to Condition 8(c) (*Mandatory Redemption Events*), Condition 8(d) (*Optional Redemption for Taxation Reasons*), Condition 8(e) (*Redemption following an Administrator/Benchmark Event in respect of Notes*), Condition 8(f) (*Redemption following an Administrator/Benchmark Event in respect of the Underlying Assets*) or Condition 8(k) (*Options in Respect of the Notes*), the relevant Issuer or such other entity as may be specified in the Issue Memorandum, acting on behalf of the relevant Issuer, shall use reasonable endeavours to take such actions as are required, including, without limitation, arranging for the sale or (if applicable) enforcement of the Underlying Assets held at such time and/or the sale and/or termination of any Related Agreements, any Repurchase Agreement or any Credit Support Documents and/or liquidating any other Charged Property (in each case, to the extent not scheduled to mature or expire prior to the applicable Pre-Payment Date) or such percentage of the Underlying Assets and/or Related Agreements or other Charged Property as may be specified in the Issue Memorandum in order to procure that the Charged Property is (to the extent practical and appropriate) in immediately available funds by no later than the applicable Pre-Payment Date or, if not practicable as soon as is practicable thereafter and shall apply such Liquidation Proceeds in accordance with the Order of Priority or as otherwise specified in the Issue Memorandum. In connection with such realisation or liquidation, the relevant Issuer may appoint such agents and advisers as it thinks fit, including, without limitation, the Arranger, subject to the prior consent of the Trustee. None of the Issuers or the Trustee or such other entity as may be specified in the Issue Memorandum shall have any liability in respect of the price at which any sale or termination is effected or if any such person is unable, for any reason, to effect such sale or termination. No consent shall be required from the Trustee in respect of any liquidation by the relevant Issuer, or such other entity as may be specified in the Issue Memorandum, acting on behalf of such Issuer, pursuant to this Condition 8(i), of any Charged Property the subject of the security interests constituted pursuant to the Trust Deed.

**(j) Early Redemption Amounts**

Save to the extent otherwise specified in the Issue Memorandum, the Early Redemption Amount payable in respect of each Note, upon redemption of such Note pursuant to Condition 8(c) (*Mandatory Redemption Events*), Condition 8(d) (*Optional Redemption for Taxation Reasons*), Condition 8(e) (*Redemption following an Administrator/Benchmark Event in respect of Notes*) Condition 8(f) (*Redemption following an Administrator/Benchmark Event in*

*respect of Underlying Assets*) or Condition 8(k) (*Options in Respect of the Notes*) or upon it becoming due and payable as provided in Condition 12 (*Events of Default*) shall be:

- (i) in the case of Notes with a Final Redemption Amount equal to the Issue Price, the Final Redemption Amount thereof;
- (ii) in the case of Notes (other than Zero Coupon Notes, but including Variable Redemption Amount Notes, Instalment Notes and Partly-Paid Notes) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Relevant Currency other than that in which the Notes are denominated, the amount specified in, or determined in the manner specified in the Issue Memorandum or, if no such amount or manner is specified in the Issue Memorandum, their principal amount outstanding; and
- (iii) in the case of Zero Coupon Notes which are issued at a discount, the Amortised Face Amount (calculated as follows) of such Note. The "**Amortised Face Amount**" of any such Note shall be equal to the sum of:
  - (A) the "**Reference Price**" of such Note (which, if none is shown in the Issue Memorandum, shall be the Issue Price of the Notes); and
  - (B) the product of the "**Amortisation Yield**" (which, if none is shown in the Issue Memorandum, shall be such rate as would produce an amount equal to the Reference Price of the Notes if their Final Redemption Amount was discounted back from the Maturity Date to the Issue Date) (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date upon which such Note becomes due and payable.

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the Issue Memorandum.

(k) **Options in Respect of the Notes**

The Issue Memorandum shall specify the circumstances (if any) in which other options may be exercisable in respect of the Notes, in whole or in part, by the relevant Issuer, the Noteholders or otherwise, including the option to redeem the Notes or to extend the maturity thereof, or other payment dates relating thereto and the terms and conditions applicable to the exercise of each such option. In the case of a partial exercise of an option in respect of the Notes at the option of the relevant Issuer or otherwise than at the option of individual Noteholders, the Issue Memorandum shall specify whether the Notes in respect of which such option is to be exercised will be selected individually by lot in the case of Bearer Notes only, without involving any part of a Bearer Note or whether such option is to apply to the Notes on a *pro rata* basis. If the Issue Memorandum does not specify whether the Notes in respect of which such option is to be exercised will be selected individually by lot in the case of Bearer Notes only, without involving any part of a Bearer Note or whether such option is to apply to the Notes on a *pro rata* basis, then the Notes will be selected in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion, not more than 30 days prior to the date of redemption. In the event that the Notes in respect of which such option is to be exercised are to be selected individually by lot, they shall be selected in such place as the Trustee shall approve and in such manner as the Trustee shall deem to be appropriate subject to any applicable laws and Stock Exchange requirements, not more than 60 days prior to the date fixed for exercise of such option and a notice setting out a list of the serial numbers of the Notes in respect of which such option is to be exercised, the date fixed for exercise of such



option and, if applicable, the redemption price will be given by the relevant Issuer not less than 30 days prior to such date in accordance with Condition 17 (*Notices*). Upon any optional redemption of the Notes, the Underlying Assets shall be liquidated in accordance with Condition 8(i) (*Realisation of Charged Property upon Redemption*) and such Notes shall be redeemed at their Early Redemption Amount together with interest accrued to the date fixed for redemption.

**(l) Exercise of Noteholders' Option**

To exercise any Noteholders' option which may be set out in the Issue Memorandum the Holder must deposit such Note with any Paying Agent (in the case of Bearer Notes) or the Certificate representing such Note(s) with the Registrar or any Transfer Agent (in the case of Registered Notes) at its specified office, together with a duly completed Option Notice within the period specified in the Issue Memorandum. No Note or Certificate so deposited may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the relevant Issuer except that such Note or Certificate will be returned to the relevant Noteholder by the Paying Agent, the Registrar or Transfer Agent with which it has been deposited if, prior to the due date for its redemption or the exercise of the option, the Note becomes immediately due and payable or if upon due presentation payment of the redemption monies is not made or exercise of the option is denied.

*If a Noteholders' option is exercised in relation to any Series of Notes, Noteholders may, following such exercise, receive less than the outstanding principal amount of such Notes plus accrued interest, if any, thereon.*

**(m) Exercise of Issuer's Option**

In the case of the exercise of any option in respect of all of the Notes by the relevant Issuer, notice of such exercise will be given to the Noteholders by the relevant Issuer in accordance with Condition 17 (*Notices*) not less than 30 nor more than 60 days before the date fixed for exercise of the relevant option. In the case of exercise of any such option in respect of part only of the Notes, notice will, unless otherwise specified in the Issue Memorandum, be so given twice, first not less than 80 nor more than 95 days, and secondly not less than 30 nor more than 60 days, before the date fixed for exercise thereof. Each notice will specify the date fixed for exercise thereof and, in the case of exercise in respect of part of the Notes only, the aggregate principal amount of the Notes in respect of which such option is to be exercised and, to the extent applicable, the serial numbers of Notes previously called (in whole or in part) for redemption and not presented for payment and the aggregate principal amount of the Notes which will be outstanding after the partial exercise. In addition, in the case of a partial exercise in respect of the Notes other than on a *pro rata* basis, the first notice will specify the period during which exchanges or transfers of Notes may not be made as provided in Condition 3 (*Transfer and Exchange*) and the second notice will specify the serial numbers of the Notes (in whole or, in the case of Registered Notes, in part) in respect of which such option is to be exercised. All Notes in respect of which any such notice is given shall be redeemed, or the relevant Issuer's option exercised in respect thereof, on the dates specified in such notice in accordance with this Condition.

*If the relevant Issuer's option is exercised in relation to any Series of Notes, Noteholders may, following such exercise, unless otherwise specified in the Issue Memorandum, receive less than the outstanding principal amount of such Notes plus accrued interest, if any, thereon.*

**(n) Late Payment on Zero Coupon Notes**

If the Redemption Amount payable in respect of any Zero Coupon Note which is issued at a discount upon its redemption is not paid when due, the Redemption Amount due and payable

in respect of such Note shall be the Amortised Face Amount of such Note, except that Condition 8(j)(iii) (*Early Redemption Amounts*) shall have effect as though the reference therein to the date on which the Note becomes due and payable were replaced by a reference to the Relevant Date. The calculation of the Amortised Face Amount in accordance with this paragraph (n) will continue to be made (both before and after judgment) until the Relevant Date unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the Final Redemption Amount of such Note on the Maturity Date together with any interest which may accrue in accordance with Condition 7(d) (*Interest Rate on Zero Coupon Notes*).

(o) **Related Agreement and Repurchase Agreement**

Unless otherwise specified in the Issue Memorandum, any Related Agreement or Repurchase Agreement relating to the Notes (or a proportionate part thereof corresponding to the amount of Notes to be redeemed or purchased) will terminate upon redemption or purchase of the Notes in whole or in part. Upon termination of a Related Agreement or Repurchase Agreement prior to the stated maturity thereof a termination amount may become payable by the relevant Issuer to the applicable Counterparty or Repurchase Counterparty or vice versa in accordance with the terms of such Related Agreement or Repurchase Agreement.

(p) **Purchases**

Save as otherwise provided in the Issue Memorandum, the relevant Issuer may, provided that no Mandatory Redemption Event or Event of Default has occurred, purchase Notes (provided that all unmatured Receipts and Coupons and unexchanged Talons appertaining thereto are attached or surrendered therewith) in the open market or otherwise at any price. Such Notes may be held, re-issued, resold or, at the option of the relevant Issuer and subject to the consent of the Trustee and each Instructing Creditor (if any), surrendered to any Paying Agent or the Registrar for cancellation. The consent of the Trustee in such circumstances shall be dependent upon the relevant Issuer satisfying the Trustee that it has made arrangements for realisation of a proportionate amount of the Underlying Assets and a proportionate reduction in the notional amount of any Related Agreements and/or Credit Support Documents on the basis of the proportion that the aggregate principal amount of Notes being purchased represents of the aggregate principal amount of the Notes outstanding immediately prior to such purchase, that such transaction would leave the relevant Issuer with no net liabilities in respect thereof and such other matters as the Trustee may require.

(q) **Cancellation**

All Notes which are redeemed by the relevant Issuer will forthwith be cancelled (together with all unmatured Receipts and Coupons and all unexchanged Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and all Notes purchased by or on behalf of the relevant Issuer and cancelled pursuant to paragraph (p) above (together with all unmatured Receipts and Coupons and all unexchanged Talons) shall be surrendered to the Agent or, in the case of Registered Notes, the Certificates representing such Notes shall be surrendered to the Registrar and, in each case, when so surrendered, will be cancelled forthwith. Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the relevant Issuer in respect of any such Notes shall be discharged.

(r) **Exchange**

(i) **Delivery of Underlying Assets**

If specified in the Issue Memorandum, a Noteholder may, at its option, exchange any Note held by it for a corresponding proportion of the Underlying Assets upon which

such Note is secured upon redemption of such Note in whole but not part. The exercise of any such option will be subject to fulfilment of such other conditions as may be set out in the Issue Memorandum, including, without limitation, payment by the Noteholder exercising such option of certain amounts specified therein (including all expenses, taxes and/or stamp duty payable in respect thereof) and/or termination of any Related Agreement and/or Repurchase Agreement and/or Credit Support Agreement (or part thereof). To exercise such option the relevant Noteholder shall deposit the relevant Note (and all unmatured Coupons, Receipts and all unexchanged Talons (if any) appertaining thereto) at the office of any Paying Agent (in the case of a Bearer Note) or the Registrar or any Transfer Agent (in the case of a Registered Note), together with a duly completed Option Notice, at least ten Business Days prior to the date on which such option is to be exercised (which date shall be specified in the aforementioned Option Notice). The Agent or the Registrar (as the case may be) will forthwith notify the relevant Issuer, the Trustee, the Arranger, each Counterparty, each Related Agreement Guarantor, each Repurchase Counterparty and each Credit Support Provider of the exercise of any such option. The relevant Issuer will use reasonable endeavours to procure that, subject to fulfilment of each such condition and subject to all applicable laws, rules and regulations, the relevant Underlying Assets are delivered (at the expense of the Noteholder) to the Noteholder (or to any other place or account specified in the written notice referred to above) on the date required. Save as otherwise specified in the Issue Memorandum, no interest will be payable with respect to a Note deposited for exchange pursuant to this Condition in respect of the period from the Issue Date or the previous date for the payment of interest on such Note, as the case may be, to the date of such exchange. In the case of Registered Notes, if not all the Notes represented by a Certificate are to be exchanged the Registrar shall issue a new Certificate in respect of the Notes which are not to be exchanged and despatch such Certificate to the Noteholder (at the risk of the Noteholder and to such address as may be specified in the written notice referred to above) within three Business Days of the date specified for such exchange.

(ii) **Exchange of Series**

If indicated in the Issue Memorandum the Notes of a Series may be exchanged for the Notes of another Series on the terms and subject to the conditions set out in the Issue Memorandum.

**9. PAYMENTS AND TALONS**

(a) **Bearer Notes**

Payments of principal and interest in respect of Bearer Notes will, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note) or Notes or (in the case of interest, save as specified in paragraph (vi) of Condition 9(f) (*Unmatured Coupons and Receipts and Unexchanged Talons*) Coupons, as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due, drawn on or, at the option of the Holder, by transfer to an account denominated in that currency with, a bank in the Principal Financial Centre of that currency; and provided that in the case of euro, the transfer may be to a euro account with a bank in Europe. In addition to the requirement referred to above that no payment on any Note or Coupon will be made at the specified office of any Paying Agent within the United States, no payment on any Note or Coupon will be made by transfer to an account maintained by the Paying Agent, or by mail to an address, in the United States.

(b) **Registered Notes**

- (i) Payments of principal (which for the purposes of this Condition 9(b) (*Registered Notes*) shall include final Instalment Amounts but not other Instalment Amounts or other interim payments of principal) in respect of Registered Notes will be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in Condition 9(b)(ii).
- (ii) Interest (which for the purpose of this Condition 9(b) (*Registered Notes*) shall include all Instalment Amounts and other interim payments of principal other than final Instalment Amounts) on Registered Notes will be paid to the person shown on the Register (as defined in the Trust Deed) (or, if more than one person is shown in the Register in respect of one Certificate, to the first named person) at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note will be made in the currency in which such payments are due by cheque drawn on a bank in the Principal Financial Centre of the country of the currency concerned and mailed to the Holder (or to the first named of joint holders) of such Note at its address appearing in the Register maintained by the Registrar. Upon application by the Holder to the specified office of the Registrar or any Transfer Agent before the Record Date and subject as provided in paragraph (i) above, such payment of interest may (and in the case of euro will) be made by transfer to an account in the Relevant Currency maintained by the payee with a bank in the applicable Principal Financial Centre.

(c) **Payments in the United States**

Notwithstanding the foregoing, if any Bearer Notes are denominated in US dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the relevant Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law without involving, in the opinion of the relevant Issuer, any adverse tax consequence to such relevant Issuer.

(d) **Payments Subject to Law, etc**

All payments under the Notes and all deliveries of Underlying Assets pursuant to Condition 8(r) (*Exchange*) will be subject in all cases to (i) any applicable fiscal or other laws, regulations and directives but without prejudice to the provisions of Condition 10 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1986 or otherwise imposed pursuant to Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA**") in each case without prejudice to the provisions of Condition 10 (*Taxation*).

(e) **Appointment of Agents**

The Appointed Agents and the Custodian initially appointed by the Issuers and their respective specified offices are listed below. The Appointed Agents and the Custodian act solely as agents of the Issuers and do not assume any obligation or relationship of agency or

trust for or with any Holder. Each Issuer reserves the right at any time with the approval of the Trustee to vary or terminate the appointment of any of the Appointed Agents or the Custodian and to appoint additional or other Paying Agents or Transfer Agents, provided that each Issuer will at all times maintain (i) an Agent, (ii) a Registrar in relation to Registered Notes, (iii) a Calculation Agent where the Conditions so require one, (iv) a Determination Agent where the Conditions so require one, (v) a Paying Agent and, in relation to Registered Notes, a Transfer Agent having a specified office in a European city approved by the Trustee and (vi) a Custodian. For as long as the Notes are admitted to the Official List of Euronext Dublin and if definitive Certificates are issued and outstanding in relation to Registered Notes, a Transfer Agent will be maintained in Ireland.

In addition, each Issuer shall forthwith appoint a Paying Agent in New York in respect of any Notes denominated in US dollars in the circumstances described in Condition 9(c) (*Payments in the United States*) above.

Each Issuer has undertaken in the Agency Agreement to obtain the prior written approval of the Trustee to any appointment, or termination of the appointment, of any of the Appointed Agents. Notice of any such change or any change of any specified office will promptly be given to the Noteholders in accordance with Condition 17 (*Notices*).

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

- (i) In the case of Fixed Rate Notes, and unless the Issue Memorandum provides that the relative Coupons are to become void upon the due date for redemption of those Notes, Bearer Notes should be surrendered for payment together with all unmaturing Coupons (if any) appertaining thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon which the sum of principal so paid bears to the total principal due) will be deducted from the Redemption Amount due for payment. Any amount so deducted will be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 11 (*Prescription*)).
- (ii) In the case of Floating Rate Notes and Variable Coupon Amount Notes, unless the Issue Memorandum provides otherwise, upon the due date for redemption of any Bearer Note, unmaturing Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
- (iii) Upon the due date for redemption of any Bearer Note, any Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
- (iv) Upon the due date for redemption of any Bearer Note which is redeemable in instalments, all Receipts relating to such Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
- (v) Where any Bearer Note which provides that the relative Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmaturing Coupons and any unexchanged Talon relating to it, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provisions of such indemnity as the relevant Issuer may require.

- (vi) If the due date for redemption of any Notes is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Note or Certificate representing it, as the case may be. Interest accrued on a Note which only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) **Talons**

On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Agent or such other Paying Agent as is notified to the Noteholders in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons which have become void pursuant to Condition 11 (*Prescription*)).

(h) **Non-Presentation Business Days**

If any date for payment in respect of any Note, Receipt or Coupon is not a Presentation Business Day, the holder shall not be entitled to payment until the next following Presentation Business Day nor to any interest or other sum in respect of such postponed payment.

**10. TAXATION**

All payments of principal and interest in respect of the Notes, Receipts and Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Cayman Islands or Ireland or any political sub-division or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. For the avoidance of doubt, none of the Issuers shall be required to gross up any payments made to Noteholders and shall withhold or deduct from any such payments any amounts on account of tax where so required by law or any relevant taxing authority and any such withholding or deduction shall not constitute an Event of Default under Condition 12(a) (*Event of Default*).

Subject as provided below, if any of the Issuers, on the occasion of the next payment due in respect of the Notes, would be required by Cayman Islands or Irish law (as the case may be) to withhold or account for tax or would suffer tax in respect of its income so that it would be unable to make payment of the full amount due, then such Issuer shall so inform the Trustee and each Instructing Creditor, and shall use all reasonable endeavours to eliminate the imposition of such tax, including by arranging the substitution of a company incorporated in another jurisdiction approved by the Trustee and each Instructing Creditor as the principal obligor or by changing (to the satisfaction of the Trustee and any Instructing Creditor) its residence for taxation purposes to another jurisdiction approved by the Trustee and each Instructing Creditor (prior notice of such steps will be provided to the Rating Agencies, if any, by the Issuer).

Notwithstanding the foregoing, if any of the taxes referred to above arises:

- (a) by reason of any Noteholder's connection with the Cayman Islands or Ireland (as the case may be) otherwise than by reason only of the holding of any Note or receiving or being entitled to any principal interest or other amount in respect thereof; or

- (b) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax, then to the extent it is able to do so; or
- (c) pursuant to FATCA (as defined in Condition 9(d)),

the requirement to use all reasonable endeavours to eliminate the imposition of such tax shall not apply.

## 11. PRESCRIPTION

Claims against the relevant Issuer for payment in respect of the Notes, Receipts and (subject to Condition 9(f)(ii) (*Unmatured Coupons and Receipts and Unexchanged Talons*)) Coupons (which, for this purpose, shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect thereof.

## 12. EVENTS OF DEFAULT

### (a) Events of Default

The Trustee at its discretion may, and if so requested in writing by any Instructing Creditor shall (subject in each case to being indemnified to its satisfaction), give notice to the relevant Issuer that such Notes are, and they shall accordingly forthwith become, immediately due and repayable at their Early Redemption Amount, together with interest (if any) accrued thereon or payable in respect thereof as provided in the Trust Deed, in any of the following events (each an "**Event of Default**"):

#### (i) Non-payment

default is made for a period of seven days (or such other period as is specified in the Issue Memorandum) or more in the payment of any sum due in respect of the Notes or any of them; or

#### (ii) Breach of Other Obligations

the relevant 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 and each Instructing Creditor, 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 30 days (or such longer period as the Trustee may permit) following the service by the Trustee on the relevant Issuer of notice requiring the same to be remedied; or

#### (iii) Enforcement Proceedings

a distress, attachment, execution, sequestration or other legal process is levied, enforced or sued out on or put in force against the whole or any part of the Charged Property and is not discharged or stayed within 14 days or any encumbrancer (not being the Trustee or any Receiver or manager appointed by the Trustee) takes possession of the whole or part of the Charged Property; or

#### (iv) Insolvency Proceedings

proceedings are initiated against the relevant Issuer under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (together,

"**Insolvency Laws**"), or an application is made (or documents filed with a court) for the appointment of a receiver, trustee, administrator, custodian, conservator or other similar official (not being an administrative receiver or other receiver or manager appointed by the Trustee pursuant to the Trust Deed) (a "**Receiver**") in relation to the relevant Issuer or in relation to the whole or any substantial part of the Charged Property; or a winding up petition is presented in respect of such relevant Issuer and, in any of the foregoing cases except in relation to the appointment of a Receiver, is not discharged within 45 days; or the relevant Issuer becomes or is, or could be deemed by law or a court to be, insolvent or bankrupt or unable to pay its debts as they fall due, or initiates or consents to judicial proceedings relating to itself under any applicable Insolvency Laws, or seeks the appointment of a Receiver, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee and any Instructing Creditors); or

(v) **Illegality**

it is or will become unlawful for the relevant Issuer to perform or comply with any one or more of its obligations under any of the Notes; or

(vi) **Analogous Events**

any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs; or

(vii) **Other Events of Default**

such other Events of Default as may be specified in the Issue Memorandum.

(b) **Confirmation of No Default**

The relevant Issuer has undertaken in the Principal Trust Deed that:

- (i) on each anniversary of the date of the Principal Trust Deed and also within 14 days after any request by the Trustee, it will send to the Trustee a certificate signed by two Directors to the effect that as at a date not more than five days prior to the date of the certificate, since the date of the Principal Trust Deed, or as the case may be, the date of the last such certificate, no Event of Default or other matter required to be brought to the Trustee's attention has existed; and
- (ii) on becoming aware of an Event of Default to procure that written notice of the same is given to the Trustee without waiting for the Trustee to take any action.

### 13. **ENFORCEMENT**

The security constituted under the Trust Deed over the Charged Property shall become enforceable:

- (a) following notice being given to the relevant Issuer of an acceleration of the maturity of the Notes pursuant to Condition 12 (*Events of Default*); and
- (b) in such other circumstances as may be specified in the Issue Memorandum and the Supplemental Trust Deed,



and at any time thereafter the Trustee may, at its discretion and without further notice, take such proceedings and/or other actions as it may think fit against or in relation to the relevant Issuer to enforce its obligations under the Notes and the Trust Deed and take action to enforce the security over the Charged Property without any liability as to the consequences of such action and without having regard to the effect of such action on individual holders of Notes, Coupons or Receipts or any other relevant Secured Party but it shall not be bound to take any such proceedings and/or action unless it is instructed to do so by the applicable Instructing Creditor and in any event shall have been indemnified to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith.

The Liquidation Proceeds realised following enforcement of the security over the Charged Property shall be distributed in accordance with Condition 5(b) (*Application of Proceeds*).

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders, Couponholders and each other Secured Party and no Noteholder, Couponholder or other Secured Party is entitled to proceed against the relevant Issuer unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable time and such failure is continuing. Having realised the security and distributed the net proceeds in accordance with Condition 5(b) (*Application of Proceeds*), the debt owed to the Noteholders and Couponholders and each other Transaction Creditor shall be discharged, the Trustee may not take any further steps against the relevant Issuer to recover any further sum and the right to receive any such sum shall be extinguished. In particular, at any time whilst the Notes are outstanding and in any event until the date falling one year and one day, or in the case of Instrument issued by Lunar Funding V PLC, the date falling two years and one day, after the latest date on which any Instrument issued by the relevant Issuer under the Programme is scheduled to mature, none of the Trustee, any Noteholder, Couponholder or other Transaction Creditor shall be entitled to petition or take any steps for the winding-up, liquidation or insolvency of or other like proceeding against the relevant Issuer (save for lodging a claim in the liquidation of the relevant Issuer initiated by another party or taking proceedings to obtain a declaration or judgment as to the obligations of the relevant Issuer), nor shall any of them have any claim arising in respect of the share capital of the relevant Issuer or the Charged Property for any other Series of Instruments (other than pursuant to the terms and conditions of such Instruments or any agreement entered into in respect thereof).

#### **14. MEETINGS OF NOTEHOLDERS, MODIFICATIONS, WAIVER, SUBSTITUTION AND PROVISION OF INFORMATION**

##### **(a) Meetings of Noteholders**

The Trust Deed contains provisions for convening meetings of 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 such Notes). An Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not and on all relevant Couponholders and holders of Receipts, except that any Extraordinary Resolution proposed, amongst other things, (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 reduce or cancel the principal amount or any Instalment Amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating the Interest Amount in respect thereof, (iv) if a Minimum and/or a Maximum Interest Rate, Instalment Amount or Redemption Amount is shown in the Issue Memorandum, to reduce any such Minimum and/or Maximum, (v) to change any method of calculating the Final Redemption Amount or Early Redemption

Amount, (vi) to change the currency or currencies of payment or denomination of the Notes, (vii) to take any steps which as specified in the Issue Memorandum may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply, (viii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, (ix) to modify the provisions of the Trust Deed concerning this exception or (x) to modify the provisions of Condition 5 (*Security*), will only be binding if passed at a meeting of the Noteholders (or at any adjournment thereof) at which a special quorum (provided for in the Trust Deed) is present. The Trust Deed contains provisions for convening a single meeting of the holders of the Notes and the holders of notes of other specified Series in certain circumstances where the Trustee so decides.

**(b) Modification and Waiver**

The Trustee may, without any consent or sanction of the Noteholders, and without prejudice to its rights in respect of any subsequent breach, waive or authorise any breach or proposed breach by any of the Issuers of any of the covenants or provisions of the Trust Deed or any of these Conditions or any other Transaction Document which is not, in the opinion of the Trustee, materially prejudicial to the interest of the Noteholders. Any such waiver, authorisation or determination shall be binding on the Noteholders and the Couponholders and shall be notified to Euronext Dublin (for so long as the Notes are listed on Euronext Dublin) as soon as practicable thereafter and, if the Trustee shall so require, shall be notified to the Noteholders as soon as practicable thereafter, in accordance with Condition 17 (*Notices*).

The Trustee may agree, subject to the consent of each Instructing Creditor but without the consent of the Noteholders (to the extent that they are not Instructing Creditors), to any modification (subject to certain exceptions) of any of these Conditions or any of the provisions of the Trust Deed or any other Transaction Document which is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders. The Trustee may also, without the consent of the Noteholders, agree to any modification to these Conditions, or the Trust Deed which is, in the opinion of the Trustee, of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Trustee, proven. Any such modification shall be binding on the Noteholders and the Couponholders and shall be notified to Euronext Dublin (for so long as the Notes are listed on Euronext Dublin) as soon as practicable thereafter and, unless the Trustee agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 17 (*Notices*).

**(c) Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions set out in the Trust Deed and subject to the consent of any Instructing Creditor but without the consent of the Noteholders (to the extent that they are not Instructing Creditors), to the substitution of any other company in place of the relevant Issuer or of any previous substituted company, as principal obligor under the Trust Deed and all of the Notes then outstanding. In the case of such a substitution the Trustee may agree subject to the consent of any Instructing Creditor but without the consent of the Noteholders (to the extent that they are not Instructing Creditors), to a change of the law governing the Notes and/or the Trust Deed provided that such change would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders. Any such substitution shall be notified to Euronext Dublin (for so long as the Notes are listed on Euronext Dublin) as soon as practicable thereafter.

**(d) Prioritised Tranches**

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

(e) **Provision of Information**

Each Noteholder, by subscribing for or purchasing such Notes will be deemed to accept, agree and acknowledge that it is fully aware that (i) it shall provide to the relevant Issuer (or its agents acting on its behalf) all information reasonably available to it that is reasonably requested by the relevant Issuer (or its agents acting on its behalf) in connection with regulatory matters, including any information that is necessary or advisable in order for the relevant Issuer to comply with regulatory requirements applicable to it from time to time; and (ii) the relevant Issuer or their agents or representatives may (1) provide any information and any documentation concerning its investment in such Notes to the Cayman Islands Tax Information Authority, the Irish Revenue Commissioners, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to comply with Sections 1471 through 1474 of the United States Internal Revenue Code of 1986, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA**").

**15. REPLACEMENT OF NOTES, CERTIFICATES, RECEIPTS, COUPONS AND TALONS**

If a Note, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, at the specified office of the Agent in London (in the case of Bearer Notes, Receipts, Coupons or Talons) and the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the relevant Issuer for the purpose and notice of whose designation is given to Noteholders in accordance with Condition 17 (*Notices*), in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, amongst other things, that if the allegedly lost, stolen or destroyed Note, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there will be paid to the Issuer on demand the amount payable by the Issuer in respect of such Note, Certificate, Receipt, Coupon or further Coupon) and otherwise as the relevant Issuer and the appropriate Paying Agent or Transfer Agent may require. Mutilated or defaced Notes, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

**16. FURTHER ISSUES**

Any of the Issuers may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as the Notes and so that the same shall be consolidated and form a single Series (or Tranche) with such Notes, provided that, unless otherwise approved by an Extraordinary Resolution of Noteholders, the relevant Issuer provides additional assets as security for such further notes of the same proportionate composition as those forming part of the Charged Property for the Notes and in the same proportion that the principal amount of such new notes bears to the Notes and the relevant Issuer enters into, or has the benefit of, additional or supplemental credit support documents and/or related agreements and/or transaction documents extending the terms of any existing Credit Support Documents and/or Related Agreements and/or Repurchase Agreements and/or Transaction Documents to the new Notes on terms no less favourable than such existing documents and agreements. Any new notes forming a single Series or Tranche with the Notes shall be constituted and secured by a deed supplemental to the Trust Deed, such further security shall be added to the Charged Property so that the new and existing Notes shall be secured by the same Charged Property with recourse limited to

such Charged Property as provided in Condition 5(e) (*Limited Recourse and Non Petition*) and references in these Conditions to "Notes", "Underlying Assets", "Charged Property", "Credit Support Documents", "Related Agreements" and/or "Repurchase Agreements" and/or "Transaction Documents" shall be construed accordingly.

## 17. NOTICES

Notices to the holders of Registered Notes will be mailed to them or, if there is more than one holder of any Registered Note, to the first named holder of that Note at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing and, so long as the Notes are listed on any Stock Exchange or are admitted to listing by any relevant authority, in accordance with the rules of such Stock Exchange or relevant authority. Notices to the holders of Bearer Notes will be valid if published in a leading national newspaper of general circulation in the United Kingdom approved by the Trustee (which is expected to be the *Financial Times*) or, if the Notes are listed on Euronext Dublin and the guidelines of that stock exchange so require, submitted to the Companies Announcement Office of Euronext Dublin, and, so long as the Notes are listed on any Stock Exchange or are admitted to listing by any relevant authority, in accordance with the rules of such Stock Exchange or relevant authority. If, in the opinion of the Trustee, any such publication is not practicable, notice will be validly given if published in another leading daily English newspaper of general circulation in Europe approved by the Trustee. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above.

Couponholders and holders of Receipts and Talons shall be deemed for all purposes to have notice of the contents of any notice to the holders of Bearer Notes in accordance with this Condition.

## 18. INDEMNIFICATION, REPLACEMENT AND OBLIGATIONS OF THE TRUSTEE

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 Underlying Assets and for the sufficiency, validity and enforceability (which the Trustee has not investigated) of the security over the Charged Property. The Trustee is not obliged to take any action hereunder or under the Trust Deed unless indemnified to its satisfaction. The Trustee and any affiliate is entitled to enter into business transactions with any of the Issuers, any issuer or guarantor (where applicable) of any of the Underlying Assets, any Credit Support Provider, any Repurchase Counterparty and any Counterparty or Related Agreement Guarantor or any of their subsidiary, holding or associated companies without accounting to the Noteholders for profit resulting therefrom.

The Trust Deed provides that in acting as Trustee under the Trust Deed the Trustee shall not assume any duty or responsibility to any Counterparty, Credit Support Provider, Related Agreement Guarantor or other Secured Party (other than to pay to any Counterparty, Credit Support Provider or other Secured Party any moneys received and repayable to it held on trust for it and to act in accordance with the provisions of the Trust Deed). Unless otherwise specified in the Issue Memorandum and the Supplemental Trust Deed, the Trustee shall have regard solely to the interests of the Noteholders in acting as Trustee under the Trust Deed and unless so specified otherwise in the applicable Issue Memorandum, in the event of any conflict between the interests of the Noteholders and the interests of any other Secured Party, the interests of the Noteholders shall prevail. In the case of Notes forming part of a Prioritised Tranche, the Issue Memorandum and Supplemental Trust Deed shall specify whether the Trustee is to have regard to the interests or directions of the Holders of one

Tranche of Notes in preference to another Tranche of Notes of the same Series in the event of any conflict of interest.

In connection with the exercise of its functions, the Trustee shall have regard to the interests of the holders of the Notes or the Coupons, Receipts or Talons relating thereto as a class. The Trust Deed provides that the Trustee may retire in respect of any Series at any time on giving not less than 60 days' prior written notice to the Issuer of such Series without assigning any reason and without being responsible for any costs occasioned by such retirement. In addition, the Noteholders of any Series may by Extraordinary Resolution remove the Trustee in respect of a Series. The Issuer has undertaken in the Trust Deed that, in the event of the only Trustee of any Series giving notice or being removed by Extraordinary Resolution of the Noteholders of such Series, it will use all reasonable endeavours to procure that another Trust Corporation is appointed as a new trustee. If the Issuer fails so to procure the appointment of such a new trustee, the Trustee which is retiring or has been removed (as the case may be) may appoint a successor trustee in relation to such Series. The retirement or removal of the Trustee shall not become effective until a Trust Corporation is appointed as successor trustee.

## **19. GOVERNING LAW AND JURISDICTION**

### **(a) Governing Law**

The Trust Deed, the Notes, the Receipts, the Coupons and the Talons and any non-contractual obligations arising from the foregoing are governed by, and shall be construed in accordance with, English law.

### **(b) Submission to Jurisdiction**

Each Issuer has, in the Trust Deed, irrevocably agreed for the benefit of the Secured Parties that the courts of England are to have jurisdiction to hear and determine any dispute, difference, controversy or claim which may arise out of or in connection with the Notes, the Receipts, the Coupons or the Talons and accordingly any legal action or proceedings ("**Proceedings**") in that respect may be brought in such courts, and for such purposes has irrevocably submitted to the jurisdiction of such courts.

### **(c) Waiver**

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

### **(d) Non-exclusivity**

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

### **(e) Agent for Service of Process**

The Cayman Issuer has, in the Trust Deed, appointed Maples and Calder at their offices for the time being at 11<sup>th</sup> Floor, 200 Aldersgate Street, London, EC1A 4HD as its agent to receive, for it and on its behalf, service of process in any Proceedings in England. Lunar Funding V PLC has appointed Deutsche Bank AG, London Branch at their offices for the

time being at Winchester House, 1 Great Winchester Street, London EC2N 2DB as its agent to receive for it and on its behalf, service of process in any Proceedings in England. Any Additional Issuer shall appoint its agent for service of process in the Deed of Adherence by means of which it becomes a party hereto as Issuer. Each Issuer has agreed that if any of such persons is not or ceases to be effectively appointed to accept service of process on the relevant Issuer's behalf, the relevant Issuer shall, on the written demand of the Trustee, appoint a further person in England to accept service of process on its behalf and, failing such appointment within 15 days, the Trustee shall be entitled to appoint such a person by written notice to such relevant Issuer. Nothing contained herein shall affect the right of any Secured Parties to serve process in any other manner permitted by law.

**20. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

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

## FORM OF NOTES

### 1. Initial Issue of Notes

#### *Bearer Notes*

#### *Temporary Global Note*

Unless otherwise specified in the applicable Issue Memorandum, each Series or Tranche of Bearer Notes will initially be represented by a Temporary Global Note if:

- (a) Bearer Notes in definitive form are to be made available to Noteholders following the expiry of 40 days after completion of the distribution of an identifiable Tranche of such Notes; or
- (b) such Notes are being issued in compliance with the D Rules (as defined in "Overview of Programme–Selling Restrictions" above).

#### *Permanent Global Note*

In all other cases, each Series or Tranche of Bearer Notes will be represented by a Permanent Global Note.

The Temporary Global Note or Permanent Global Note (as the case may be) initially representing each Series or Tranche of Bearer Notes will:

- (i) (In respect of Lunar Funding V PLC only) if the Global Notes are intended to be issued in new global note ("NGN") form, as stated in the applicable Issue Memorandum, be deposited on the Issue Date thereof with a common safekeeper for Euroclear and Clearstream, Luxembourg; and
- (ii) if the Global Notes are not intended to be issued in NGN form, be deposited on the Issue Date thereof with a common depositary (the "**Common Depositary**") for Euroclear and Clearstream, Luxembourg (or, in the case of a Series or Tranche to be cleared through a clearing system other than Euroclear or Clearstream, Luxembourg (an "**Alternative Clearing System**"), as agreed between the relevant Issuer, the Agent, the Arranger and the relevant Dealer).

The NGN form has been introduced to allow for the possibility of Notes being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro and intra-day credit operations either upon issue or at any or all times during their life.

#### *Registered Notes*

As set forth in the Issue Memorandum, each Series or Tranche of Notes in registered form will be represented by either:

#### (a) *Definitive Certificates*

one or more Certificates in definitive form which shall be delivered as agreed between the relevant Issuer, the Arranger and the relevant Dealer; or

#### (b) *Global Certificates*

by one or more Global Certificates without Coupons, deposited on the Issue Date:

- (i) with a custodian for, and registered in the name of a nominee of, DTC; and/or
- (ii) with, and registered in the name of a nominee for, a Common Depositary (or, in the case of a Series or Tranche to be cleared through an Alternative Clearing System, as agreed between the relevant Issuer, the Agent, the Arranger, the relevant Dealer and the Trustee).

## **2. Clearing Systems**

Certain procedures relating to Notes in global form which are held within clearing systems are set out under "Book-Entry Clearance Procedures" below.

## **3. Exchange**

### ***Temporary Global Notes***

Each Temporary Global Note in respect of a Tranche of Bearer Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date:

#### **(a) *Definitive Bearer Notes***

if the applicable Issue Memorandum indicates that such Temporary Global Note is issued in compliance with the D Rules (upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement), in whole or in part, or the C Rules, or in a transaction to which TEFRA is not applicable (as to which, see "Overview of Programme–Selling Restrictions"), in whole, but not in part, for Bearer Notes in definitive form as described below; and

#### **(b) *Permanent Global Note***

otherwise, in whole or in part, upon certification as to non-US beneficial ownership in the form set out in the Agency Agreement, for interests in a Permanent Global Note or, if so provided in the applicable Issue Memorandum, for Definitive Bearer Notes.

"**Exchange Date**" means, in relation to a Temporary Global Note, the day falling after the expiry of 40 days after completion of the distribution of the Notes, as certified by the relevant Dealer.

### ***Permanent Global Notes***

Each Permanent Global Note in respect of a Tranche of Bearer Notes will be exchangeable, free of charge to the Holder, on or after its Exchange Date, in whole but not (unless otherwise specified in the applicable Issue Memorandum) in part for, Definitive Bearer Notes:

- (a) by the relevant Issuer giving notice to the Noteholders, the Agent and the Trustee of its intention to effect such exchange except where principal in respect of any Bearer Notes is due and unpaid; or
- (b) if the Issue Memorandum provides that such Permanent Global Note is exchangeable at the request of the Holder, by the Holder giving notice to the Agent of its election for such exchange; or



- (c) if the Permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or any Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so and no successor clearing system satisfactory to the Trustee is available; or
- (d) if an Event of Default (as defined in Condition 12 (*Events of Default*)) has occurred and is continuing.

If a Permanent Global Note is exchangeable for Definitive Bearer Notes in accordance with the above provisions, the Notes shall be tradeable only in principal amounts of at least the Denomination (or if more than one Denomination, the lowest Denomination).

**"Exchange Date"** means, in relation to a Permanent Global Note, a day falling not less than 60 days after that on which notice requiring the exchange is given.

### ***Global Certificates***

Each Global Certificate will be exchangeable, free of charge to the Holder, on or after its Exchange Date, in whole but not in part, for Certificates in definitive form:

- (a) by the relevant Issuer giving notice to the Noteholders, the Registrar and the Trustee of its intention to effect such exchange except where principal in respect of any Registered Notes represented by such Global Certificate is due and unpaid; or
- (b) if the applicable Issue Memorandum provides that such Global Certificate is exchangeable at the request of the Holder, by the Holder giving notice to the Registrar of its election for such exchange; or
- (c) if the Global Certificate is held (directly or indirectly) on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so and no successor clearing system satisfactory to the Trustee is available; or
- (d) if the Global Certificate is held on behalf of DTC and DTC notifies the relevant Issuer that it is no longer willing or able to discharge properly its responsibilities as depositary with respect to the relevant Global Certificate or DTC ceases to be a "clearing agency" registered under the United States Securities Exchange Act of 1934, as amended or is at any time no longer eligible to act as such, and the relevant Issuer is unable to locate a qualified successor within 90 days of receiving notice of such ineligibility on the part of DTC; or
- (e) if an Event of Default (as defined in Condition 12 (*Events of Default*)) has occurred and is continuing.

If a Global Certificate is exchangeable for Certificates in accordance with the above provisions, the Notes shall be tradeable only in principal amounts of at least the Denomination (or if more than one Denomination, the lowest Denomination).

**"Exchange Date"** means, in relation to a Global Certificate, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due, 30 days, after that on which the notice requiring exchange is given.

### ***Business Days***

Exchange of Global Notes or Global Certificates as referred to above shall only be effected if the date on which such exchange is required to be made is a day on which banks are open for business in the city in which the specified office of the Agent or, as the case may be, the Registrar is located and, except in the case of exchange pursuant to (c) or (d) above, in the city in which the relevant clearing system is located or, if not, on the next following such day.

### ***Delivery***

On or after any due date for exchange of any Global Note or Global Certificate the holder of such Global Note or Global Certificate may surrender the same or, in the case of a partial exchange, present it for endorsement to or to the order of the Agent or Registrar, as the case may be. In exchange for any Global Note or Global Certificate, or the part thereof to be exchanged, the relevant Issuer will:

#### **(a) *Permanent Global Note***

in the case of a Temporary Global Note exchangeable for a Permanent Global Note, deliver, or procure the delivery of, a Permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a Temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a Permanent Global Note to reflect such exchange; or

#### **(b) *Definitive Bearer Notes and Definitive Certificates***

in the case of a Permanent Global Note or Global Certificate exchangeable for Notes or Certificates in definitive form (unless such exchange is at the request of the relevant Issuer) free of charge to the Noteholder and against such indemnity as the Agent, the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange, cause an equal aggregate principal amount of Definitive Bearer Notes or Definitive Certificates to be executed and delivered to the Agent or the Registrar, as the case may be, for completion, authentication and dispatch to the relevant Noteholders. Upon any such exchange the relevant Noteholders must provide the Agent or the Registrar with a written order containing instructions and such other information as the relevant Issuer and the Agent or the Registrar (as the case may be) may require to complete, execute and deliver such Notes or Certificates in definitive form.

Definitive Bearer Notes will be security printed and Definitive Certificates will be printed in accordance with any applicable legal and Stock Exchange requirements in or substantially in the form set out in the Schedules to the Principal Trust Deed.

On exchange in full of each Global Note or Global Certificate, the relevant Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Notes and/or Certificates in definitive form for which it was exchanged.

## **4. Legends**

### ***Bearer Notes***

Each Bearer Note (including each Global Note) having an original maturity of more than 365 days and each Talon and Coupon relating to such Notes will bear the following legend:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code."

The sections of the US Internal Revenue Code referred to in the legend provide that a US holder, with certain exceptions, will not be permitted to deduct any loss on Bearer Notes or related Coupons, and will not be eligible for capital gains treatment with respect to any gain realised on any sale, disposition, exchange, redemption or payment of principal in respect of such Bearer Notes or Coupons.

In addition, each Bearer Note will bear the applicable legend described under "Subscription and Sale and Transfer Restrictions—Regulation S" below.

### ***Registered Notes***

Each Certificate representing Registered Notes will bear the applicable legend described under "Subscription and Sale and Transfer Restrictions—Regulation S".

## **5. Provisions Relating to Notes Whilst Notes in Global Form**

Each Global Note and Global Certificate contains provisions that apply to the Notes that they represent, some of which modify the effect of the Conditions set out in this Programme Memorandum. The following is a summary of those provisions:

### **(a) *Payments***

No payment falling due after the Exchange Date applicable to any Global Note will be made on any Global Note unless exchange for an interest in, as appropriate, a Permanent Global Note or for Definitive Bearer Notes is improperly withheld or refused. Payments on any Temporary Global Note issued in compliance with the D Rules before the Exchange Date will only be made against presentation of certification as to non-US beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Bearer Notes will be made against presentation for endorsement and, if no further payment falls to be made in respect of such Notes, surrender of that Global Note to or to the order of the Agent, or such other Paying Agent as shall have been notified to the Noteholders for such purpose. In respect of Bearer Notes not held in NGN form a record of each payment so made will be endorsed on each such Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. In respect of Bearer Notes held in NGN form, a record of each payment shall be entered pro rata in the records of Euroclear or Clearstream, Luxembourg and, upon any such entry being made, the nominal amount of the Notes recorded in the records of Euroclear or Clearstream, Luxembourg and represented by the Global Note shall be reduced by the aggregate nominal amount of the Notes so redeemed or purchased and cancelled by the aggregate amount of such instalment so paid. No payment of principal (which for the purposes of this paragraph shall include final Instalment Amounts but not interim payments of principal) falling due after the Exchange Date applicable to any Global Certificate will be made unless exchange for Definitive Certificates is improperly withheld or refused. Any final payments of principal in respect of Registered Notes represented by a Global Certificate will be made against presentation and surrender of that Global Certificate to or to the order of the Registrar.

All payments in respect of Registered Notes represented by a Global Certificate will be made to the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment (the "**Record Date**"), where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

**(b) *Prescription***

Claims against the relevant Issuer in respect of Notes issued by it that are represented by a Permanent Global Note will become void unless they are presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 1 (*Definitions and Interpretation*)). Claims against the relevant Issuer in respect of the principal of Notes issued by it that are represented by a Global Certificate will become void unless they are presented for payment within a period of 10 years from the appropriate Relevant Date.

**(c) *Meetings***

The holder of a Global Note or Global Certificate shall (unless such Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements at any meeting of Noteholders. The holder of a Permanent Global Note shall be treated as having one vote in respect of each minimum Denomination of Notes for which such Permanent Global Note may be exchanged. The holders of Registered Notes will be entitled to one vote in respect of each Note comprising such Noteholder's holding, whether or not represented by a Global Certificate.

**(d) *Cancellation***

Cancellation of any Bearer Note represented by a Permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant Permanent Global Note and evidenced by the appropriate notation in the relevant schedule to such Permanent Global Note.

**(e) *Purchase***

Bearer Notes represented by a Permanent Global Note may only be purchased by the relevant Issuer together with the rights to receive all future payments of interest and Instalment Amounts (if any) and other amounts thereon.

**(f) *Issuer's Options***

Any option of the relevant Issuer provided for in the Conditions of any Notes issued by it while such Notes are represented by a Global Note or Global Certificate shall be exercised by such Issuer giving notice to the Noteholders within the time limits set out in, and containing the information required by, the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the relevant Issuer is exercised in respect of some but not all of the Notes of any Tranche or Series which are represented by a Global Note or Global Certificate, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg, DTC or any Alternative Clearing System (as the case may be) and in respect of Notes held in NGN form this shall be reflected in the records of Euroclear or Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion.

**(g) *Noteholders' Options***

Any option of the Noteholders provided for in the Conditions while the Notes are represented by a Global Note or Global Certificate may be exercised by the holder of the Global Note or Global Certificate delivering to the Agent (in the case of Bearer Notes) or Registrar (in the case of Registered Notes), within the notice period, notice of such exercise in accordance with

the standard procedures of the relevant clearing system (which may include notice being given on his instruction by such clearing system or any common depositary or, as the case may be, common safekeeper, to the Agent, or the Registrar, as the case may be, by electronic means) in a form acceptable to such clearing system from time to time and at the same time presenting the Global Note or Global Certificate to the Agent or Registrar (as the case may be), or to a Paying Agent or Transfer Agent acting on behalf of the Agent or Registrar, for notation.

**(h) *Trustee's Powers***

In considering the interests of Noteholders while any Global Note is held on behalf of, or Global Certificate is registered in the name of any nominee for, a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to such Global Note or Global Certificate and may consider such interests as if such accountholders were the holders of the Notes represented by such Global Note or Global Certificate.

**(i) *Notices***

So long as any Notes are represented by a Global Note or Global Certificate and such Global Note or Global Certificate is held on behalf of a clearing system, notices to the holders of such Notes may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of such Global Note or Global Certificate save that notices will also be published in accordance with the requirements of any Stock Exchange on which the Notes are listed.

**(j) *Partly-Paid Notes***

The provisions relating to Partly-Paid Notes are not set out in this Programme Memorandum, but will be contained in the applicable Issue Memorandum and thereby in the Global Notes relating thereto. While any instalments of the subscription moneys due from the holder of Partly-Paid Notes are overdue, no interest in a Global Note representing such Notes may be exchanged for an interest in a Permanent Global Note or for Definitive Bearer Notes (as the case may be). If any Noteholder fails to pay any instalment due on any Partly-Paid Notes within the time specified, the relevant Issuer may forfeit such Notes and shall have no further obligation to their holder in respect of them.

## DESCRIPTION OF LUNAR FUNDING I LIMITED

### *General*

Lunar Funding I Limited is an exempted limited liability company which was incorporated on 21st July, 1999 for an indefinite period under the Companies Law of the Cayman Islands under registered number CR-91320 with the Companies Registry in the Cayman Islands and its registered office is at PO Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands (Telephone number: 001 345 945 7099). Lunar Funding I Limited has been established as a special purpose vehicle for the purpose of issuing asset backed securities. The authorised share capital of Lunar Funding I Limited is US\$50,000 divided into 50,000 ordinary shares of US\$1.00 each ("**Lunar Funding I Shares**"), of which 1,000 Lunar Funding I Shares are issued and fully paid and are registered in the name of MaplesFS Limited as the Cayman Share Trustee which holds such shares under the terms of a declaration of trust ultimately for a specified charity or charities but, while any Notes or Permitted Loans are outstanding, shall not dispose of or otherwise deal with any of such shares except to a person previously approved in writing by the Trustee, shall not propose to pass any resolution to wind up Lunar Funding I Limited unless it is directed in writing to do so by the Trustee (having first been indemnified to its satisfaction in respect of all liabilities which it may incur in so doing) and may act generally in relation to such shares and the affairs of Lunar Funding I Limited as it may be requested in writing from time to time by the Trustee (having been indemnified as above). The Cayman Share Trustee has no beneficial interest in and derives no benefit, other than its fees for acting as Cayman Share Trustee, from its holding of Lunar Funding I Shares.

### *Business*

Lunar Funding I Limited has entered into an administration agreement dated 14th October, 1999 with QSPV Limited (now MaplesFS Limited), PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands (the "**Cayman Administrator**") pursuant to which the Cayman Administrator will furnish administrative services to, and provide the directors of, Lunar Funding I Limited. The significant business activities of the Cayman Administrator include the provisions of management and administration services to Cayman Islands vehicles. Lunar Funding I Limited has no employees.

Lunar Funding I Limited has not carried out any trading activities since its incorporation, save for the entry into a loan agreement and debt issues and the activities related to its establishment and its finance structure. The objects of Lunar Funding I Limited are currently unrestricted as set out in paragraph 3 of the Memorandum of Association of Lunar Funding I Limited. Lunar Funding I Limited has the corporate power and capacity to issue Notes and enter into Permitted Loans, to acquire the Underlying Assets and assets secured in respect of the Permitted Loans and to enter into and perform the agreements to which it is or may become party as described in this Programme Memorandum.

So long as any of the Notes issued and/or Permitted Loans entered into by Lunar Funding I Limited remains outstanding, Lunar Funding I Limited shall not, without the consent of the Trustee, incur any other indebtedness for borrowed moneys or engage in any business (other than acquiring and holding the Underlying Assets and assets secured in respect of the Permitted Loans, issuing the Notes, or entering into Permitted Loans, acquiring, benefiting from or entering into any Credit Support Document, entering into any Related Agreement and issuing further series of notes and entering into related transactions as provided for in Condition 6 (*Covenants and Restrictions*)), declare any dividends, have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property (including office premises or like facilities), consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entity to any person (otherwise than as contemplated in the Conditions and the Trust Deed) or issue any shares (other than such shares as were in issue on 15th October, 1999).

Lunar Funding I Limited has, and will have, no net assets other than the sum of US\$1,000 representing the issued and paid-up share capital, such fees (as agreed) per issue payable to it in connection with the issue of relevant Notes and entering into Permitted Loans or the purchase, sale or incurring of other obligations and any Underlying Assets derived therefrom and bank balances to be used to pay Lunar Funding I Limited's costs in relation to the Programme and each Series of Notes and/or Permitted Loans. Lunar Funding I Limited has no subsidiaries.

The Notes issued and the Permitted Loans entered into by Lunar Funding I Limited are obligations of Lunar Funding I Limited alone and not of the Cayman Administrator, the Jersey Manager, the Cayman Share Trustee, the Advisor (as defined below) or the Trustee. Furthermore, they are not obligations of, or guaranteed in any way by, the Arranger, or any Dealer or Counterparty.

The responsibilities of the Cayman Administrator include acting as the share trustee of the shares of Lunar Funding I Limited pursuant to the declaration of trust referred to above, providing employees to act as signatories of Lunar Funding I Limited, preparing and maintaining such books and records in the Cayman Islands as may be required in the normal course of Lunar Funding I Limited's business and in order to comply with the laws and regulations of the Cayman Islands, dealing with correspondence relating to the business of Lunar Funding I Limited, providing the services of two Directors of Lunar Funding I Limited in the Cayman Islands, providing a Company Secretary for Lunar Funding I Limited and making available telephone, facsimile, telex and post office box facilities and within its premises such non-exclusive space as may be necessary for the purposes of the business of Lunar Funding I Limited and, in particular, facilities for the meetings of the Directors of Lunar Funding I Limited from time to time.

Lunar Funding I Limited may terminate the appointment of the Cayman Administrator by giving not less than three months' notice to the Cayman Administrator in accordance with the terms of the Administration Agreement or at any time within twelve months of the liquidation or dissolution of the Cayman Administrator or in the event that the Cayman Administrator commits any breach of its obligations under the Administration Agreement. The Cayman Administrator may retire from its appointment at any time upon giving not less than three months' notice. Any retirement shall only be effective upon appointment of a replacement administrator on terms similar to the Administration Agreement, which is acceptable to Lunar Funding I Limited.

Deutsche Bank International Limited (the "**Jersey Manager**") whose registered office is at PO Box 727, St. Paul's Gate, New Street, St. Helier, Jersey, JE4 8ZB, Channel Islands has been appointed Jersey Manager for the purposes of providing certain management services to Lunar Funding I Limited. Such services will be provided subject to the terms of a Management Agreement dated 16th May, 2002 (as amended and restated from time to time) between Lunar Funding I Limited, the Trustee and the Jersey Manager. The significant business activities of the Jersey Manager include the provision of management and administration services to special purpose vehicles.

The responsibilities of the Jersey Manager include the execution and delivery of all documents on behalf of Lunar Funding I Limited, appointing agents, implementing management information systems, providing treasury/cash management systems, other banking and investment services and signatories for Lunar Funding I Limited's banking investment account and supervising the preparation of profit and loss accounts and balance sheets for Lunar Funding I Limited.

Pursuant to an Advisory Agreement dated 14th October, 2002 (as amended and restated from time to time) between the Jersey Manager and NatWest Markets Plc in this capacity, the "**Advisor**"), the Jersey Manager will be advised by the Advisor in the performance of certain of its functions as Jersey Manager. The responsibilities of the Advisor include providing banking, treasury and cash management facilities, advising on management information systems, appointing agents on behalf of the Jersey Manager, undertaking bank reconciliations and assisting in any activities that the Jersey Manager may undertake for Lunar Funding I Limited.

Lunar Funding I Limited may terminate the appointment of the Jersey Manager at any time (by giving not less than 30 days' prior written notice to the Jersey Manager under the Management Agreement referred to above) on (inter alia) the insolvency, bankruptcy or liquidation of the Jersey Manager, or its failure to make any payment under such Management Agreement or at the option of Lunar Funding I Limited provided all fees due and payable to the Jersey Manager have been paid. The Jersey Manager may retire from its appointment at any time giving not less than 30 days' prior written notice to Lunar Funding I Limited. Any such retirement is only effective on a replacement Jersey Manager acceptable to Lunar Funding I Limited being appointed on similar terms to the Management Agreement. The Advisory Agreement may be terminated forthwith if either party goes into liquidation or commits a material breach of the Advisory Agreement or if the Management Agreement is terminated or the Jersey Manager ceases to act as manager under the Management Agreement and no successor manager is appointed. Otherwise the Jersey Manager may require the Advisor to withdraw its appointment by giving no less than 30 days' prior written notice. The Advisor may retire its appointment by giving not less than 30 days' prior written notice but such retirement will not be effective until a replacement Advisor acceptable to the Jersey Manager is appointed.

### ***Board of Management***

The Directors of Lunar Funding I Limited, all of whom are employees of MaplesFS Limited, are as follows as at the date of this Programme Memorandum:

<b>Name</b>	<b>Occupation</b>
Lesley Thompson	Vice President, MaplesFS Limited
Rachel Fisher	Vice President, MaplesFS Limited

The business address of each of the Directors is c/o MaplesFS Limited, PO Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

### ***Financial Statements***

Since the date of its incorporation and as of the date of this Programme Memorandum, no financial statements of Lunar Funding I Limited have been prepared. Lunar Funding I Limited is not required by Cayman Islands law to publish any financial statements.

The Trust Deed requires the Cayman Issuer to provide written confirmation to the Trustee, on an annual basis, that no Event of Default or other matter which is required to be brought to the Trustee's attention has occurred.

### ***Cayman Islands Anti-Money Laundering Legislation***

Each of the Cayman Administrator and the Cayman Issuer is subject to the Anti-Money Laundering Regulations (2018 Revision) of the Cayman Islands (together with The Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands (or equivalent legislation and guidance, as applicable), and each as amended and revised from time to time, "**Cayman AML Regulations**"). The Cayman AML Regulations apply to anyone conducting "relevant financial business" in or from the Cayman Islands intending to form a business relationship or carry out a one-off transaction. The Cayman AML Regulations require a financial service provider to maintain certain anti-money laundering procedures including those for the purposes of verifying the identity and source of funds of an "applicant for business"; e.g. an investor, as well as the identity of the beneficial owner/controller of the investor, where applicable. Except in certain circumstances, including where an entity is regulated by a recognised overseas regulatory authority and/or listed on a



recognised stock exchange in an approved jurisdiction, the Cayman Issuer, or its agents will likely be required to verify each investor's identity and may be required to verify the source of the payment used by such investor in a manner similar to the obligations imposed under the laws of other major financial centres. Application of an identity verification exemption at the time of purchase of the Notes may nevertheless require verification of identity prior to payment of proceeds from the Notes. In addition, if any person in the Cayman Islands knows or suspects, or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering, or is involved with terrorism or terrorist financing and property, and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands ("**FRA**"), pursuant to the Proceeds of Crime Law (2018 Revision) of the Cayman Islands ("**PCL**"), if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the FRA, pursuant to the Terrorism Law (2018 Revision) of the Cayman Islands ("**Terrorism Law**"), if the disclosure relates to involvement with terrorism or terrorist financing and property. If the Cayman Issuer were determined by the Cayman Islands authorities to be in violation of the PCL, the Terrorism Law or the Cayman AML Regulations, the Cayman Issuer could be subject to substantial criminal penalties and/or administrative fines. The Cayman Issuer may be subject to similar restrictions in other jurisdictions. Such a violation could materially adversely affect the timing and amount of payments by the Cayman Issuer to the holders of the Notes.

## DESCRIPTION OF LUNAR FUNDING V PLC

### *General*

Lunar Funding V PLC is a public company with limited liability in Ireland, was incorporated on 14th May, 2004 with registered number 386042 under the Irish Companies Acts 1963-2003 (as amended) and its registered office is Block A, Georges Quay Plaza, Georges Quay, Dublin 2, Ireland (Telephone number: 00 353 1963 1030). Lunar Funding V PLC has been established as a special purpose vehicle for the purpose of issuing asset backed securities. Lunar Funding V PLC has been incorporated for an indefinite period. The authorised share capital of Lunar Funding V PLC is EUR40,000 divided into 40,000 Ordinary Shares of EUR1 each ("**Lunar Funding V Shares**"), all of which have been issued and fully paid up; 40,000 of the Lunar Funding V Shares are registered in the name of Vistra Capital Markets (Ireland) Limited (formerly Deutsche International Finance (Ireland) Limited) as the Irish Share Trustee. The Lunar Funding V Shares are held by the Irish Share Trustee under the terms of a declaration of trust ultimately for a specified charity or charities but, while any Notes or Permitted Loans issued by Lunar Funding V PLC are outstanding, the Irish Share Trustee shall not transfer or otherwise dispose of all or any of such shares except to a new or additional share trustee in accordance with the terms of such declaration of trust.

### *Business*

Lunar Funding V PLC has not engaged, since its incorporation, in any activities other than those incidental to its incorporation, the accession to the Programme, the authorisation and issue of series of Notes, the matters referred to or contemplated in this Programme Memorandum and the authorisation, execution, delivery and performance of the other documents to which it is or will be a party and matters which are incidental or ancillary to the foregoing. The principal objects of Lunar Funding V PLC are set forth in Clause 3.1 of its Constitution and include, *inter alia*, financing, re-financing and management of financial assets, the purchase, dealing, acquisition or otherwise of financial assets by any means, including loans, bonds or other obligations, the extension of credit and any security therefore and the raising and borrowing of money and the granting of security over its assets for such purposes. Lunar Funding V PLC has the corporate power and capacity to issue Notes and enter into Permitted Loans, to acquire the Underlying Assets and assets secured in respect of the Permitted Loans and to enter into and perform the agreements to which it is or may become party as described in this Programme Memorandum.

So long as any of the Notes issued and/or Permitted Loans entered into by Lunar Funding V PLC remains outstanding, Lunar Funding V PLC shall not, without the consent of the Trustee, incur any other indebtedness for borrowed moneys or engage in any business (other than acquiring and holding the Underlying Assets and assets secured in respect of the Permitted Loans, issuing the Notes, or entering into Permitted Loans, acquiring, benefiting from or entering into any Credit Support Document, entering into any Related Agreement and issuing further series of notes and entering into related transactions as provided for in Condition 6 (*Covenants and Restrictions*)), declare any dividends, have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property (including office premises or like facilities), consolidate or merge with any other person or convey or transfer its properties or assets substantially as an entity to any person (otherwise than as contemplated in the Conditions and the Trust Deed) or issue any shares (other than such shares as were in issue on 2nd June, 2004).

Lunar Funding V PLC has, and will have, no net assets other than the sum of EUR40,000 (or lesser amount now remaining) representing the issued and paid-up share capital, such fees (as agreed) per issue payable to it in connection with the issue of relevant Notes and Permitted Loans or the purchase, sale or incurring of other obligations and any Underlying Assets derived therefrom and bank balances to be used to pay Lunar Funding V PLC's costs in relation to the Programme and each Series of Notes and/or Permitted Loans. Lunar Funding V PLC has no subsidiaries.

The Notes and Permitted Loans issued by Lunar Funding V PLC are obligations of Lunar Funding V PLC alone and not of the Irish Share Trustee, the Irish Manager or the Trustee. Furthermore, they are not obligations of, or guaranteed in any way by, the Arranger, or any Dealer or Counterparty.

Vistra Alternative Investments (Ireland) Limited (the "**Irish Manager**"), whose registered office is at Block A, Georges Quay Plaza, Georges Quay, Dublin 2, Ireland has been appointed Irish Manager for the purposes of providing certain management services to Lunar Funding V PLC. Such services have been provided subject to the terms of a Management Agreement dated 12th October, 2004 between Lunar Funding V PLC, the Trustee and Deutsche International Corporate Services (Ireland) Limited as supplemented by a manager resignation and appointment agreement entered into between Lunar Funding V PLC, Deutsche International Corporate Services (Ireland) Limited and the Irish Manager dated 30th September, 2018 (the "**Management Agreement**"). The significant business activities of the Irish Manager include the provision of management and administration services to special purpose vehicles. Documentation should be executed by the Irish Manager directly wherever possible. UK execution is not advisable.

The responsibilities of the Irish Manager include keeping and maintaining Lunar Funding V PLC's accounts and records, providing treasury/cash management systems where considered appropriate and implementing the necessary information systems to track the assets and liabilities, bank balances and investment profiles of Lunar Funding V PLC.

Under the Management Agreement executed by Lunar Funding V PLC, the Trustee and the Irish Manager, Lunar Funding V PLC may terminate the appointment of the Irish Manager at any time (by giving not less than 30 days' prior written notice to the Irish Manager), and shall require the retirement of the Irish Manager upon (inter alia) the insolvency, bankruptcy or liquidation of the Irish Manager, or its failure to make any payment under such Management Agreement or at the option of Lunar Funding V PLC provided all fees due and payable to the Irish Manager have been paid. The Irish Manager may retire from its appointment at any time giving not less than 30 days' prior written notice to Lunar Funding V PLC. Any such retirement is only effective on a replacement Irish Manager acceptable to Lunar Funding V PLC being appointed on similar terms to the Management Agreement.

Pursuant to an Advisory Agreement dated 12th October, 2004 between Deutsche International Corporate Services (Ireland) Limited and NatWest Markets Plc (in this capacity, the "**Advisor**") as novated to the Irish Manager pursuant to a deed of novation dated 30th September, 2018, the Irish Manager will be advised by the Advisor in the performance of certain of its functions as Irish Manager. The responsibilities of the Advisor include providing banking, treasury and cash management facilities, advising on management information systems, advising on the appointment of agents of Lunar Funding V PLC, providing signatories where necessary to meet the obligations of Lunar Funding V PLC, undertaking bank reconciliations and assisting in any activities that the Irish Manager may undertake for Lunar Funding V PLC.

The Advisory Agreement may be terminated forthwith if either party goes into liquidation or commits a material breach of the Advisory Agreement or if the relevant Management Agreement is terminated or the Irish Manager ceases to act as manager under the Management Agreement and no successor manager is appointed. Lunar Funding V PLC may require the Manager to terminate the Advisory Agreement whereupon the Manager shall give not less than 30 days' prior written notice of such termination to the Advisor. The Advisor may retire its appointment by giving not less than 30 days' prior written notice but such retirement will not be effective until a replacement Advisor acceptable to both Lunar Funding V PLC and the Irish Manager is appointed.

### ***Board of Management***

The Directors of Lunar Funding V PLC, all of whom are employees of Vistra Alternative Investments (Ireland) Limited are as follows as at the date of this Programme Memorandum:

<b>Name</b>	<b>Occupation</b>
Shengjie Xu	Company Director
Fergus O'Donnell	Company Director

The business address of each of the Directors is c/o Block A, Georges Quay Plaza, Georges Quay, Dublin 2, Ireland.

### ***Financial Statements***

Since the date of its incorporation Lunar Funding V PLC has published financial statements in respect of the periods ending 31<sup>st</sup> December, 2004, 31<sup>st</sup> December, 2005, 31<sup>st</sup> December, 2006, 31<sup>st</sup> December, 2007, 31<sup>st</sup> December, 2008, 31<sup>st</sup> December, 2009, 31<sup>st</sup> December, 2010, 31<sup>st</sup> December, 2011, 31<sup>st</sup> December, 2012, 31<sup>st</sup> December, 2013, 31<sup>st</sup> December, 2014, 31<sup>st</sup> December, 2015, 31<sup>st</sup> December, 2016 and 31<sup>st</sup> December, 2017. These and any future financial statements prepared for Lunar Funding V PLC will be available from the registered office of Lunar Funding V PLC and the specified office of the Issuing and Paying Agent in London, as described on page 129. The Trust Deed requires the Issuer to provide written confirmation to the Trustee, on an annual basis, that no Event of Default or other matter which is required to be brought to the Trustee's attention has occurred.

### ***Auditors***

The auditors of Lunar Funding V PLC are EY who are members of the Institute of Chartered Accountants and registered auditors qualified to practise in Ireland. The address of the auditors is as follows:

EY  
EY Building  
Harcourt Centre  
2 Harcourt Street  
Dublin  
Ireland

## **DESCRIPTION OF NATWEST MARKETS PLC**

NatWest Markets Plc (the 'Bank') is a wholly-owned subsidiary of The Royal Bank of Scotland Group plc (the 'holding company'), a banking and financial services group. The Bank provides corporate and institutional customers with financing and risk management solutions, with a focus on rates, currencies and financing products.

The 'NWM Group' comprises the Bank and its subsidiary and associated undertakings. The 'RBS Group' comprises the holding company and its subsidiary and associated undertakings, including the NWM Group.

As at 31 December 2018, the NWM Group had total assets of £247.8 billion and owners' equity of £9.0 billion and the Bank had a total capital ratio of 21.5% and a CET1 capital ratio of 15.6%. Full financial information relating to the NWM Group can be found in its latest financial results release (<https://investors.rbs.com/~media/Files/R/RBS-IR/results-center/15-02-2019/natwest-markets-annual-report-15-02-2019.pdf>).

The long-term, unsecured and unsubordinated debt obligations of the Bank are rated BBB+ by Standard & Poor's, A by Fitch and Baa2 by Moody's. The Bank's counterparty risk assessment is A3(cr) by Moody's.

As at the date of this Prospectus, the Bank has securities admitted to trading on the regulated market of the London Stock Exchange.

## TAXATION

### GENERAL

Purchasers of Notes may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Note. Potential purchasers who are in any doubt about their tax position on purchase, ownership, transfer or exercise of any Note should consult their own tax advisers. **In particular, no representation is made as to the manner in which payments under the Notes would be characterised by any relevant taxing authority.**

### CAYMAN ISLANDS TAXATION

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

#### **Under Existing Cayman Islands Laws:**

Payments of interest and principal on the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal or a dividend or capital to any holder of the Notes, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue of the Notes, a Coupon or Receipt (in bearer form). The Notes, Coupon and Receipt themselves will be stampable if they are executed in or brought into the Cayman Islands.

The Company has been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has obtained an undertaking from the Financial Secretary of the Cayman Islands in the following form:

#### **The Tax Concessions Law**

##### **2018 Revision**

##### **Undertaking as to Tax Concessions**

In accordance with the provision of section 6 of The Tax Concessions Law (2018 Revision), the Financial Secretary undertakes with Lunar Funding I Limited ("the **Company**").

- (a) That no law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and
- (b) In addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:
  - (i) On or in respect of the shares, debentures or other obligations of the Company;
  - (ii) by way of the withholding in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2018 Revision).

(c) These concessions shall be for a period of twenty years from the 3<sup>rd</sup> day of August 1999.

## **The Cayman Islands – Automatic Exchange of Financial Account Information**

The Cayman Islands has signed two intergovernmental agreements to improve international tax compliance and the exchange of information - one with the United States and one with the United Kingdom (the "US IGA" and the "UK IGA", respectively). The Cayman Islands has also signed, along with over 80 other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard ("CRS" and together with the US IGA and the UK IGA, "AEOI").

Cayman Islands regulations have been issued to give effect to the US IGA, the UK IGA and CRS (collectively, the "AEOI Regulations"). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the "TIA") has published guidance notes on the application of the US and UK IGAs and CRS. It is anticipated that the UK IGA related regulations and relevant provisions of the guidance notes will be phased out in 2017 and replaced with CRS.

All Cayman Islands "Financial Institutions" (including the Cayman Issuer) are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless the Cayman Issuer is able to rely on an exemption that permits it to be treated as a "Non-Reporting Cayman Islands Financial Institution" (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under CRS. The Cayman Issuer does not propose to rely on any Non-Reporting Cayman Islands Financial Institution exemption and therefore intends to comply with all of the requirements of the AEOI Regulations as a "Reporting Financial Institution".

The AEOI Regulations require the Cayman Issuer to, amongst other things, (i) register with the IRS to obtain a Global Intermediary Identification Number (in the context of the US IGA only), (ii) register with the TIA, and thereby notify the TIA of its status as a "Reporting Financial Institution", (iii) adopt and implement written policies and procedures setting out how it will address its obligations under CRS, (iv) conduct due diligence on its accounts to identify whether any such accounts are considered "Reportable Accounts", and (v) report information on such Reportable Accounts to the TIA. The TIA will transmit such information to the applicable overseas fiscal authorities.

Under the terms of the US IGA, withholding will not be imposed on payments made to the Cayman Issuer unless the IRS has specifically listed the Cayman Issuer as a non-participating financial institution, or on payments made by the Cayman Issuer to the Noteholders unless the Cayman Issuer has otherwise assumed responsibility for withholding under United States tax law.

## **IRISH TAXATION**

### **Introduction**

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the Notes issued by the Irish Issuer based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with Noteholders who beneficially own their Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

## Taxation of Noteholders

### *Withholding Tax*

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest, which should include interest payable on the Notes.

An Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of Irish source interest on a Note, provided the interest does not come within certain new rules introduced by the Finance Act 2016 and Finance Act 2017, as described below under the heading “Deductibility of Interest”, where:

- (a) the Notes are quoted Eurobonds, i.e. securities which are issued by a company (such as the Issuer), which are listed on a recognised stock exchange (such as Euronext Dublin) and which carry a right to interest; and
- (b) the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:
  - a. the Notes are held in a clearing system recognized by the Irish Revenue Commissioners (DTC, Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or
  - b. the Noteholder is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form; and
- (c) Interest which is profit dependent and which is paid out on the Notes could, under certain anti-avoidance provisions, be re-characterised as a distribution and subject to dividend withholding tax in certain circumstances. However, this should not apply on the basis of a confirmation by the Issuer that, at the time the Notes were issued, the Issuer was not in possession or aware of any information which could reasonably be taken to indicate that interest or other distributions paid on the Notes would not be subject, without reduction computed by reference to the amount of such interest or other distribution, to a tax in a relevant territory which generally applies to profits, income or gains received in that relevant territory by persons from sources outside that relevant territory, where the term “relevant territory” means a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty (“**Relevant Territory**”).

Thus, so long as the Notes continue to be quoted on Euronext Dublin, are held in Euroclear and/or Clearstream, Luxembourg, and the Issuer has provided the confirmation set out above, interest on the Notes can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the Notes continue to be quoted but cease to be held in a recognised clearing system, interest on the Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland and the Issuer has provided the confirmation set out in paragraph (c) above.

### *Deductibility of Interest*

Rules contained in the Finance Act 2016 and Finance Act 2017 restrict deductibility of interest paid by a qualifying company (such as the Irish Issuer) that is profit dependent or exceeds a reasonable commercial return to the extent that the interest is associated with a ‘specified property business’ carried on by that qualifying company. A ‘specified property business’ of a qualifying company means, subject to a number of exceptions, a business of holding “specified mortgages”, units in an IREF (being a specified form of investment undertaking within the meaning of Chapter 1B of Part 27 of the TCA) or shares that derive their value or the greater part of their value, directly or indirectly, from Irish land. A “specified mortgage” for this purpose is (a) a loan which is secured on, and which derives its value from, or the greater part of its value from, directly or indirectly, Irish land, (b) a



‘specified agreement’ (effectively a profit dependent derivative) which derives all of its value, or the greater part of its value, directly or indirectly, from Irish land or a loan to which (a) applies, or (c) the portion of a specified security (essentially a security in respect of which, if the Finance Act 2016 and Finance Act 2017 rules did not apply to it, payments on that security would be deductible under section 110 of the TCA), is attributable to the specified property business in accordance with the new rules..

The legislation treats the holding of such specified mortgages as a separate business to the rest of the qualifying company’s activities. The qualifying company is taxed on any profit that is attributable to that business at 25% and any such interest that is profit dependent or exceeds a reasonable commercial return is not deductible, subject to a number of exceptions, and potentially subject to Irish withholding tax at 20%.

To the extent that the Notes are secured on Irish land or derive their value or the greater part of their value from Irish land, or there is a ‘specified agreement’ for these purposes, then the new rules could apply to payments by the Irish Issuer in respect of the Notes, but only to the extent such payments comprise interest which is profit dependent or exceeds a reasonable commercial return.

#### *Encashment Tax*

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

#### *Income Tax, PRSI and Universal Social Charge*

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

Interest paid on the Notes may have an Irish source and therefore may be within the charge to Irish income tax. In the case of Noteholders who are non-resident individuals such Noteholders may also be liable to pay the universal social charge in respect of interest they receive on the Notes.

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

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA, the recipient is not resident in Ireland and is resident in a Relevant Territory and, the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income tax provided the recipient company is not resident in Ireland and is either resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory or the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come in to force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where: the recipient is a person not resident in Ireland and resident in a Relevant Territory or is a company not resident in Ireland which is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a Relevant Territory is resident for the purposes of tax in a

Relevant Territory and is not under the control of person(s) who are not so resident or is a company not resident in Ireland where the principal class of shares of the company or its 75 per cent parent is substantially and regularly traded on a recognised stock exchange. For the purposes of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

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

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

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

#### *Capital Gains Tax*

A holder of Notes will not be subject to Irish tax on capital gains on a disposal of Notes unless (i) such holder is either resident or ordinarily resident in Ireland or (ii) carries on a trade in Ireland through a branch or agency in respect of which the Notes were used or held or (iii) the Notes cease to be listed on a stock exchange in circumstances where the Notes derive their value or more than 50% of their value from Irish real estate, mineral right or exploration rights.

#### *Capital Acquisitions Tax*

A gift or inheritance of Notes will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs, is currently levied at 33 per cent) if either (i) the disponent or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponent is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the Notes are regarded as property situate in Ireland (i.e. if the Notes are physically located in Ireland or if the register of the Notes is maintained in Ireland).

#### *Stamp Duty*

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

### **UNITED KINGDOM TAXATION**

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuers' understanding of current United Kingdom law and published HM Revenue & Customs practice relating only to the United Kingdom withholding tax treatment of payments in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. Some aspects do not apply to certain classes of person (such as dealers and

persons connected with the Issuers) to whom special rules may apply. **Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.**

## **Interest on the Notes**

### *Payment under the Notes*

Interest on the Notes may be paid by the Issuers without withholding or deduction for or on account of United Kingdom income tax unless such interest has a United Kingdom source.

In certain circumstances, interest on Notes may have a United Kingdom source; for example interest on Notes secured on United Kingdom assets may have a United Kingdom source. The remainder of this section (*Payment under the Notes*) considers the position in relation to interest which has a United Kingdom source ("**UK Interest**").

If, and for so long as, Notes are listed on a "recognised stock exchange" within the meaning of section 1005 Income Tax Act 2007 (the "**Act**") or admitted to trading on a multilateral trading facility operated by an EEA-regulated recognised stock exchange within the meaning of section 987 of the Act, payment of UK Interest on such Notes may be made without withholding or deduction for or on account of United Kingdom income tax.

Section 1005(3) of the Act provides that securities will be listed on a recognised stock exchange if (and only if) they are admitted to trading on that exchange, and either they are included in the United Kingdom official list (within the meaning of Part 6 of the Financial Services and Markets Act 2000) or they are officially listed in accordance with provisions corresponding to those generally applicable in European Economic Area states, in a country outside the United Kingdom in which there is a recognised stock exchange.

On the basis of the HM Revenue & Customs ("**HMRC**") published information regarding which stock exchanges are recognised, Euronext Dublin is a "recognised stock exchange" for these purposes.

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

If none of the above exemptions apply, UK Interest will generally be paid under deduction of United Kingdom income tax at the basic rate (currently 20%) subject to any direction to the contrary by HMRC under the provisions of an applicable double taxation treaty or to any other exemption which may apply.

If Notes are issued at a discount to their principal amount, any such discount element is not subject to any United Kingdom withholding tax. If Notes are redeemed at a premium to principal amount (as opposed to being issued at a discount) then, depending on the circumstances, such premium may constitute a payment of interest for United Kingdom tax purposes and hence be subject to the United Kingdom withholding tax rules outlined above.

## **THE FOREIGN ACCOUNT TAX COMPLIANCE ACT OF THE UNITED STATES**

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. Both the Cayman Issuer and the Irish Issuer have registered with the US Internal

Revenue Service as reporting foreign financial institutions for these purposes. A number of jurisdictions (including the Cayman Islands and Ireland) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change.

Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date two years after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register and Notes issued on or prior to the date that is six months after the date on which final regulations defining “foreign passthru payments” are filed with the U.S. Federal Register generally would be “grandfathered” for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the issuer) and/or characterised as equity for US tax purposes. However, if additional notes (as described under Condition 6(c) (*Further Issues and Additional Indebtedness*) and Condition 16 (*Further Issues*) of the Terms and Conditions) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Noteholders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

## BOOK-ENTRY CLEARANCE SYSTEMS

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, the "Clearing Systems") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers believe to be reliable, but none of the Issuers nor any Dealer takes any responsibility for the accuracy thereof. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuers nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

### **Book-entry Systems**

#### *Euroclear and Clearstream, Luxembourg*

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

## SUBSCRIPTION AND SALE AND TRANSFER RESTRICTIONS

Subject to the terms and on the conditions contained in an amended and restated Dealer Agreement dated 5 March 2019 between the Issuers and NatWest Markets Plc (the "**Arranger**" and the "**Dealer**"), (the "**Dealer Agreement**"), the Notes will be offered on a continuous basis by the Issuers to NatWest Markets Plc and/or such dealer(s) (each a "**Dealer**") as may be appointed from time to time in respect of any Series pursuant to the Dealer Agreement. The Issuers' right to appoint additional Dealers is subject to approval by the Arranger and the Issuers will if requested by the Arranger appoint as additional Dealer(s) the persons proposed by it. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuers through the Dealers, acting as placement agents of the Issuers for the purposes of placement of Notes with purchasers. The Dealer Agreement also provides for Notes to be issued on a syndicated basis that are jointly and severally underwritten by two or more Dealers. The Dealer Agreement entitles the relevant Dealer to terminate its obligations in respect of any issue of Notes of any Series in certain circumstances prior to payment being made to the relevant Issuer.

In order to facilitate the offering of any Tranche of the Notes, certain persons participating in the offering of the Tranche may engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Notes during and after the offering of the Tranche. Specifically such persons may over-allot or create a short position in the Notes for their own account by selling more Notes than have been sold to them by the relevant Issuer. Such persons may also elect to cover any such short position by purchasing Notes in the open market. In addition, such persons may support the price of the Notes by bidding for or purchasing Notes in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Notes are reclaimed if Notes previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to support the market price of the Notes at a level above that which might otherwise prevail in the open market for a limited period after the Issue Date. The imposition of a penalty bid may also affect the price of the Notes to the extent that it discourages resales thereof. No representation is made as to the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Under UK laws and regulations stabilising activities may only be carried on by the Stabilising Agent named in the applicable Issue Memorandum and only for a period of 30 days following the Issue Date of the relevant Tranche of Notes.

The Issuers have agreed to reimburse the Arranger for certain of its expenses incurred in connection with the establishment and any future update of the Programme and to reimburse the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the applicable Issue Memorandum.

Each Issuer has agreed to indemnify the Dealers against certain liabilities, including liabilities under the Securities Act, in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe or place Notes in certain circumstances prior to payment for such Notes being made to the relevant Issuer.

### *United States*

The Notes have not been, and will not be, registered under the Securities Act, and may not at any time be offered or sold in or into the United States or to, or for the account or benefit of, US persons (as defined in Regulation S) or US persons (as defined in the final risk retention rules promulgated under Section 15G of the Securities Exchange Act) or to any persons who are not Non-United States Persons (as defined in Rule 4.7 of the United States Commodity Futures Trading Commission) unless otherwise specified in the relevant Issue Memorandum. Notes in bearer form are subject to US tax law requirements. None of the Issuers will be registered under the Investment Company Act.

Accordingly, no sale or other transfer of Notes shall be permitted which would require registration of the relevant Issuer under the Investment Company Act or registration of the Notes under the Securities Act or result in a violation of the securities laws or regulations of any jurisdiction of the United States. Offers to purchase, and subsequent transfers of, Notes will be subject to the foregoing restrictions.

**Regulation S** Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of an identifiable tranche of which such Notes are a part (the "**Distribution Compliance Period**"), as determined and certified to the Agent by such Dealer (or, in the case of an identifiable tranche of Notes sold to or through more than one Dealer, by each of such Dealers with respect to Notes of such identifiable tranche purchased by or through it, or, in the case of a syndicated issue, by the relevant lead manager) within the United States or to, or for the account or benefit of, US persons, and it will have sent to each Dealer to which it sells Notes during the Distribution Compliance Period a confirmation or other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, US persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

Global Notes sold in reliance on Regulation S will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE OFFER, SALE, PLEDGE OR TRANSFER OF THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) IS SUBJECT TO CERTAIN CONDITIONS AND RESTRICTIONS, INCLUDING THOSE SET FORTH IN THE PRINCIPAL TRUST DEED RELATING TO THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN). THE HOLDER HEREOF, BY PURCHASING OR OTHERWISE ACQUIRING THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN), ACKNOWLEDGES THAT THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND THAT THE ISSUER HAS NOT REGISTERED AND WILL NOT REGISTER UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER AGREES FOR THE BENEFIT OF THE ISSUER THAT THIS NOTE (OR ANY INTEREST OR PARTICIPATION HEREIN) MAY ONLY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN COMPLIANCE WITH THE SECURITIES ACT, THE INVESTMENT COMPANY ACT AND THE SECURITIES LAWS OF OTHER APPLICABLE JURISDICTIONS. THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) MAY NOT BE HELD BY ANY PERSON WITHIN THE UNITED STATES OR ANY PERSON WHO IS A US PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) OR A US PERSON (AS DEFINED IN THE FINAL RISK RETENTION RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED) OR ANY PERSONS WHO ARE NOT NON-UNITED STATES PERSONS (AS DEFINED IN RULE 4.7 OF THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION).

Global Certificates will bear a legend to the following effect:

THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE OFFER, SALE, PLEDGE OR TRANSFER OF THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) IS SUBJECT TO CERTAIN CONDITIONS AND RESTRICTIONS, INCLUDING THOSE SET FORTH IN THE PRINCIPAL TRUST DEED RELATING TO THIS NOTE (OR ANY BENEFICIAL INTEREST OR

PARTICIPATION HEREIN). THE HOLDER HEREOF, BY PURCHASING OR OTHERWISE ACQUIRING THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN), ACKNOWLEDGES THAT THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND THAT THE ISSUER HAS NOT REGISTERED AND WILL NOT REGISTER UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER AGREES FOR THE BENEFIT OF THE ISSUER THAT THIS NOTE (OR ANY INTEREST OR PARTICIPATION HEREIN) MAY ONLY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN COMPLIANCE WITH THE SECURITIES ACT, THE INVESTMENT COMPANY ACT AND THE SECURITIES LAWS OF OTHER APPLICABLE JURISDICTIONS. THIS NOTE (OR ANY BENEFICIAL INTEREST OR PARTICIPATION HEREIN) MAY NOT BE HELD BY ANY PERSON WITHIN THE UNITED STATES OR ANY PERSON WHO IS A US PERSON (AS DEFINED IN REGULATION S OF THE SECURITIES ACT) OR A US PERSON (AS DEFINED IN THE FINAL RISK RETENTION RULES PROMULGATED UNDER SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED) OR ANY PERSONS WHO ARE NOT NON-UNITED STATES PERSONS (AS DEFINED IN RULE 4.7 OF THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION).

**Bearer Notes** Bearer Notes are subject to US tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by US tax regulations. Terms used in this paragraph have the meanings given to them by the US Internal Revenue Code of 1986 and regulations thereunder.

**General** This Programme Memorandum has been prepared by the Issuers for use in connection with the offer and sale of the Notes outside the United States to persons that are not US persons (as defined in Regulation S) and for the listing of the Notes on Euronext Dublin.

The name or names of the Dealer or Dealers with respect to the Notes and the Issue Price of the Notes will be specified in the relevant Issue Memorandum.

### ***European Economic Area***

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Arranger and each Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) if the offering document in relation to the Notes specifies that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the offering document contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus, as applicable and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;



- (c) at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the relevant Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive or Articles 1(3) and/or 3(2)(b) of Regulation (EU) 2017/1129,

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

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

**IMPORTANT – EEA RETAIL INVESTORS** – If the Issue Memorandum in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; (ii) a customer within the meaning of Directive 2002/92/EC on insurance mediation (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

### ***United Kingdom***

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### ***Cayman Islands***

No invitation may be made directly or indirectly to the public in the Cayman Islands to subscribe for any of the Notes.

### ***Hong Kong***

Each Dealer has represented and agreed that:

- (a) it has not offered or sold, and will not offer or sell, in Hong Kong, by means of any document, any Notes other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong ("**CO Winding Up Provisions**"), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("**SFO**") and any rules made under the SFO, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the CO Winding Up Provisions; and
- (b) it has not issued, or had in its possession for the purposes of issue, and will not issue, or have in its possession for the purposes of issue (in each case whether in Hong Kong or elsewhere), any advertisement, invitation or document relating to the Notes which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

### ***Japan***

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the "**Financial Instruments and Exchange Law**"). The Notes, and any interests therein, may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and guidelines of Japan promulgated by the relevant Japanese governmental and regulatory authorities and which are in effect at the relevant time. As used in this paragraph, "**resident of Japan**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

### ***Singapore***

The Programme Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Programme Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of such Notes be circulated or distributed, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor or other person specified in Section 274 of the SFA, (ii) to a relevant person

pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 except:
  - (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person where the transfer arises from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
  - (ii) where no consideration is or will be given for the transfer;
  - (iii) where the transfer is by operation of law;
  - (iv) as specified in Section 276(7) of the SFA; or
  - (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

### **Italy**

The offering of the Notes has not been registered pursuant to Italian securities legislation and accordingly, no Notes offering document may be offered, sold or delivered, nor may copies of this Programme Memorandum, any offering document or any other document relating to the Notes be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*) ("**Qualified Investors**"), as defined under Article 34-ter, paragraph 1, letter b) of Regulation No. 11971 issued by CONSOB (the Italian Securities Exchange Commission) on 14 May 1999, as amended (the "**Regulation 11971/1999**"); or
- (b) in circumstances which are exempted from the rules on offers of securities to be made to the public pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Article 34-ter, first paragraph, of Regulation 11971/1999.

Any offer, sale or delivery of the Notes or distribution of copies of this Programme Memorandum, any offering document or any other document relating to the Notes or Alternative Investments in the Republic of Italy under (a) or (b) above must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB

Regulation No. 16190 of 29 October 2007 and Legislative Decree No. 385 of 1 September 1993, as amended; and

- (b) in compliance with any other applicable laws and regulations.

In accordance with Article 100-bis of the Financial Services Act, where no exemption under (b) above applies, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of securities to be made to the public provided under the Financial Services Act and the Regulation 11971/1999. Failure to comply with such rules may result, inter alia, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

### ***Ireland***

Each of the Dealers has represented and agreed that:

- (a) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended, the “**MiFID II Regulations**”), including, without limitation, Regulation 5 (Requirement for authorisation (and certain provisions concerning MTFs and OTFs)) thereof, or any rules or codes of conduct made under the MiFID II Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);
- (b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Companies Act 2014 (as amended), the Central Bank Acts 1942 to 2015 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989 (as amended);
- (c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued by the Central Bank under Section 1363 of the Companies Act 2014;
- (d) it will not underwrite the issue of, place, or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse Regulation (EU 596/2014) (as amended) and any rules and guidance issued by the Central Bank under Section 1370 of the Companies Act 2014; and
- (e) it will ensure no Notes will be offered or sold with a maturity of less than 12 months except in full compliance with Notice BSD C 01/02 issued by the Central Bank.

### ***Korea***

The Notes have not been registered with the Financial Services Commission of Korea for a public offering in Korea. The Notes have not been and will not be offered, sold or delivered directly or indirectly, or offered, sold or delivered to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea, except as otherwise permitted under applicable Korean laws and regulations, including the Financial Investment Services and Capital Markets Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder.

By the purchase of the Notes, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Notes pursuant to the applicable laws and regulations of Korea.

### ***China***

Each of the Dealers has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell any Notes in the People's Republic of China (excluding Hong Kong, Taiwan and Macau) (the "PRC") directly or indirectly. This Programme Memorandum does not constitute a public offer of the Notes, whether by sale or subscription in the PRC.

No Notes may be offered or sold, directly or indirectly, and neither this Programme Memorandum nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the Notes or any beneficial interest therein without obtaining all prior PRC's governmental approvals that are required, whether statutorily or otherwise. Persons who come into possession of this document are required by the issuer and its representatives to observe these restrictions.

### ***General***

Each Dealer has agreed and each further Dealer appointed by the Issuers will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Programme Memorandum and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuers, the Trustee nor any of the other Dealers shall have any responsibility therefor.

None of the Issuers, the Trustee and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuers and the relevant Dealer shall agree and as shall be set out in the applicable Issue Memorandum.

## **GENERAL INFORMATION**

### **Listing**

It is expected that each Series of Notes which is to be admitted to the Official List of Euronext Dublin will be admitted separately as and when issued subject only to the issue of a Global Note or Global Certificate initially representing Notes of that Series. The admission of the Programme in respect of such Notes to the Official List of Euronext Dublin will be granted on or about 5 March 2019. Unlisted Notes or Notes issued on an alternative or additional stock exchange may also be issued under the Programme.

### **Incorporation, Authorisations and Consents**

Lunar Funding I Limited was incorporated on 21st July, 1999. Lunar Funding V PLC was incorporated on 14th May, 2004.

The Issuers have obtained all necessary consents, approvals and authorisations (if any) in connection with the issue and performance of the Notes. The establishment of the Programme was authorised by a resolution of the Board of Directors of the Cayman Issuer passed on 14th October, 1999. The resignation of Greenwich NatWest Limited (as agent for National Westminster Bank Plc) as Arranger, Dealer and Advisor and the appointment of NatWest Markets Plc as Arranger, Dealer and Advisor was approved by a Board Resolution of the Cayman Issuer passed on 18th September, 2000. The update of the Programme was authorised by resolutions of the respective Board of Directors of Lunar Funding I Limited passed on 1 March 2019 and by resolutions of the Board of Directors of Lunar Funding V PLC passed on 1 March 2019.

### **No Material Change**

There has been no significant change in the financial position or trading position of the Cayman Issuer and no material adverse change in the financial position or prospects of the Cayman Issuer, in each case since the date of incorporation of the Cayman Issuer. There has been no material adverse change in the financial position or prospects of Lunar Funding V PLC since the date of its last published audited financial statements.

### **No Litigation**

None of the Issuers, is or has been involved in any legal, governmental or arbitration proceedings which may have, or have had since the date of its incorporation, respectively, a significant effect on its financial position or profitability nor is it aware that any such proceedings are pending or threatened.

### **Clearing**

Notes may be accepted for clearance through the Euroclear and Clearstream, Luxembourg systems and DTC, in each case as specified in the applicable Issue Memorandum. The Common Code, International Securities Identification Number (ISIN), CUSIP and CINS numbers and PORTAL symbol (if any) for each Series of Notes will be set out in the applicable Issue Memorandum.

### **Documents Available for Inspection**

- (a) From the date of this Programme Memorandum and for so long as the Programme remains in effect or any Notes remain outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) in physical form for inspection at the specified office of the Paying Agent for the time being in

London, from the specified office of the Irish Listing Agent and at the registered office of each of the Issuers:

- (i) the Principal Trust Deed dated 5 March 2019 together with each Supplemental Trust Deed;
  - (ii) the Dealer Agreement dated 5 March 2019;
  - (iii) the Agency Agreement dated 5 March 2019;
  - (iv) the procedures memorandum dated 5 March 2019 setting out the administrative procedures and guidelines relating to the settlement of issues of Notes (the "**Procedures Memorandum**");
  - (v) the Administration Agreement relating to the Cayman Issuer;
  - (vi) the Management Agreements relating to each of the Issuers;
  - (vii) the Declarations of Trust relating to each of the Cayman Issuer and Lunar Funding V PLC;
  - (viii) the Memorandum and Articles of Association of the Cayman Issuer and the Constitution of Lunar Funding V PLC;
  - (ix) a copy of this Programme Memorandum together with any supplemental or further Programme Memorandum;
  - (x) the financial statements of Lunar Funding V PLC for the period ending 31<sup>st</sup> December, 2016 and the period ending 31<sup>st</sup> December, 2017; and
  - (xi) the unaudited financial statements of Lunar Funding V PLC for the half year ending 30<sup>th</sup> June, 2018.
- (b) In respect of each Series of Notes issued, copies of each Issue Memorandum, Issue Memorandum, Subscription Agreement (if any) and the related Supplemental Trust Deed, Credit Support Document, Related Agreement, Asset Management Agreement, Repurchase Agreement, Custody Agreement and Account Bank Agreement (if any) for Notes which are admitted to the Official List of Euronext Dublin or are listed on any other stock exchange may be inspected by holders thereof at the specified office of the Paying Agent for the time being in London during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) in physical form for as long as such Notes remain outstanding.

## Financial Statements

As at the date of this Programme Memorandum no financial statements have been prepared for the Cayman Issuer. The financial statements of Lunar Funding V PLC for the period ending 31<sup>st</sup> December, 2016 and the period ending 31<sup>st</sup> December, 2017 have been published and are available at the following websites:

<http://www.ise.ie/app/announcementDetails.aspx?ID=13209444>

<https://www.ise.ie/app/announcementDetails.aspx?ID=13622428>

The unaudited financial statements of Lunar Funding V PLC for the half year ending 30<sup>th</sup> June, 2018 are available at the following website:

<https://www.ise.ie/app/announcementDetails.aspx?ID=13809635>

These and any future financial statements of the Issuer will be audited and will be available for collection by Noteholders during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the specified office of the Paying Agent in London.



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